As filed with the Securities and Exchange Commission on October 30, 2014

Registration No. 333-198271

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

AMENDMENT NO. 3
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

AXALTA COATING SYSTEMS LTD.
(Exact name of registrant as specified in its charter)

Bermuda	2851	98-1073028
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

Two Commerce Square
2001 Market Street
Suite 3600
Philadelphia, Pennsylvania 19103
(855) 547-1461
(Address, including zip code, and telephone number, including area code, of the registrant's principal executive offices)

Michael F. Finn
Senior Vice President and General Counsel
Axalta Coating Systems Ltd.
Two Commerce Square
2001 Market Street
Suite 3600
Philadelphia, Pennsylvania 19103
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(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Patrick H. Shannon **Jason M. Licht** **Latham & Watkins LLP** **555 Eleventh Street, NW** **Washington, D.C. 20004** **(202) 637-2200**	**Craig F. Arcella** **Cravath, Swaine & Moore LLP** **825 Eighth Avenue** **New York, NY 10019** **(212) 474-1000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

¨ Large accelerated filer ¨ Accelerated filer x Non-accelerated filer ¨ Smaller reporting company

Title of Securities to be registered	Amount to be registered(a)	Proposed maximum offering price per share(b)	Proposed maximum aggregate offering price(a)(b)	Amount of registration fee(c)
Common shares, $1.00 par value per share	51,750,000	$21.00	$1,086,750,000	$127,540.35

(a) Includes 6,750,000 additional common shares that may be purchased by the underwriters.
(b) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(a) promulgated under the Securities Act of 1933, as amended.
(c) Of this amount, $12,880 was previously paid in connection with the initial filing of this Registration Statement on August 20, 2014.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. The selling shareholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated October 30, 2014

PROSPECTUS

45,000,000 Shares

Axalta Coating Systems Ltd.

Common Shares

This is Axalta Coating Systems Ltd.'s initial public offering. The selling shareholders named in this prospectus, including affiliates of The Carlyle Group ("Carlyle"), are selling 45,000,000 common shares in this offering.

We expect the public offering price to be between $18.00 and $21.00 per share. Currently, no public market exists for our common shares. We have applied for listing of our common shares on the New York Stock Exchange (the "NYSE") under the symbol "AXTA".

Investing in the common shares involves risks that are described in the "Risk Factors" section beginning on page 24 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount(1)	$	$
Proceeds, before expenses, to the selling shareholders	$	$

(1) We have agreed to reimburse the underwriters for certain expenses in connection with this offering.

The underwriters may also purchase up to an additional 6,750,000 common shares from the selling shareholders, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus. We will not receive any of the proceeds from the sale of common shares by the selling shareholders in this offering, including from any exercise by the underwriters of their option to purchase additional common shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The common shares will be ready for delivery on or about , 2014.

Citigroup **Goldman, Sachs & Co.** **Deutsche Bank Securities** **J.P. Morgan**
BofA Merrill Lynch **Barclays** **Credit Suisse** **Morgan Stanley**
Jefferies **UBS Investment Bank** **Baird** **BB&T Capital Markets** **Nomura** **SMBC Nikko**

The date of this prospectus is , 2014.

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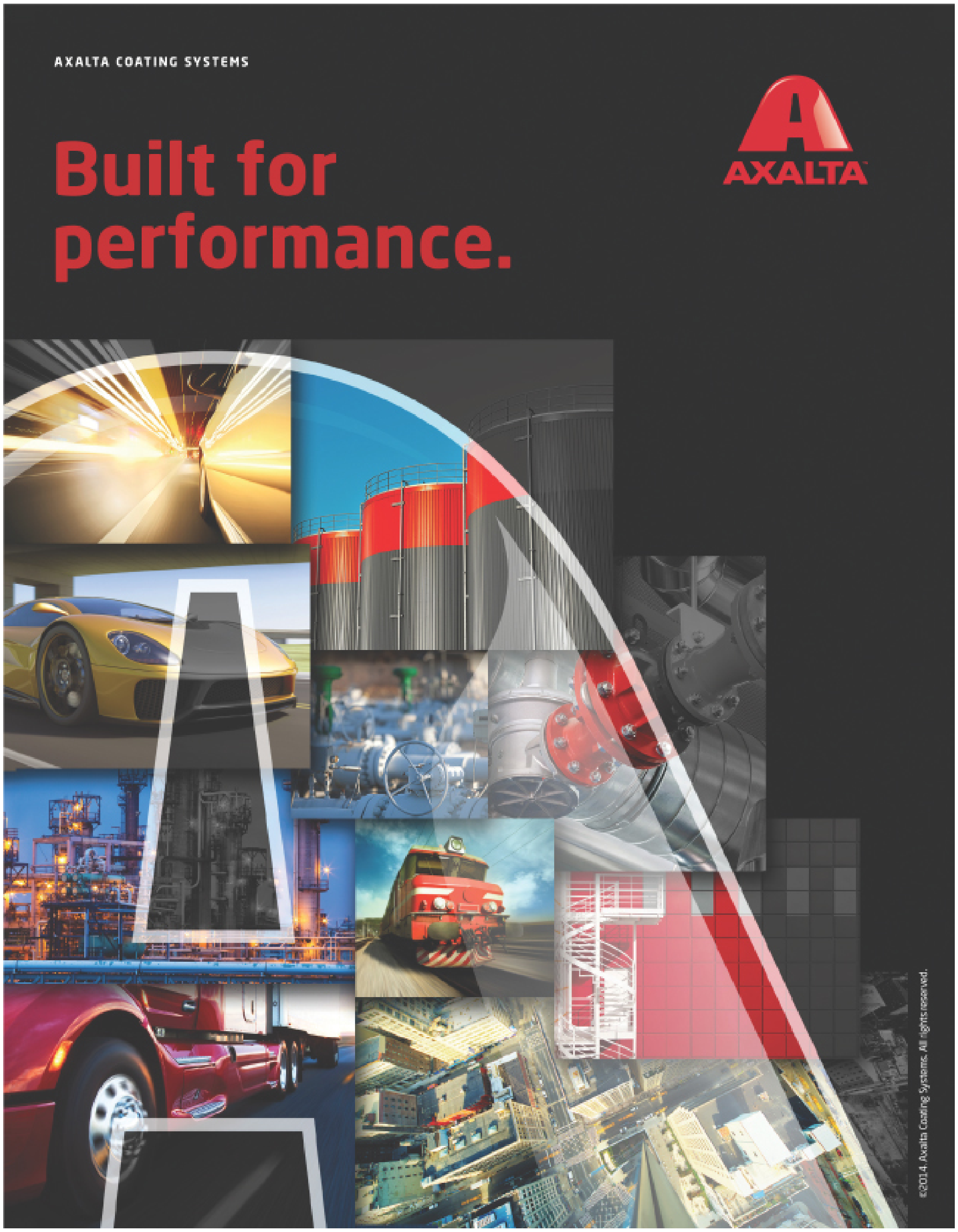

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We are responsible only for the information contained in this prospectus and in any related free-writing prospectus we prepare or authorize. We and the selling shareholders have not, and the underwriters have not, authorized anyone to give you any other information and take no responsibility for any other information that others may give you. The selling shareholders are offering to sell, and seeking offers to buy, the common shares only in jurisdictions where offers and sales are permitted.

Consent under the Exchange Control Act 1972 (and its related regulations) has been obtained from the Bermuda Monetary Authority for the issue and transfer of the common shares to and between residents and non-residents of Bermuda for exchange control purposes provided our common shares remain listed on an appointed stock exchange, which includes the NYSE. In granting such consent, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this prospectus.

MARKET, INDUSTRY AND OTHER DATA

This prospectus includes estimates regarding market and industry data and forecasts, which are based on publicly available information, industry publications and surveys, reports from government agencies, reports by market research firms or other independent sources such as Orr & Boss, Inc. (“Orr & Boss”) and LMC Automotive (“LMC Automotive”), and our own estimates based on our management’s knowledge of and experience in the market sectors in which we compete. Although we believe them to be accurate, we have not independently verified market and industry data from third-party sources. This information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process, and other limitations and uncertainties inherent in industry research and surveys of market size.

References to market share are based on sales generated in the relevant market. Except as otherwise noted, market position data is derived from Orr & Boss and/or management estimates.

References to EMEA refer to Europe, the Middle East and Africa. References to Latin America include Mexico and references to North America exclude Mexico.

References to emerging markets refer collectively to Latin America (including Mexico) and Asia (excluding Japan).

Certain monetary amounts, percentages and other figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

TRADEMARKS

We own or otherwise have rights to the trademarks, service marks, copyrights and trade names, including those mentioned in this prospectus, used in conjunction with the marketing and sale of our products and services. This prospectus includes trademarks, such as Alesta®, Abcite®, Aqua EC®, Centari®, Chemolit®, Chemophan®, Corlar®, CorMax®, Cromax®, Cromax Mosaic®, ExcelPro®, Imron®, Imron Elite®, Lutopen®, Nap-Gard®, Nason®, Rival®, Standox®, Spies Hecker®, Stollaqua®, Stollaquid®, Syntopal®, Voltatex®, Voltron®, Eco-Concept, 3-Wet™ and 2-Wet Monocoat™, which are protected under applicable intellectual property laws and are our property and the property of our subsidiaries. This prospectus also contains trademarks, service marks, copyrights and trade names of other companies, which are the property of their respective owners. We do not intend our use or display of other companies’ trademarks, service marks, copyrights or trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Solely for convenience, our trademarks, service marks and trade names referred to in this prospectus may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks and trade names.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. You should read this entire prospectus and should consider, among other things, the matters set forth under "Risk Factors," "Selected Historical Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our financial statements and related notes thereto appearing elsewhere in this prospectus before making your investment decision. On February 1, 2013, Axalta Coating Systems Ltd. ("ACS") acquired from E. I. du Pont de Nemours and Company ("DuPont") all of the capital stock, other equity interests and assets of certain entities that, together with their subsidiaries, comprised the DuPont Performance Coatings business ("DPC"), which is referred to herein as the "Acquisition." Following the Acquisition, we renamed our business Axalta Coating Systems ("Axalta"). References herein to the "Company," "we," "us," "our" and "our company" refer to ACS and its consolidated subsidiaries. References herein to "fiscal year" refer to our fiscal years, which end on December 31. References herein to the "LTM Period" refer to the twelve months ended June 30, 2014. See "—Summary Historical and Pro Forma Financial Information." References herein to the financial measures "EBITDA" and "Adjusted EBITDA" refer to financial measures that do not comply with generally accepted accounting principles in the United States ("U.S. GAAP"). For information about how we calculate EBITDA and Adjusted EBITDA, see footnote 3 to the table under the heading "—Summary Historical and Pro Forma Financial Information."

Our Company

We are a leading global manufacturer, marketer and distributor of high performance coatings systems. We generate approximately 90% of our revenue in markets where we hold the #1 or #2 global market position, including the #1 position in our core automotive refinish end-market with approximately a 25% global market share. We have a nearly 150-year heritage in the coatings industry and are known for manufacturing high-quality products with well-recognized brands supported by market-leading technology and customer service. Over the course of our history we have remained at the forefront of our industry by continually developing innovative coatings technologies designed to enhance product performance and appearance, while improving customer productivity and profitability.

Our diverse global footprint of 35 manufacturing facilities, 7 technology centers, 45 customer training centers and approximately 12,650 employees allows us to meet the needs of customers in over 130 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through over 4,000 independent, locally based distributors. Our scale and strong local presence are critical to our success, allowing us to leverage our technology portfolio and customer relationships globally while meeting customer demands locally.

For the LTM Period, our net sales were $4,342 million, Adjusted EBITDA was $799 million, or 18.4% of net sales, and net income was $12 million. We have renewed the organization's focus on profitable growth, achieving year-over-year net sales and Adjusted EBITDA growth for each of the five full quarters following the Acquisition. Additionally, we have undertaken several transformational initiatives that we believe have laid the foundation for future growth, resulting in significant new business wins, many of which we expect to contribute to sales beginning in 2015. We have also begun implementing several EBITDA enhancement initiatives that we believe will drive meaningful earnings growth over the next several years. As of June 30, 2014, we had cash of $350 million and outstanding indebtedness of $3,901 million, which may limit the availability of financial resources to pursue our growth initiatives.

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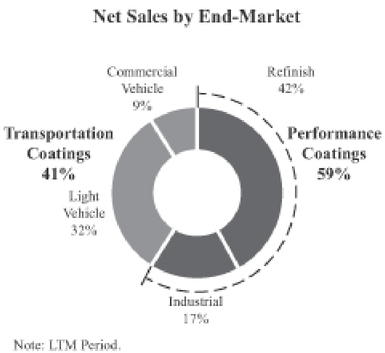
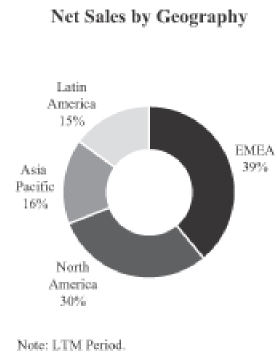
Our business is organized into two segments, Performance Coatings and Transportation Coatings, serving four end-markets globally as highlighted below:





Performance Coatings

Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial as described below.

Refinish End-Market (#1 global market position): We provide waterborne and solventborne coatings to approximately 80,000 independent body shops, dealers and multi-shop operators ("MSOs") to facilitate high-quality, efficient automotive collision repairs. Our advanced color matching technology and library of over four million color variations comprise an advanced color system that enables body shops to refinish vehicles regardless of vehicle brand, color, age, or original paint supplier.

Industrial End-Market: We provide a wide range of liquid and powder coatings to customers who use them in diverse applications, including industrial machinery, electrical insulation, automotive components, architectural cladding and fittings, appliances, outdoor furniture and oil & gas pipelines. Our coatings are often used under severe operating conditions and require high performance such as high mechanical resistance, corrosion protection, elasticity and colorfastness.

Transportation Coatings

Through our Transportation Coatings segment, we provide advanced coatings technologies to original equipment manufacturers ("OEMs") of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed.

Light Vehicle End-Market (#2 global market position): We provide light vehicle OEMs and Tier 1 component suppliers a full range of waterborne and solventborne coatings systems that are a critical, integrated step in the vehicle assembly process. We compete and win new business on the basis of our quality, service and proprietary products that generate significant energy and cost savings for our customers while enhancing productivity and first pass quality. Our global capabilities and focus on technology enable us to provide our global customers with next-generation offerings to enhance appearance, durability and corrosion protection and comply with increasingly strict environmental regulations.

Commercial Vehicle End-Market: We provide liquid coatings to commercial vehicle OEMs, including those in the heavy duty truck ("HDT"), bus, rail and agricultural and construction equipment ("ACE") markets, as well as related markets such as trailers, recreational vehicles and personal sport vehicles. As the #1 global supplier in both the HDT and bus markets, we meet the demands of our customers with an extensive offering of over 70,000 colors.

Transformational Initiatives

Since the Acquisition, we have migrated from a business segment of DuPont to an independent global company exclusively focused on coatings. We have completed the separation from DuPont and implemented several initiatives designed to unlock our business's full potential, including:

- *Enhanced Senior Leadership Team:* We have augmented our management team with world-class talent and significant end-market expertise, with 12 of our 17 most senior managers joining since the Acquisition, including our CEO and CFO. We have also recruited key regional and local managers with both operational and commercial leadership experience.
- *Implemented New Customer Strategies:* We have realigned our resources to more effectively meet the varying demands of our customers. In end-markets characterized by large global customers such as light and commercial vehicle OEMs, we transitioned from a regional to a global management and sales model. In the refinish end-market, we have reorganized our sales force to target and meet the needs of additional customers in high-growth areas of the market.
- *Aligned Incentives:* We have implemented a performance-based compensation structure that closely aligns the interests of our global leadership team with those of our shareholders. We have also transitioned to a more incentive-based compensation structure for our global sales force designed to increase their focus on profitable growth.
- *Investing for Growth:* As an independent company, we are able to focus our time and capital exclusively on coatings. As a result, we are pursuing investments with attractive returns such as low-risk capacity expansion projects in China, Germany, Mexico and Brazil that will position us to grow with our customers. We are also investing in operational improvement initiatives such as the realignment of our European manufacturing operations as well as growing our sales force in emerging markets and end-markets where we are currently underrepresented.

Our Industry

In 2013, we were the fourth largest supplier in the $127 billion global coatings industry as measured by sales, according to Orr & Boss. The global coatings industry is characterized by multiple end-markets and applications. Market participants include a few global coatings suppliers and many smaller, regionally focused suppliers that maintain a presence in select product categories and local markets.

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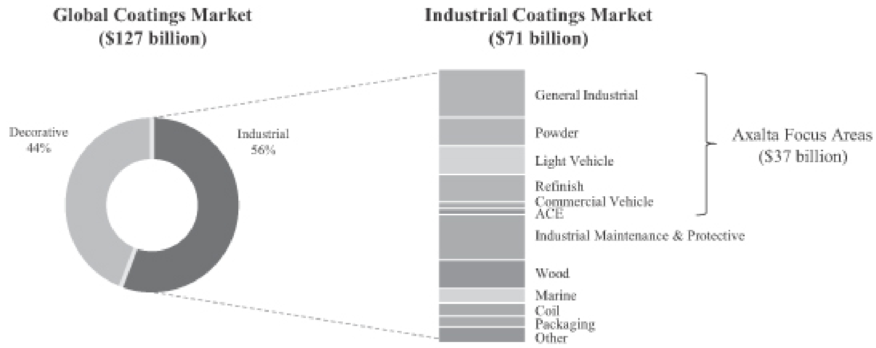
Within the broad global coatings market, we focus on the automotive refinish, light vehicle, commercial vehicle and industrial end-markets, which Orr & Boss estimates to collectively represent $37 billion of annual sales. The chart below illustrates the composition of the global coatings industry by application and indicates the end-markets in which we participate:



Source: Orr & Boss (2013).

We operate in attractive end-markets, with the top four suppliers collectively holding an estimated 67% market share in the automotive refinish end-market and 74% market share in the light vehicle end-market. This structure is a result of few suppliers having the technological capabilities, global manufacturing footprint, efficient supply chain and overall scale to meet customer needs. These characteristics allow global coatings providers to serve customers locally while continuing to leverage global innovation, product platforms, relationships and best practices.

The refinish, industrial, light vehicle and commercial vehicle end-markets are collectively expected to grow at a compound annual growth rate (“CAGR”) of 5.8%, or $12.2 billion, from 2013 to 2018, according to Orr & Boss. This growth is due to specific end-market drivers as well as key industry trends, which favor large multi-national suppliers, including:

- *Increasingly stringent environmental regulations*: Evolving regulations in all major geographies have placed limits on the emission of volatile organic compounds (“VOCs”) and hazardous air pollutants (“HAPs”). As a result, customers are shifting toward regulation-compliant, low-VOC solventborne and waterborne coatings. Few coatings suppliers have the technology and products to meet these increasingly stringent requirements.
- *Global procurement model*: Multi-national light vehicle OEMs are increasingly utilizing global procurement teams to stipulate product specifications and color standardization requirements, which are implemented at the local level. These customers select coatings providers on the basis of their ability to consistently deliver advanced technological solutions on a global basis.
- *Increased efficiency*: Customers are encouraging coatings manufacturers to invest in new product offerings that require fewer application steps, resulting in lower capital and energy costs.
- *Vehicle light-weighting*: With more stringent vehicle emissions and fuel consumption regulations, light vehicle OEMs are focused on reducing vehicle weight to improve fuel economy. This is driving the need for new, and frequently multiple, substrates on the exterior of the vehicle. Historically, OEMs have manufactured vehicles primarily with steel components but are now increasingly incorporating other materials, including aluminum, carbon fiber and plastics. These materials often require specialized primers and low-temperature curing formulations to achieve uniform appearance, color and finish.

- *Emerging market growth:* Emerging market demand in our end-markets is expected to grow at a CAGR of approximately 8.4% from 2013 to 2018, according to Orr & Boss. This is primarily due to increased government infrastructure spending and increased middle class consumption, which will increase the car parc (the number of vehicles in use). As per-capita wealth expands, consumers are also demanding higher-quality products, driving demand for more advanced coatings systems in these markets.

Performance Coatings

Refinish

The refinish end-market represented an estimated $7.3 billion in 2013 global sales, according to Orr & Boss. Sales in this end-market are driven by the number of vehicle collisions and owners' propensity to repair their vehicles. The number of vehicle collisions in a given market is primarily determined by the size of the car parc and the aggregate number of miles driven in that market. The global automotive refinish end-market is expected to grow at a CAGR of approximately 4.3% from 2013 to 2018, with emerging markets expected to grow at a CAGR of approximately 7.7% over the same period, according to Orr & Boss.

Refinish products are critical to vehicle appearance and customer satisfaction but typically represent a small percentage of the overall cost of repair. As a result, body repair shop operators are most focused on coatings brands with a strong track record of performance and reliability. Such brands offer exact color matching technologies, productivity enhancements, regulatory compliance, consistent quality and ongoing technical support in order to facilitate timely repairs that restore a damaged vehicle's appearance to its original condition.

Industrial

The industrial end-market represented an estimated $19.7 billion in 2013 global sales and is forecasted to grow at a CAGR of approximately 6.8% from 2013 to 2018, according to Orr & Boss. This end-market is comprised of liquid and powder coatings with demand driven by a wide variety of macroeconomic factors, such as growth in GDP and industrial production. Customers select industrial coatings based on protection, durability and appearance.

Transportation Coatings

Light Vehicle

The light vehicle end-market represented an estimated $7.3 billion in 2013 global sales and is expected to grow at a CAGR of approximately 4.9% from 2013 to 2018, according to Orr & Boss. Sales in this end-market are driven by new vehicle production, which is expected to grow in both the developed markets and the emerging markets. Light vehicle production growth is expected to be highest in emerging markets where OEMs plan to open 67 new assembly plants between 2014 and 2017.

Light vehicle OEMs select coatings providers on the basis of their global ability to deliver advanced technological solutions that improve exterior appearance and durability and provide long-term corrosion protection. Customers also look for suppliers that can enhance process efficiency to reduce overall manufacturing costs and provide on-site technical support. Rigorous environmental and durability testing as well as engineering approvals are also key criteria used by global light vehicle OEMs when selecting coatings providers.

Commercial Vehicle

The commercial vehicle end-market represented an estimated $3.3 billion in 2013 global sales and is expected to grow at a CAGR of approximately 4.8% from 2013 to 2018, according to Orr & Boss. Sales in this end-market are generated from a variety of applications including non-automotive transportation (*e.g.*, HDT, bus and rail) and ACE. This end-market is primarily driven by global commercial vehicle production, which is influenced by overall economic activity, government infrastructure spending, equipment replacement cycles and evolving environmental standards.

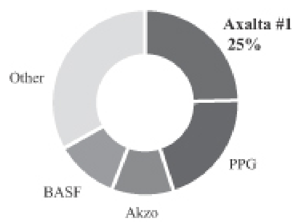
Commercial vehicle OEMs select coatings providers on the basis of their ability to deliver extensive color libraries and advanced technological solutions that improve exterior appearance, protection and durability while meeting stringent environmental requirements.

Our Competitive Strengths

Leading positions in attractive end-markets

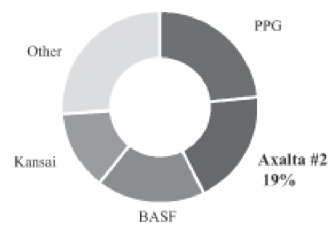
We are a global leader in manufacturing, marketing and distributing advanced coatings systems with approximately 90% of our revenue generated in markets where we hold the #1 or #2 global market position. We are one of only a small number of global coatings suppliers in each of our end-markets, which positions us favorably in an industry where global scale is a competitive advantage.

Global Refinish End-Market



Source: Orr & Boss and management estimates (2013).

Global Light Vehicle End-Market



Source: Orr & Boss and management estimates (2013).

Market-leading refinish business driven by recurring aftermarket sales: We are the leading coatings supplier to the global automotive refinish end-market where we hold an estimated 25% share and the top four global suppliers hold an estimated 67% share. This end-market has consistently grown across economic cycles as the overall rate of collisions and repairs are not highly cyclical. Our refinish products offer quality, durability and superior color technology supported by a large color formula library that enables customers to precisely match colors. We supply our fragmented customer base of approximately 80,000 body shops through a global network of over 4,000 independent local distributors. Furthermore, body shops utilize our color matching system, inventory replacement process and training capabilities, which foster brand loyalty and have historically resulted in a high customer retention rate.

Well positioned in light vehicle end-market poised for growth: We are the second largest coatings provider to the global light vehicle end-market, which is expected to grow at a CAGR of approximately 4.9% from 2013 to 2018, according to Orr & Boss. In this end-market, the top four suppliers hold an estimated 74% share. We have developed a full complement of unique consolidated coating systems. These integrated solutions include our “Eco-Concept,” “3-Wet” and “2-Wet Monocoat” products that provide our customers with advanced, environmentally responsible systems that eliminate either a coatings layer or steps in the coatings process, thereby increasing productivity and reducing energy costs. In addition, we offer our customers on-site technical services as well as “just-in-time” product delivery. We are an integrated part of our customers’ assembly lines, which allows our technical support teams to improve operating efficiency and provide real-time performance feedback to our formulating chemists and manufacturing teams. We have been awarded new business in 26 OEM plants globally since the beginning of 2013, demonstrating the strength of our competitive positioning. We expect to recognize sales from the majority of these new contracts in 2015, although we cannot make any assurances regarding the amount of revenue or profit our new business awards will generate in the future.

Sustainable competitive advantages driven by global scale, established brands and technology

We believe we are one of only a few coatings providers that have the scale, manufacturing capabilities, brand reputation and technology to meet the purchasing criteria that are most critical to our customers on a global basis.

Our extensive manufacturing and distribution networks as well as our high-caliber technical capabilities enable us to meet customers' volume and service requirements without interruption. Our global footprint also enables us to react quickly to changing local dynamics while leveraging our overall scale to cost-effectively develop and deliver leading edge technologies and solutions. In refinish, our scale gives us the ability to convert a large number of body shops to our systems in a short period of time, which has been a key competitive advantage in the growing North American MSO segment. Additionally, our scale and technical abilities enable us to meet the needs of our multi-national light vehicle customers, who increasingly require dedicated global account teams and high-quality, advanced coatings systems that can be applied consistently to global vehicle platforms.

Branding is another key factor that customers consider when choosing a coatings provider. Customers typically look to established brands when making their purchase decisions in our refinish, industrial and commercial vehicle end-markets. We have an extensive portfolio of established brands that leverage our advanced technology and a nearly 150-year heritage including our flagship global brand families of Cromax, Standox, Spies Hecker and Imron liquid products, our Alesta and Nap-Gard powder products and our Voltatex electrical insulation coatings.

Our technology is also a key competitive advantage. Our technology portfolio includes over 1,800 patents issued or pending and includes key assets such as our extensive color database and color matching technology, advanced multi-substrate formulations, process technology and VOC-compliant products. We also benefit from technology synergies across our end-markets. The colors, coatings properties and multi-substrate formulations we develop as a light vehicle coatings manufacturer help us sustain our leading refinish market position as we leverage insights from new light vehicle coatings to help develop innovative refinish coatings in the future.

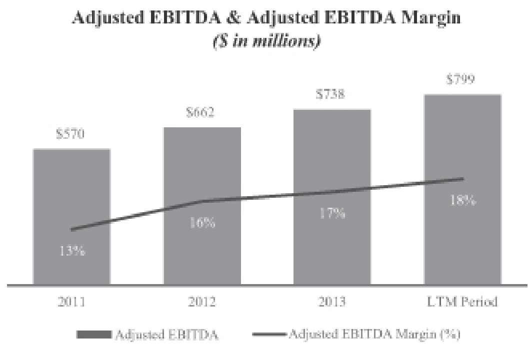
Diverse revenue base

We generate our revenue from diverse end-markets, customers and geographies, which has historically reduced the financial impact of any single end-market, customer or region and limited the impact of economic cycles. Net sales in our end-markets of refinish, light vehicle, industrial and commercial vehicle represented 42%, 32%, 17% and 9% of net sales during the LTM Period, respectively. We also serve a globally diverse and highly fragmented customer base, with no single customer representing more than 7.6% of our net sales and our top ten customers representing approximately 31% of our net sales during the LTM Period. The percentage of our revenue generated by our top customers, however, may increase as we grow our sales to the light vehicle end-market. Additionally, we generated approximately 39% of our net sales in EMEA, 30% in North America, 16% in Asia Pacific and 15% in Latin America during the LTM Period.

Strong financial performance and cash flow characteristics

We have an attractive financial profile with gross margins of 34.3% and Adjusted EBITDA margins of 18.4% for the LTM Period.

The refinish end-market serves as the foundation of our financial profile, representing 42% of our consolidated net sales for the LTM Period. Our track record of consistent price increases driving strong Adjusted EBITDA performance and low levels of maintenance capital expenditures has allowed us to consistently generate strong cash flows that we are re-investing in the business to position us for future earnings growth.



We have generated year-over-year net sales and Adjusted EBITDA growth for each of the five full quarters since the Acquisition, driven in part by the initial impact of our transformational growth initiatives. In addition, we have implemented numerous initiatives intended to reduce our fixed and variable costs and improve working capital productivity. We believe that these initiatives will continue to generate significant cost savings in the future, although we cannot make any assurances regarding the amount of cost savings these initiatives will generate. Many are in their early stages of implementation and have only recently begun to contribute to our financial results.

Experienced management team

We have augmented our management team with world-class talent and meaningful end-market expertise, with 12 of our 17 most senior managers joining since the Acquisition. This team has added new and diverse perspectives to the business from a range of industries. Our management team is led by our CEO, Charlie Shaver, who has over 34 years of chemical and global operating experience, including most recently President and CEO of TPC Group. He is supported by a senior management team comprised of global, regional and country focused leaders with diverse backgrounds and skill sets. The management team has extensive international experience with a strong track record of improving operations and executing strategic growth initiatives, including mergers and acquisitions.

Our Business Strategy

Pursue and execute new business wins in high-growth areas of our end-markets

We have aligned our resources to better serve the high-growth areas of our refinish and light vehicle end-markets. In the North American refinish end-market, we have created dedicated sales, conversion and service teams to serve MSOs, which are gaining share in the North American collision repair market by reducing insurance company costs and providing consistently high customer satisfaction. Through new business wins with MSO customers, we have become a leading coatings provider to the North American MSO market, which we expect to grow from 14% of the North American collision repair market in 2012 to 24% by 2017. We are targeting growth opportunities with both existing MSO and new MSO accounts and believe that we are well positioned to gain additional market share as a result of our dedicated account teams, high productivity offerings and broad distribution network.

We have been awarded new business in 26 OEM plants globally since the beginning of 2013, with 16 of these plants located in China, where OEMs are rapidly expanding production to meet increasing demand for new vehicles. We expect that many of these new contracts will begin generating sales in 2015. Our success in this end-market has been driven by a new leadership team that has restructured our organization to mirror the increasingly global focus of OEMs. We will continue to pursue new business by leveraging our proprietary manufacturing processes, our broad range of VOC-compliant coatings and our substantial sales and technical support organizations.

Accelerate growth in emerging markets

We have a strong presence in emerging markets, which generated 30% of our sales during the LTM Period. These markets are characterized by increasing levels of vehicle production, a growing car parc, an expanding middle class and GDP growth above the global average, all of which drive greater demand for coatings. We believe that we are well positioned to capitalize on this increasing demand with local manufacturing facilities and extensive sales and technical service teams dedicated to these markets. In China, where we have operated a wholly owned business for 30 years, we are expanding our sales force and investing in new plant capacity, including a $50 million waterborne capacity expansion at our Jiading facility, which we expect to come on line in early 2015. We are also in the process of expanding our production capacity in Mexico and Brazil to drive future earnings growth.

Globalize existing product lines

Since the Acquisition, we have identified significant opportunities to leverage our existing products across geographies. For example, we are the market leader in the North American HDT market, but only recently began serving the Chinese market, which produces nearly four times the number of heavy duty trucks produced in the United States. This initiative has generated early positive results; for example, in 2014 we began serving Foton Daimler, one of the largest truck manufacturers in the region, with our high performance waterborne coatings. In refinish, we are leveraging legacy formulations from developed markets to satisfy growing mainstream demand in emerging markets. We also intend to pursue similar geographic opportunities with several of our other industrial and commercial vehicle product offerings.

Invest in high-return projects to drive earnings growth

We are in the early stages of implementing several initiatives that we believe will continue to generate significant earnings growth, including establishing a global procurement organization, realigning our European manufacturing operations and investing capital in growth projects with high expected returns. Since the Acquisition, we have built a global procurement organization, which is executing several programs to reduce costs by streamlining inputs, reducing the number of sole-sourced raw materials and partnering with new, high-quality suppliers to meet our purchasing needs. These programs are in their early stages and we believe they will continue to generate significant earnings growth over the next several years. In Europe, we are investing to upgrade, automate and re-align disparate manufacturing operations to bring the region's cost structure in line with the rest of the world and better position us to meet increasing local demand. We believe that these European investments, which we began in 2014, will generate approximately $100 million of incremental Adjusted EBITDA by 2017. Finally, we believe we have significant opportunities to pursue high return projects identified since the Acquisition. These include capacity expansion projects in China, Germany, Mexico and Brazil and productivity initiatives from which we expect to benefit over the next several years.

Maintain and further develop technology leadership

We will continue to build on our nearly 150-year heritage of developing market-leading technology. We leverage our intimate customer relationship and network of customer training centers to align product innovation with customer needs. For example, in the North American refinish end-market we have recently launched Cromax Mosaic, a new VOC-compliant solventborne coatings line, to complement our broad waterborne coatings portfolio. Body shops have embraced this product, which enables them to meet environmental regulations while using existing application equipment and techniques. We have a robust pipeline of over 80 new product innovations, the majority of which we intend to launch over the next two years, including several products focused on emerging markets. Similarly in the light vehicle end-market, our proprietary 3-Wet, Eco-Concept, 2-Wet monocoat systems and high throw electrocoat products have generated new customer wins as OEMs seek to increase efficiency and reduce costs. We believe this commitment to new product development will help us maintain our technology leadership and strong market position.

Recent Developments

Our financial results for the three months ended September 30, 2014 are not yet finalized; however, the following information reflects our preliminary expectations with respect to such results based on information currently available to management:

- We expect to report net sales between $1,106.4 million and $1,111.4 million for the three months ended September 30, 2014, compared to net sales of $1,074.6 million for the three months ended September 30, 2013, representing an increase between 3.0% and 3.4%. The increase in our expected net sales was primarily driven by increased sales in our Performance Coatings segment, for which we expect to report net sales between $662.3 million and $664.8 million for the three months ended September 30, 2014, compared to $643.7 million for the three months ended September 30, 2013, representing an increase between 2.9% and 3.3%. Performance Coatings net sales growth was driven by sales increases in both our Refinish and Industrial end-markets globally. We expect to report net sales in the Transportation Coatings segment between $444.1 million and $446.6 million for the three months ended September 30, 2014, compared to $430.9 million for the three months ended September 30, 2013, representing an increase between 3.1% and 3.6%. Transportation Coatings net sales were primarily driven by an increase in our Commercial vehicle end-market compared to the prior-year period, partially offset by flat sales in our Light Vehicle end-market, in which increased sales in North America and Asia Pacific were offset by declining sales in Latin America compared to the prior-year period. The following table highlights our expected net sales and actual net sales by segment for the three months ended September 30, 2014, and 2013, respectively.

(preliminary and unaudited, in millions)

	Three Months Ended September 30, 2014			Three Months Ended September 30, 2013
	Low	Mid-Point	High	
Net Sales				
Refinish	$ 477.5	$ 478.1	$ 478.8	$ 462.4
Industrial	184.8	185.4	186.0	181.3
Performance Coatings	662.3	663.5	664.8	643.7
Light vehicle	341.8	342.5	343.1	339.8
Commercial vehicle	102.3	102.9	103.5	91.1
Transportation Coatings	444.1	445.4	446.6	430.9
Total net sales	$1,106.4	$1,108.9	$1,111.4	$ 1,074.6
Year-over-year % change	3.0%	3.2%	3.4%	

- We expect to report a net loss of $20.8 million to $15.8 million for the three months ended September 30, 2014, compared to our net income of $6.4 million for the three months ended September 30, 2013. The expected decrease resulted primarily from unfavorable impacts related to foreign currency translation losses and income tax expense. We expect to report translation losses of approximately $59.3 million for the three months ended September 30, 2014 compared to translation gains of approximately $9.7 million in the 2013 comparable period. These losses were primarily driven by intercompany transactions denominated in currencies different than the currency of our subsidiaries. Due to the weakening of the Euro relative to the U.S. Dollar during the third quarter of 2014, this resulted in translation losses on these intercompany transactions. These losses were slightly offset by translation gains on our Euro borrowings. In addition, our net loss was favorably impacted by increased net sales, lower raw material costs and decreases in transition-related expenses.
- We expect to report Adjusted EBITDA between $225.5 million and $230.5 million for the three months ended September 30, 2014, compared to Adjusted EBITDA of $194.1 million for the three months ended September 30, 2013, representing an increase between 16.2% and 18.8%. The expected improvement in our Adjusted EBITDA resulted primarily from increased net sales, lower raw material costs and margin improvement initiatives. We expect Adjusted EBITDA in the Performance Coatings segment for the three months ended September 30, 2014 to be between $147.2 million and $149.7 million compared to $147.3 million for the three months ended September 30, 2013. We expect Adjusted EBITDA in the Transportation Coatings segment for the three months ended September 30, 2014 to be between $78.3 million and $80.8 million compared to $46.8 million for the three months ended September 30, 2013.

Adjusted EBITDA is a financial measure that is not calculated in accordance with U.S. GAAP. For a discussion of our presentation of Adjusted EBITDA, see footnote 3 under "—Summary Historical and Pro Forma Financial Information" beginning on page 20 of this prospectus. We encourage you to review our financial information in its entirety and not rely on a single financial measure. The following table presents a reconciliation of net income (loss), the most directly comparable U.S. GAAP financial measure, to Adjusted EBITDA for the quarters ended September 30, 2014 and September 30, 2013 (mid-point is shown for illustrative purposes only).

(preliminary and unaudited, in millions)

	Three Months Ended September 30, 2014			Three Months Ended September 30, 2013
	Low	**Mid-Point**	**High**	
Adjusted EBITDA				
Performance Coatings	$147.2	$148.5	$149.7	$ 147.3
Transportation Coatings	78.3	79.5	80.8	46.8
Total Adjusted EBITDA	225.5	228.0	230.5	194.1
Interest expense, net	52.6	52.6	52.6	62.7
Provision (benefit) for income taxes	7.5	7.5	7.5	(26.3)
Depreciation and amortization	76.2	76.2	76.2	87.5
Foreign exchange remeasurement losses (gains)	59.6	59.6	59.6	(9.7)
Long-term employee benefit plan adjustments	(4.7)	(4.7)	(4.7)	1.8
Termination benefits and other employee related costs (a)	3.2	3.2	3.2	47.9
Consulting and advisory fees (b)	8.8	8.8	8.8	11.3
Transition-related costs (c)	36.7	36.7	36.7	8.1
Other adjustments (d)	5.6	5.6	5.6	3.5
Management fee expense	0.8	0.8	0.8	0.9
Net Income (loss)	$ (20.8)	$ (18.3)	$ (15.8)	$ 6.4

(a) Represents expenses primarily related to employee termination benefits, including our initiative to improve our overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives for establishment of new roles and elimination of old roles and other costs associated with cost-saving opportunities that were related to our transition to a standalone entity.

(b) Represents fees paid to consultants, advisors and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity.

(c) Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs and facility transition costs.

(d) Represents costs for certain unusual or non-operational losses and the non-cash impact of natural gas and currency hedge losses allocated to DPC by DuPont, stock-based compensation, asset impairments, equity investee dividends, indemnity income and losses associated with the Acquisition, and loss (gain) on sale and disposal of property, plant and equipment.

As of September 30, 2014, cash and cash equivalents and total indebtedness are expected to be approximately $233 million and $3,732 million, respectively, with total expected availability under the Revolving Credit Facility of approximately $384 million, all of which may be borrowed by us without violating any covenants under the agreement governing such credit facility or the indentures governing the Dollar Senior Notes and the Euro Senior Notes. In addition, we expect our capital expenditures for the twelve months ended September 30, 2014 to total between $211 million and $216 million, which includes approximately $106 million of capital expenditures associated with transition-related activities.

We have provided ranges for the preliminary estimated financial results described above because our financial closing procedures for the three months ended September 30, 2014 are not complete. The preliminary estimated financial results presented above are subject to the completion of our quarter-end financial closing

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procedures. Our closing procedures for the three months ended September 30, 2014 will not be complete, and our financial results for the three months ended September 30, 2014 will not be publicly available, until after the expected completion of this Offering. The information presented above should not be considered a substitute for such full unaudited quarterly financial statements.

The preliminary information presented in this “Recent Developments” section has been prepared by and is the responsibility of management, reflects management’s estimates based solely upon information available to us as of the date of this prospectus and is not a comprehensive statement of our financial results for the three months ended September 30, 2014. Our actual results may differ materially from these estimated ranges. For example, during the course of the preparation of the respective financial statements and related notes, additional items that would require material adjustments to be made to the preliminary estimated financial information presented above may be identified. Our independent registered public accounting firm, PricewaterhouseCoopers LLP, has not audited, reviewed, compiled or performed any procedures on this preliminary information. Accordingly, PricewaterhouseCoopers, LLP does not express an opinion or any other form of assurance with respect thereto. Accordingly, you should not place undue reliance upon these preliminary estimates. These preliminary results should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in particular “—Results of Operations” and “—Selected Segment Information” and the consolidated financial statements and related notes contained in this prospectus. For additional information, please see “Risk Factors.”

Risks Related to Our Business

Investing in our common shares involves substantial risk. You should carefully consider all of the information in this prospectus prior to investing in our common shares. There are several risks related to our business and our ability to leverage our strengths described elsewhere in this prospectus that are described under “Risk Factors” elsewhere in this prospectus. Among these important risks are the following:

- adverse developments in economic conditions and, particularly, in conditions in the automotive and transportation industries and our other end-markets;
- risks of losing any of our significant customers or the consolidation of MSOs, distributors and/or body shops;
- our ability to successfully execute our growth strategy and leverage our strengths;
- risks associated with our non-U.S. operations and global scale;
- currency-related risks;
- increased competition;
- price increases or interruptions in our supply of raw materials;
- failure to develop and market new products and manage product life cycles;
- litigation and other commitments and contingencies;
- our substantial indebtedness;
- Carlyle’s ability to control our common shares; and
- other risks and uncertainties, including those listed under the caption “Risk Factors.”

Our Principal Shareholders

Our principal shareholders are certain investment funds affiliated with Carlyle.

Founded in 1987, Carlyle is a global alternative asset manager and one of the world's largest global private equity firms with approximately $203 billion of assets under management across 126 funds and 139 fund of funds vehicles as of June 30, 2014. Carlyle invests across four segments—Corporate Private Equity, Real Assets, Global Market Strategies and Fund of Funds Solutions—in Africa, Asia, Australia, Europe, the Middle East, North America and South America. In addition to the industrials & transportation industry, Carlyle has expertise in various industries, including aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, technology & business services and telecommunications & media. Carlyle employs more than 1,600 employees, including more than 750 investment professionals, in 40 offices across six continents.

Company Information

Axalta Coating Systems Ltd. was incorporated pursuant to the laws of Bermuda on August 24, 2012. Our principal executive offices are located at Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, Pennsylvania 19103, and our telephone number is (855) 547-1461. Our website address is www.axaltacoatingsystems.com. Information on, or accessible through, our website is not part of this prospectus, nor is such content incorporated by reference herein.

We maintain a registered office in Bermuda at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The telephone number of our registered office is (441) 295-5950.

The Offering

Common shares offered by the selling shareholders	45,000,000 common shares.
Selling shareholders	The selling shareholders identified in "Principal and Selling Shareholders."
Common shares outstanding after this offering	229,069,356 common shares.
Option to purchase additional shares	The selling shareholders have granted the underwriters a 30-day option from the date of this prospectus to purchase up to 6,750,000 additional common shares at the initial public offering price, less underwriting discounts and commissions.
Use of proceeds	We will not receive any net proceeds from the sale of common shares by the selling shareholders, including from any exercise by the underwriters of their option to purchase additional common shares. See "Use of Proceeds" for additional information.
Dividend policy	We do not currently pay and do not currently anticipate paying dividends on our common shares following this offering. Any declaration and payment of future dividends to holders of our common shares may be limited by restrictive covenants in our debt agreements, and will be at the sole discretion of the board of directors of ACS (our "Board of Directors"), and will depend on many factors, including our financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our Board of Directors deems relevant. See "Dividend Policy," "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness" and "Description of Share Capital."
Proposed NYSE symbol	"AXTA".
Risk factors	See "Risk Factors" beginning on page 24 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common shares.

Unless we specifically state otherwise, throughout this prospectus the number of our common shares to be outstanding after completion of this offering is based on common shares outstanding as of June 30, 2014, which includes 45,000,000 common shares to be sold by the selling shareholders and excludes:

- 710,270 common shares sold or issued pursuant to the exercise of options subsequent to June 30, 2014;
- 17,098,022 common shares issuable upon the exercise of options outstanding at a weighted average exercise price of $9.34 per share; and
- 11,830,000 common shares reserved for issuance under our 2014 Incentive Plan (the "2014 Plan"), which we plan to adopt in connection with this offering.

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Unless we specifically state otherwise, all information in this prospectus assumes:

- no exercise of the option to purchase additional common shares by the underwriters;
- an initial offering price of $19.50 per share, which is the midpoint of the range set forth on the cover page of this prospectus;
- the adoption of our amended and restated bye-laws immediately prior to the closing of this offering; and
- the completion of a bonus issue of 0.69 of a share for every common share in issue as at October 28, 2014, rounded down to the nearest whole share, which was effectuated on October 28, 2014 (the “1.69-for-1 stock split”).

Summary Historical and Pro Forma Financial Information

The following table sets forth summary historical and pro forma financial information of Axalta. As a result of the Acquisition, we applied acquisition accounting whereby the purchase price paid was allocated to the acquired assets and liabilities at fair value. The financial reporting periods presented are as follows:

- The years ended December 31, 2011 and 2012 and the period from January 1, 2013 through January 31, 2013 ("Predecessor" periods) reflect the combined results of operations of the DPC business.
- The year ended December 31, 2013 and the six-month periods ended June 30, 2013 and 2014 ("Successor" periods) reflect the consolidated results of operations of Axalta, which includes the effects of acquisition accounting commencing on the acquisition date of February 1, 2013 and the effects of the financing of the Acquisition commencing on February 1, 2013 and the refinancing of our Senior Secured Credit Facilities (as defined under "Capitalization") that was consummated and commenced on February 3, 2014 (collectively referred to herein as the "Financing").
- The pro forma year ended December 31, 2013 and the pro forma six months ended June 30, 2013 reflect the combined historical results of operations of the DPC business for the period from January 1, 2013 through January 31, 2013 and Axalta for the year ended December 31, 2013 and for the six months ended June 30, 2013, as adjusted for the pro forma effects of certain transactions as described in "Unaudited Pro Forma Condensed Combined and Consolidated Financial Information."
- The pro forma six month period ended June 30, 2014 reflects consolidated results of operations of Axalta for the six month period ended June 30, 2014, adjusted to give pro forma effect to certain transactions as described in "Unaudited Pro Forma Condensed Combined and Consolidated Financial Information."

The historical results of operations and cash flow data for the six months ended June 30, 2013 and 2014 and the historical balance sheet data as of June 30, 2014 presented below were derived from our Successor unaudited financial statements and the related notes thereto included elsewhere in this prospectus. As of and for the Successor period of August 24, 2012 (inception) through December 31, 2012, the Successor had no operations or activity, other than merger and acquisition costs of $29.0 million, which consisted primarily of investment banking, legal and other professional advisory services costs. The historical financial data for the period January 1, 2013 through January 31, 2013 for the DPC business is included elsewhere in this prospectus.

The historical results of operations data and cash flow data for the year ended December 31, 2013 and the historical balance sheet data as of December 31, 2013 presented below were derived from our Successor audited financial statements and the related notes thereto included elsewhere in this prospectus. The historical combined financial data for the years ended December 31, 2011 and 2012 and the historical balance sheet data as of December 31, 2012 presented below have been derived from the Predecessor audited combined financial statements and the related notes thereto for the DPC business included elsewhere in this prospectus.

Our historical financial data and that of the DPC business are not necessarily indicative of our future performance, nor does such data reflect what our financial position and results of operations would have been had we operated as an independent publicly traded company during the periods shown. The unaudited pro forma financial data presented below was derived from our unaudited financial statements for the six months ended June 30, 2013 and 2014 and related notes thereto, our audited financial statements for the year ended December 31, 2013 and the related notes thereto and the audited financial statements of the DPC business for the period from January 1, 2013 through January 31, 2013 and the related notes thereto, each of which are included elsewhere in this prospectus.

Our unaudited pro forma statements of operations data are presented for the six months ended June 30, 2014 and 2013 and the year ended December 31, 2013 assuming:

- the Acquisition was completed on January 1, 2013;
- the Financing was completed on January 1, 2013; and
- this initial public offering (the "Offering") was completed on January 1, 2013.

The unaudited pro forma balance sheet data is presented assuming this offering was completed on June 30, 2014.

We have also presented summary unaudited pro forma consolidated financial data for the twelve-month period ended June 30, 2014, which does not comply with U.S. GAAP (this period is referred to elsewhere in this prospectus as the LTM Period). This data has been calculated by subtracting the pro forma unaudited statements of operations and cash flow data for the six-month period ended June 30, 2013 from the pro forma statements of operations and cash flow data for the year ended December 31, 2013 and then adding the pro forma statements of operations and cash flow data for the six-month period ended June 30, 2014 included elsewhere in this prospectus. We have presented this financial data because we believe it provides our investors with useful information to assess our recent performance.

The unaudited pro forma information set forth below is based upon available information and assumptions that we believe are reasonable. The unaudited pro forma information is for illustrative and informational purposes only and is not intended to represent or be indicative of what our financial condition or results of operations would have been had the above transactions occurred on the dates indicated. The unaudited pro forma information also should not be considered representative of our future financial condition or results of operations. You should read the information contained in this table in conjunction with "Selected Historical Financial Information," "Unaudited Pro Forma Condensed Combined and Consolidated Financial Information," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical audited and unaudited financial statements and the related notes thereto included elsewhere in this prospectus.

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(dollars and shares in millions, except per share data)	Predecessor			Successor			Pro forma			
	Year Ended December 31,		January 1 through January 31,	Year Ended December 31,	Six Months Ended June 30,		Year Ended December 31,	Six Months Ended June 30,		12 Months Ended June 30,
	2011	2012	2013	2013	2013	2014	2013	2013	2014	2014
Statement of operations data:										
Net sales	$4,281.5	$4,219.4	$ 326.2	$ 3,951.1	$ 1,783.6	$ 2,174.0	$ 4,277.3	$ 2,109.8	$ 2,174.0	$ 4,341.5
Other revenue	34.3	37.4	1.1	35.7	13.7	14.7	36.8	14.8	14.7	36.7
Total revenue	4,315.8	4,256.8	327.3	3,986.8	1,797.3	2,188.7	4,314.1	2,124.6	2,188.7	4,378.2
Cost of goods sold(1)	3,074.5	2,932.6	232.2	2,772.8	1,327.6	1,446.0	2,909.0	1,463.8	1,446.0	2,891.2
Selling, general and administrative expenses(2)	869.1	873.4	70.8	1,040.6	397.0	497.3	1,113.6	470.0	497.3	1,140.9
Research and development expenses	49.6	41.5	3.7	40.5	18.5	23.4	44.2	22.2	23.4	45.4
Amortization of acquired intangibles	—	—	—	79.9	38.0	42.4	86.5	44.9	42.4	84.0
Merger and acquisition related expenses	—	—	—	28.1	28.1	—	—	—	—	—
Operating income (loss)	322.6	409.3	20.6	24.9	(11.9)	179.6	160.8	123.7	179.6	216.7
Interest expense, net	0.2	—	—	215.1	90.4	113.9	210.8	99.1	110.9	222.6
Bridge financing commitment fees	—	—	—	25.0	25.0	—	—	—	—	—
Other expense (income), net	20.2	16.3	5.0	48.5	59.1	2.9	31.0	43.4	(1.8)	(14.2)
Income (loss) before income taxes	302.2	393.0	15.6	(263.7)	(186.4)	62.8	(81.0)	(18.8)	70.5	8.3
Provision (benefit) for income taxes	120.7	145.2	7.1	(44.8)	(8.1)	10.7	1.9	36.7	11.7	(23.1)
Net income (loss)	181.5	247.8	8.5	(218.9)	(178.3)	52.1	(82.9)	(55.5)	58.8	31.4
Less: Net income attributable to noncontrolling interests	2.1	4.5	0.6	6.0	2.3	2.6	6.6	2.9	2.6	6.3
Net income (loss) attributable to controlling interests	$ 179.4	$ 243.3	$ 7.9	$ (224.9)	$ (180.6)	$ 49.5	$ (89.5)	$ (58.4)	$ 56.2	$ 25.1
Per share data:										
Earnings (loss) per share:										
Basic and diluted				$ (0.97)	$ (0.77)	$ 0.22	$ (0.39)	$ (0.26)	$ 0.25	$ 0.11
Weighted average shares outstanding, basic and diluted				228,280,574	228,149,996	229,069,356	228,269,484	228,149,996	229,069,356	228,725,385
Other financial data:										
Cash flows from:										
Operating activities	$ 236.2	$ 388.8	$ (37.7)	$ 376.8	$ 161.6	$ 13.7				
Investing activities	(116.6)	(88.2)	(8.3)	(5,011.2)	(4,872.2)	(102.8)				
Financing activities	(125.1)	(290.6)	43.0	5,098.1	5,095.8	(12.2)				
Depreciation and amortization	108.7	110.7	9.9	300.7	140.6	152.9	327.3	167.5	152.9	312.7
Capital expenditures	82.7	73.2	2.4	107.3	23.4	100.8	109.7	25.8	100.8	184.7
Adjusted EBITDA(3)	570.1	661.8	38.4	699.0	307.5	407.8	737.6	346.1	407.8	799.3

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(dollars in millions)	Predecessor Year Ended December 31, 2011	Predecessor Year Ended December 31, 2012	Pro Forma Successor Year Ended December 31, 2013	Pro Forma Successor 12 Months Ended June 30, 2014
Selected annual financial data:				
Net sales	$4,281.5	$4,219.4	$ 4,277.3	$4,341.5
Net income (loss)	$ 181.5	$ 247.8	$ (82.9)	$ 31.4
Adjusted EBITDA(3)	$ 570.1	$ 661.8	$ 737.6	$ 799.3

(dollars in millions)	Predecessor December 31, 2012	Successor December 31, 2013	Successor June 30, 2014 Actual	Successor June 30, 2014 Pro Forma
Balance sheet data (at end of period):				
Cash and cash equivalents	$ 28.7	$ 459.3	$ 350.3	$ 333.1
Working capital(4)	605.2	952.2	971.5	954.3
Total assets	2,878.6	6,737.1	6,704.6	6,690.4
Debt, net of discount	0.2	3,920.9	3,900.9	3,900.9
Net debt(5)	(28.5)	3,461.6	3,550.6	3,567.8
Total liabilities	1,181.6	5,525.3	5,447.9	5,447.9
Total stockholders' equity/combined equity	1,697.0	1,211.8	1,256.7	1,242.5

(1) In the Successor six-month period ended June 30, 2013 and year ended December 31, 2013, cost of goods sold included the impact of $103.7 million attributable to the increase in inventory value resulting from the fair value adjustment associated with our acquisition accounting for inventories.

(2) Selling, general and administrative expense included transition-related expenses of $46.5 million, $56.8 million and $231.5 million for the Successor six-month periods ended June 30, 2013 and 2014, and the Successor year ended December 31, 2013, respectively. Additionally, during the Predecessor periods ended December 31, 2011 and 2012, $(2.5) million and $0.7 million in employee separation and asset related costs (income) were recorded, respectively.

(3) To supplement our financial information presented in accordance with U.S. GAAP, we use the following additional non-GAAP financial measures to clarify and enhance an understanding of past performance: EBITDA and Adjusted EBITDA. We believe that the presentation of these financial measures enhances an investor's understanding of our financial performance. We further believe that these financial measures are useful financial metrics to assess our operating performance from period-to-period by excluding certain items that we believe are not representative of our core business. We use certain of these financial measures for business planning purposes and in measuring our performance relative to that of our competitors. We utilize Adjusted EBITDA as the primary measure of segment performance.

EBITDA consists of net income (loss) before interest, taxes, depreciation and amortization. Adjusted EBITDA consists of EBITDA adjusted for (i) non-operating income or expense, (ii) the impact of certain non-cash, nonrecurring or other items that are included in net income and EBITDA that we do not consider indicative of our ongoing operating performance and (iii) certain unusual or nonrecurring items impacting results in a particular period. In addition, for the Predecessor periods, Adjusted EBITDA gives pro forma effect to the difference between the Predecessor allocated costs and the estimated standalone costs. We believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis.

We believe these financial measures are commonly used by investors to evaluate our performance and that of our competitors. However, our use of the terms EBITDA and Adjusted EBITDA may vary from that of others in our industry. These financial measures should not be considered as alternatives to operating income (loss), net income (loss), earnings per share or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance.

EBITDA and Adjusted EBITDA have important limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of our results as reported under U.S. GAAP. Some of these limitations are:

- EBITDA and Adjusted EBITDA:
    - do not reflect the significant interest expense on our debt, including the Senior Secured Credit Facilities and the Senior Notes (as defined under "Capitalization");
    - eliminate the impact of income taxes on our results of operations; and
    - contain certain estimates for periods prior to the Acquisition of standalone costs;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any expenditures for such replacements; and
- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do, limiting their usefulness as comparative measures.

In particular, Adjusted EBITDA for Predecessor periods contains an adjustment to our net income (loss) for estimates of our standalone costs versus the allocated corporate costs from DuPont reflected in our historical financial statements. These estimates may not be reflective of our actual standalone costs during such period had we been a standalone business.

We compensate for these limitations by using EBITDA and Adjusted EBITDA along with other comparative tools, together with U.S. GAAP measurements, to assist in the evaluation of operating performance. Such U.S. GAAP measurements include operating income (loss), net income (loss), earnings per share and other performance measures.

In evaluating these financial measures, you should be aware that in the future we may incur expenses similar to those eliminated in this presentation. Our presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

The following table reconciles net income (loss) to EBITDA and Adjusted EBITDA for the periods presented:

	Predecessor			Successor			Pro forma			
	Year Ended December 31,		January 1 through January 31,	Year Ended December 31,	Six Months Ended June 30,		Year Ended December 31,	Six Months Ended June 30,		12 Months Ended June 30,
(dollars in millions)	2011	2012	2013	2013	2013	2014	2013	2013	2014	2014
Net income (loss)	$181.5	$247.8	$ 8.5	$ (218.9)	$(178.3)	$ 52.1	$ (82.9)	$ (55.5)	$ 58.8	$ 31.4
Interest expense, net	0.2	—	—	215.1	90.4	113.9	210.8	99.1	110.9	222.6
Provision (benefit) for income taxes	120.7	145.2	7.1	(44.8)	(8.1)	10.7	1.9	36.7	11.7	(23.1)
Depreciation and amortization	108.7	110.7	9.9	300.7	140.6	152.9	327.3	167.5	152.9	312.7
EBITDA	411.1	503.7	25.5	252.1	44.6	329.6	457.1	247.8	334.3	543.6
Inventory step-up(a)	—	—	—	103.7	103.7	—	—	—	—	—
Merger and acquisition related costs(b)	—	—	—	28.1	28.1	—	—	—	—	—
Financing fees(c)	—	—	—	25.0	25.0	3.1	—	—	—	—
Foreign exchange remeasurement losses (gains)(d)	23.4	17.7	4.5	48.9	59.6	(14.5)	34.0	44.7	(14.5)	(25.2)
Long-term employee benefit plan adjustments(e)	32.8	36.9	2.3	9.5	3.0	4.5	11.8	5.3	4.5	11.0
Termination benefits and other employee related costs(f)	(2.6)	8.6	0.3	147.5	17.2	5.9	147.8	17.5	5.9	136.2
Consulting and advisory fees(g)	—	—	—	54.7	21.9	20.7	54.7	21.9	20.7	53.5
Transition-related costs(h)	—	—	—	29.3	7.4	47.5	29.3	7.4	47.5	69.4
Other adjustments(i)	14.7	12.6	0.1	2.3	(0.2)	11.0	2.4	(0.1)	11.0	13.5
Dividends in respect of noncontrolling interest(j)	(1.0)	(1.9)	—	(5.2)	(4.1)	(1.6)	(5.2)	(4.1)	(1.6)	(2.7)
Management fee expense(k)	—	—	—	3.1	1.3	1.6	—	—	—	—
Allocated corporate and standalone costs, net(l)	91.7	84.2	5.7	—	—	—	5.7	5.7	—	—
Adjusted EBITDA	$570.1	$661.8	$ 38.4	$ 699.0	$ 307.5	$407.8	$ 737.6	$346.1	$407.8	$ 799.3

(a) During the Successor six months ended June 30, 2013 and year ended December 31, 2013, we recorded a non-cash fair value adjustment associated with our acquisition accounting for inventories. These amounts increased cost of goods sold by $103.7 million.

(b) In connection with the Acquisition, we incurred $28.1 million of merger and acquisition costs during the Successor six months ended June 30, 2013 and year ended December 31, 2013. These costs consisted primarily of investment banking, legal and other professional advisory services costs.

(c) On August 30, 2012, we signed a debt commitment letter, which included an interim credit facility (the "Bridge Facility"). Upon the issuance of the Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated. Commitment fees related to the Bridge Facility of $21.0 million and associated fees of $4.0 million were expensed upon payment and the termination of the Bridge Facility. In connection with the refinancing of the Senior Secured Credit Facilities in February 2014 (discussed further in Note 22 to the audited consolidated and combined financial statements included elsewhere in this prospectus), we recognized $3.1 million of costs.

(d) Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, including a $19.4 million loss related to the Acquisition date settlement of a foreign currency contract used to hedge the variability of Euro-based financing.

(e) For the Successor six months ended June 30, 2013 and 2014 and year ended December 31, 2013, eliminates the non-service cost components of employee benefits costs. For the Predecessor period January 1, 2013 through January 31, 2013, eliminates (1) all U.S. pension and other long-term employee benefit costs that were not assumed as part of the Acquisition and (2) the non-service cost component of the pension and other long-term employee benefit costs for the foreign pension plans that were assumed as part of the Acquisition.

(f) Represents expenses primarily related to employee termination benefits, including our initiative to improve our overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives for establishment of new roles and elimination of old roles and other costs associated with cost-saving opportunities that were related to our transition to a standalone entity.

(g)	Represents fees paid to consultants, advisors and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity.
(h)	Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs and facility transition costs.
(i)	Represents costs for certain unusual or non-operational losses and the non-cash impact of natural gas and currency hedge losses allocated to DPC by DuPont, stock-based compensation, asset impairments, equity investee dividends, indemnity income and losses associated with the Acquisition, and loss (gain) on sale and disposal of property, plant and equipment.
(j)	Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.
(k)	Pursuant to Axalta's consulting agreement with Carlyle Investment Management, L.L.C., an affiliate of Carlyle, for management and financial advisory services and oversight provided to Axalta and its subsidiaries, Axalta is required to pay an annual consulting fee of $3.0 million and reimburse Carlyle Investment Management, L.L.C. for its out-of-pocket expenses. We expect that this agreement will terminate upon the completion of this offering.
(l)	Represents (1) the add-back of corporate allocations from DuPont to DPC for the usage of DuPont's facilities, functions and services; costs for administrative functions and services performed on behalf of DPC by centralized staff groups within DuPont; a portion of DuPont's general corporate expenses; and certain pension and other long-term employee benefit costs, in each case because we believe these costs are not indicative of costs we would have incurred as a standalone company net, of (2) estimated standalone costs based on a corporate function resource analysis that included a standalone executive office, the costs associated with supporting a standalone information technology infrastructure, corporate functions such as legal, finance, treasury, procurement and human resources and certain costs related to facilities management. This resource analysis included anticipated headcount and the associated overhead costs of running these functions effectively as a standalone company of our size and complexity. This estimate is provided for additional information and analysis only, as we believe that it facilitates enhanced comparability between Predecessor and Successor periods. It represents the difference between the costs that were allocated to our predecessor by its parent and the costs that we believe would be incurred if it operated as a standalone entity. This estimate is not intended to represent a pro forma adjustment presented within the guidance of Article 11 of Regulation S-X. Although we believe this estimate is reasonable, actual results may have differed from this estimate, and any difference may be material. See "Forward-Looking Statements" and "Risk Factors—Risks Related to our Business."

	Predecessor Year Ended December 31, 2011	Predecessor Year Ended December 31, 2012	Predecessor Period from January 1, 2013 through January 31, 2013
Allocated corporate costs	$ 333.5	$ 333.3	$ 25.4
Standalone costs	(241.8)	(249.1)	(19.7)
Total	$ 91.7	$ 84.2	$ 5.7

(4) Working capital is defined as current assets less current liabilities.

(5) Net debt is defined as debt, net of discount, less cash and cash equivalents.

RISK FACTORS

An investment in our common shares involves a high degree of risk. You should consider carefully the following risks, together with the other information contained in this prospectus, before you decide whether to buy our common shares. If any of the events contemplated by the following discussion of risks should occur, our business, results of operations, financial condition and cash flows could suffer significantly. As a result, the market price of our common shares could decline, and you may lose all or part of the money you paid to buy our common shares. The following is a summary of all the material risks known to us.

Risks Related to our Business

Risks Related to Execution of our Strategic and Operating Plans

Our business performance is impacted by economic conditions and, particularly, by conditions in the light and commercial vehicle end-markets. Adverse developments in the global economy, in regional economies or in the light and commercial vehicle end-markets could adversely affect our business, financial condition and results of operations.

The growth of our business and demand for our products is affected by changes in the health of the overall global economy, regional economies and, in particular, of the light and commercial vehicle end-markets. Our business is adversely affected by decreases in the general level of global economic activity, such as decreases in business and consumer spending, construction activity and industrial manufacturing. Economic developments affect businesses such as ours in a number of ways. A tightening of credit in financial markets could adversely affect the ability of our customers and suppliers to obtain financing for significant purchases and operations, could result in a decrease in or cancellation of orders for our products and services and could impact the ability of our customers to make payments owed to us. Similarly, a tightening of credit in financial markets could adversely affect our supplier base and increase the potential for one or more of our suppliers to experience financial distress or bankruptcy.

Our financial position, results of operations and cash flows could be materially adversely affected by difficult economic conditions and/or significant volatility in the capital, credit and commodities markets.

Several of the end-markets we serve are cyclical, and macroeconomic and other factors beyond our control could reduce demand from these end-markets for our products, materially adversely affecting our business, financial condition and results of operations. Weak economic conditions could depress new car sales and/or production, reducing demand for our light vehicle OEM coatings and limit the growth of the car parc. These factors could, in turn, cause a related decline in demand for our automotive refinish coatings because, as the age of a vehicle increases, the general propensity of car owners to pay for cosmetic repairs decreases. Also, during difficult economic times, car owners may refrain from seeking repairs for their damaged vehicles. Similarly, periods of reduced global economic activity could hinder global industrial output, which could decrease demand for our industrial and commercial coating products.

Our global business is adversely affected by decreases in the general level of economic activity, such as decreases in business and consumer spending, construction activity and industrial manufacturing. Disruptions in the United States, Europe or in other economies, or weakening of emerging markets, such as Brazil, could adversely affect our sales, profitability and/or liquidity.

We may be unable to successfully execute on our growth initiatives, business strategies or operating plans.

We are executing on a number of growth initiatives, strategies and operating plans designed to enhance our business. For example, we are undertaking certain operational improvement initiatives with respect to realigning our manufacturing facilities in Europe and are growing our sales force in emerging markets and end-markets where we are underrepresented. The anticipated benefits from these efforts are based on several assumptions that may prove to be inaccurate. Moreover, we may not be able to successfully complete these growth initiatives, strategies and operating plans and realize all of the benefits, including growth targets and cost savings, we expect to achieve or it may be more costly to do so than we anticipate. A variety of risks could cause us not to realize some or all of the expected benefits. These risks include, among others, delays in the anticipated timing of activities related to such growth initiatives, strategies and operating plans; increased difficulty and cost in implementing these efforts; and the incurrence of other unexpected costs associated with operating the business. Moreover, our continued implementation of these programs may disrupt our operations and performance. As a result, we cannot assure you that we will realize these benefits. If, for any reason, the benefits we realize are less than our estimates or the implementation of these growth initiatives, strategies and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our results of operations may be materially adversely affected.

Increased competition may adversely affect our business, financial condition and results of operations.

We face substantial competition from many international, national, regional and local competitors of various sizes in the manufacturing, distribution and sale of our coatings and related products. Some of our competitors are larger than us and have greater financial resources than we do. Other competitors are smaller and may be able to offer more specialized products. We believe that technology, product quality, product innovation, breadth of product line, technical expertise, distribution, service, local presence and price are the key competitive factors for our business. Competition in any of these areas may reduce our net sales and adversely affect our earnings or cash flow by resulting in decreased sales volumes, reduced prices and increased costs of manufacturing, distributing and selling our products.

Weather conditions may reduce the demand for some of our products and could have a negative effect on our business, financial condition and results of operations.

From time to time, weather conditions have an adverse effect on our sales of coatings and related products. For example, unusually mild weather during winter months may lead to fewer vehicle collisions, reducing market demand for our refinish coatings. Conversely, harsh weather conditions can force our customers to reduce or suspend operations, thereby reducing the amount of products they purchase from us. Any such reductions in customer purchases could have a material adverse effect on our business, financial condition and results of operations.

Improved safety features on vehicles and insurance company influence may reduce the demand for some of our products and could have a negative effect on our business, financial condition and results of operations.

Vehicle manufacturers continue to develop new safety features such as collision avoidance technology that may reduce vehicle collisions in the future, potentially negatively impacting demand for our refinish coatings. In addition, insurance companies may influence vehicle owners to use certain body shops that do not use our products, which could also potentially negatively impact demand for our refinish coatings. Any resulting reduction in demand for our refinish coatings could have a material adverse effect on our business, financial condition and results of operations.

The loss of any of our largest customers or the consolidation of MSOs, distributors and/or body shops could adversely affect our business, financial condition and results of operations.

We have some customers that purchase a large amount of products from us and we are also reliant on distributors to assist us in selling our products. Our largest single customer accounted for approximately 7.6% of our LTM Period net sales, and our largest distributor accounted for approximately 2.1% of our LTM Period net sales. Consolidation of any of our customers, including MSOs, distributors and body shops, could decrease our customer base and impact our results of operations if the resulting business chooses to use one of our competitors for the consolidated business. The loss of any of our large customers or distributors, as a result of consolidation or otherwise, could have a material adverse effect on our business, financial condition and results of operations.

We rely on our distributor network and third-party delivery services for the distribution and export of certain of our products. A significant disruption in these services or significant increases in prices for those services may disrupt our ability to export material or increase our costs.

We ship a significant portion of our products to our customers through our distributor network as well as independent third-party delivery companies. If any of our key distributors or third-party delivery providers experiences a significant disruption such that any of our products cannot be delivered in a timely fashion or such that we incur additional shipping costs that we could not pass on to our customers, our costs may increase and our relationships with certain of our customers may be adversely affected. In addition, if our distributors or third-party delivery providers increase prices and we are not able to find comparable alternatives or adjust our delivery network, our business, financial condition and results of operations could be adversely affected.

We take on credit risk exposure from our customers in the ordinary course of our business.

We routinely offer customers pre-bates, loans and other financial incentives to purchase our products. These arrangements generally obligate the customer to purchase products from us and/or repay us for products over time. In the event that a customer is unwilling or unable to fulfill its obligations under these arrangements, we may incur a financial loss. In addition, in the ordinary course of our business, we guarantee certain of our customers' obligations to third parties. Any default by our customers on their obligations could force us to make payments to the applicable creditor. It is possible that customer defaults on obligations owed to us and on third-party obligations that we have guaranteed could be significant, which could have a material adverse effect on our business, financial condition and results of operations.

Price increases or interruptions in the supply of raw materials could have a significant impact on our ability to grow or sustain earnings.

Our manufacturing processes consume significant amounts of raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond our control. We use a significant amount of raw materials derived from crude oil and natural gas. As a result, volatile oil and gas prices can cause significant variations in our raw materials costs, affecting our operating results. Depending on our contractual arrangements and economic conditions, we may be unable to pass increased raw materials costs to our customers. If we are not able to fully offset the effects of higher raw materials costs, our financial results could deteriorate. In addition to the risks associated with raw materials price increases, supplier capacity constraints, supplier production disruptions or the unavailability of certain raw materials could result in supply imbalances that may have a material adverse effect on our business, financial condition and results of operations.

Failure to develop and market new products and manage product life cycles could impact our competitive position and have a material adverse effect on our business, financial condition and results of operations.

Our operating results are largely dependent on our development and management of our portfolio of current, new and developing products and services and our ability to bring those products and services to market. We plan to grow our business by focusing on developing and marketing our solutions to meet increasing demand for productivity. Our ability to execute this strategy and our other growth plans successfully could be adversely affected by difficulties or delays in product development, such as the inability to identify viable new products, successfully complete research and development, obtain relevant regulatory approvals, effectively manage our manufacturing process or costs, obtain intellectual property protection, or gain market acceptance of new products and services. Because of the lengthy and costly development process, technological challenges and intense competition, we cannot assure you that any of the products we are currently developing, or that we may develop in the future, will achieve substantial commercial success. For example, in addition to developing technologically advanced products, commercial success of those products will depend on customer acceptance and implementation of those products. A failure to develop commercially successful products or to develop additional uses for existing products could materially adversely affect our business, financial results or results of operations. Further, sales of our new products could replace sales of some of our current products, offsetting the benefit of even a successful product introduction.

Our business, financial condition and results of operations could be adversely impacted by business disruptions, security threats and security breaches.

Business disruptions, including supply disruptions, increasing costs for energy, temporary plant and/or power outages and information technology system and network disruptions, could harm our operations as well as the operations of our customers, distributors or suppliers. We face security threats and risks of security breaches to our facilities, data and information technology infrastructure. Although it is impossible to predict the occurrence or consequences of business disruptions, security threats or security breaches, they could harm our reputation, subject us to material liabilities, result in reduced demand for our products, make it difficult or impossible for us to deliver products to our customers or distributors or to receive raw materials from suppliers, and create delays and inefficiencies in our supply chain. Further, while we have designed and implemented controls to restrict access to our data and information technology infrastructure, it is still vulnerable to unauthorized access through cyber-attacks, theft and other security breaches.

Our efforts to minimize business disruptions and security breaches may fail. Such business disruptions and security breaches could significantly increase our cost of doing business and have a material adverse effect on our business, financial condition and results of operations.

Our ability to conduct our business might be negatively impacted if we experience difficulties with outsourcing and similar third-party relationships.

We outsource certain business and administrative functions and rely on third parties to perform certain services on our behalf. We may do so increasingly in the future. If we fail to develop and implement our outsourcing strategies, such strategies prove to be ineffective or fail to provide expected cost savings, or our third party providers fail to perform as anticipated, we may experience operational difficulties, increased costs, reputational damage and a loss of business that may have a material adverse effect on our business, financial condition and results of operations. By utilizing third parties to perform certain business and administrative functions, we may be exposed to greater risk of data security breaches. Any breach of data security could damage our reputation and/or result in monetary damages, which, in turn could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to our Global Operations

As a global business, we are subject to risks associated with our non-U.S. operations that are not present in the United States.

We conduct our business on a global basis, with approximately 74% of our net sales for the LTM Period occurring outside the United States. We anticipate that international sales will continue to represent a substantial portion of our net sales and that our strategy for continued growth and profitability will entail further international expansion, particularly in emerging markets. Changes in local and regional economic conditions could affect product demand in our non-U.S. operations. Specifically, our financial results could be affected by changes in trade, monetary and fiscal policies, laws and regulations, or other activities of U.S. and non-U.S. governments, agencies and similar organizations. These conditions include, but are not limited to, changes in a country's or region's social, economic or political conditions, trade regulations affecting production, pricing and marketing of products, local labor conditions and regulations, reduced protection of intellectual property rights in some countries, changes in the regulatory or legal environment, restrictions on currency exchange activities, burdensome taxes and tariffs and other trade barriers, as well as the imposition of economic or other trade sanctions, each of which could impact our ability to do business in certain jurisdictions or with certain persons. Our international operations also present risks associated with terrorism, political hostilities, war and other civil disturbances, the occurrence of which could lead to reduced net sales and profitability. Our international sales and operations are also sensitive to changes in foreign national priorities, including government budgets.

Our day-to-day operations outside the United States are subject to cultural and language barriers and the need to adopt different business practices in different geographic areas. In addition, we are required to create compensation programs, employment policies and other administrative programs that comply with the laws of multiple countries. We also must communicate and monitor standards and directives across our global operations. Our failure to successfully manage our geographically diverse operations could impair our ability to react quickly to changing business and market conditions and to enforce compliance with non-U.S. standards and procedures.

Any payment of distributions, loans or advances to and from our subsidiaries could be subject to restrictions on or taxation of, dividends or repatriation of earnings under applicable local law, monetary transfer restrictions, foreign currency exchange regulations in the jurisdictions in which our subsidiaries operate or other restrictions imposed by current or future agreements, including debt instruments, to which our non-U.S. subsidiaries may be a party. In particular, our operations in Brazil, China, India and Venezuela where we maintain local currency cash balances are subject to import authorization or pricing controls. Our results of operations and/or financial condition could be adversely impacted, possibly materially, if we are unable to successfully manage these and other risks of international operations in a volatile environment.

Currency risk may adversely affect our financial condition and cash flows.

We derive a significant portion of our net sales from outside the United States and conduct our business and incur costs in the local currency of most countries in which we operate. Because our financial statements are presented in U.S. dollars, we must translate our financial results as well as assets and liabilities into U.S. dollars for financial statement reporting purposes at exchange rates in effect during or at the end of each reporting period, as applicable. Therefore, increases or decreases in the value of the U.S. dollar against other currencies in countries where we operate will affect our results of operations and the value of balance sheet items denominated in foreign currencies. In particular, we are exposed to the Euro, the Brazilian real, the Chinese yuan and the Venezuelan bolívar. Furthermore, many of our local businesses import or buy raw materials in a currency other than their functional currency, which can impact the operating results for these operations if we are unable to mitigate the impact of the currency exchange fluctuations. We cannot accurately predict the effects of exchange rate fluctuations upon our future operating results because of the number of currencies involved, the variability of currency exposures and the potential volatility of currency exchange rates. Accordingly, fluctuations in foreign exchange rates may have an adverse effect on our financial condition and cash flows.

Terrorist acts, conflicts, wars and natural disasters may materially adversely affect our business, financial condition and results of operations.

As a multinational company with a large international footprint, we are subject to increased risk of damage or disruption to us, our employees, facilities, partners, suppliers, distributors, resellers or customers due to terrorist acts, conflicts, wars, adverse weather conditions, natural disasters, power outages, pandemics or other public health crises and environmental incidents, wherever located around the world. The potential for future attacks and natural disasters, the national and international responses to attacks and natural disasters or perceived threats to national security and other actual or potential conflicts or wars may create economic and political uncertainties. In addition, as a multinational company with headquarters and significant operations located in the United States, actions against or by the United States could result in a decrease in demand for our products, make it difficult or impossible to deliver products to our customers or to receive components from our suppliers, create delays and inefficiencies in our supply chain and pose risks to our employees, resulting in the need to impose travel restrictions. A catastrophic loss of the use of all or a portion of one of our key manufacturing facilities due to accident, labor issues, weather conditions, acts of war, political unrest, geopolitical risk, terrorist activity, natural disaster or otherwise, whether short- or long-term, and any interruption in production capability could require us to make substantial capital expenditures to remedy the situation, which could negatively affect our business, financial condition and results of operations.

Risks Related to Legal and Regulatory Compliance and Litigation

Our failure to comply with the anti-corruption laws of the United States and various international jurisdictions could negatively impact our reputation and results of operations.

Doing business on a global basis requires us to comply with the laws and regulations of the U.S. government and those of various international and sub-national jurisdictions, and our failure to successfully comply with these rules and regulations may expose us to liabilities. These laws and regulations apply to companies, individual directors, officers, employees and agents, and may restrict our operations, trade practices, investment decisions and partnering activities. In particular, our international operations are subject to U.S. and foreign anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act (the “FCPA”), the United Kingdom Bribery Act 2010 (the “Bribery Act”) as well as anti-corruption laws of the various jurisdictions in which we operate. The FCPA, the Bribery Act and other laws prohibit us and our officers, directors, employees and agents acting on our behalf from corruptly offering, promising, authorizing or providing anything of value to foreign officials for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. As part of our business, we deal with state-owned business enterprises, the employees and representatives of which may be considered foreign officials for purposes of the FCPA or the Bribery Act. We are subject to the jurisdiction of various governments and regulatory agencies outside of the United States, which may bring our personnel into contact with foreign officials responsible for issuing or renewing permits, licenses or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system and have elevated levels of corruption. Our global operations expose us to the risk of violating, or being accused of violating, the foregoing or other anti-corruption laws. Such violations could be punishable by criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions and exclusion from government contracts, as well as other remedial measures. Investigations of alleged violations can be very expensive and disruptive. Historically, DuPont maintained policies and procedures designed to comply with anti-corruption law and we have implemented anti-corruption policies and procedures for us as an independent company. There can be no guarantee that these policies and procedures will effectively prevent violations by our employees or representatives in the future. Additionally, we face a risk that our distributors and other business partners may violate the FCPA, the Bribery Act or similar laws or regulations. Such violations could expose us to FCPA and Bribery Act liability and/or our reputation may potentially be harmed by their violations and resulting sanctions and fines.

Our international operations require us to comply with anti-terrorism laws and regulations and applicable trade embargoes.

We are subject to trade and economic sanctions laws and other restrictions on international trade. The U.S. and other governments and their agencies impose sanctions and embargoes on certain countries, their governments and designated parties. In the United States, the economic and trade sanctions programs are principally administered and enforced by the U.S. Treasury Department’s Office of Foreign Assets Control. If we fail to comply with these laws, we could be subject to civil or criminal penalties, other remedial measures and legal expenses, which could adversely affect our business, financial condition and results of operations. Historically, DuPont maintained policies and procedures relating to trade with potentially sensitive countries. We are in the process of developing and implementing similar policies as a standalone company. We cannot assure you that such policies will effectively prevent violations in the future, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations.

We cannot predict the nature, scope or effect of future regulatory requirements to which our international sales and manufacturing operations might be subject or the manner in which existing laws might be administered or interpreted. Future regulations could limit the countries in which some of our products may be manufactured or sold, or could restrict our access to, or increase the cost of obtaining, products from foreign sources. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

We are subject to complex and evolving data privacy laws.

Our business is subject to complex and evolving U.S. and foreign laws and regulations regarding privacy, data protection and other matters. We could be liable for loss or misuse of our customers' personal information and/or our employee's personally-identifiable information if we fail to prevent or mitigate such misuse or breach. Although we have developed systems and processes that are designed to protect customer and employee information and prevent misuse of such information and other security breaches, failure to prevent or mitigate such misuse or breaches may affect our reputation and operating results negatively and may require significant management time and attention.

As a result of our current and past operations and/or products, including operations and/or products related to our businesses prior to the Acquisition, we could incur significant environmental liabilities and costs.

We are subject to various laws and regulations around the world governing the protection of environment and health and safety, including the discharge of pollutants to air and water and the management and disposal of hazardous substances. These laws and regulations not only govern our current operations and products, but also impose potential liability on us for our or our predecessors' past operations. We could incur fines, penalties and other sanctions as a result of violations of such laws and regulations. In addition, as a result of our operations and/or products, including our past operations and/or products related to our businesses prior to the Acquisition, we could incur substantial costs, including costs relating to remediation and restoration activities and third-party claims for property damage or personal injury. The ultimate costs under environmental laws and the timing of these costs are difficult to accurately predict. Our accruals for costs and liabilities at sites where contamination is being investigated or remediated may not be adequate because the estimates on which the accruals are based depend on a number of factors including the nature of the matter, the complexity of the site, site geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and, at multi-party sites, other Potentially Responsible Parties ("PRPs") and the number and financial viability of other PRPs. Additional contamination also may be identified, and/or additional cleanup obligations may be incurred, at these or other sites in the future. For example, periodic monitoring or investigation activities are ongoing at a number of our sites where contaminants have been detected or are suspected, and we may incur additional costs if more active or extensive remediation is required. In addition, in connection with the Acquisition, DuPont has, subject to certain exceptions and exclusions, agreed to indemnify us for certain liabilities relating to environmental remediation obligations and certain claims relating to the exposure to hazardous substances and products manufactured prior to our separation from DuPont. We could incur material additional costs if DuPont fails to meet its obligations, if the indemnification proves insufficient or if we otherwise are unable to recover costs associated with such liabilities. The costs of our current operations complying with complex environmental laws and regulations, as well as internal voluntary programs, are significant and will continue to be so for the foreseeable future as environmental regulations become more stringent. These laws and regulations also change frequently, and we may incur additional costs complying with stricter environmental requirements that are promulgated in the future. Concerns over global climate change as well as more frequent and severe weather events have also promoted a number of legal and regulatory measures as well as social initiatives intended to reduce greenhouse gas and other carbon emissions. We cannot predict the impact that changing climate conditions or more frequent and severe weather events, if any, will have on our business, results of operations or financial condition. Moreover, we cannot predict how legal, regulatory and social responses to concerns about global climate change will impact our business.

As a producer of coatings, we transport certain materials that are inherently hazardous due to their toxic nature.

In our business, we handle and transport hazardous materials. If mishandled or released into the environment, these materials could cause substantial property damage or personal injuries resulting in significant legal claims against us. In addition, evolving regulations concerning the handling and transportation of certain materials could result in increased future capital or operating costs.

Our results of operations could be adversely affected by litigation.

We face risks arising from various litigation matters that have been asserted against us or that may be asserted against us in the future, including, but not limited to, claims for product liability, patent and trademark infringement, antitrust, warranty, contract and claims for third party property damage or personal injury. For instance, we have noted a nationwide trend in purported class actions against chemical manufacturers generally seeking relief such as medical monitoring, property damages, off-site remediation and punitive damages arising from alleged environmental torts without claiming present personal injuries. We have also noted a trend in public and private nuisance suits being filed on behalf of states, counties, cities and utilities alleging harm to the general public. In addition, various factors or developments can lead to changes in current estimates of liabilities such as a final adverse judgment, significant settlement or changes in applicable law. A future adverse ruling or unfavorable development could result in future charges that could have a material adverse effect on us. An adverse outcome in any one or more of these matters could be material to our business, financial condition and results of operations. In particular, product liability claims, regardless of their merits, could be costly, divert management's attention and adversely affect our reputation and demand for our products.

Risks Related to Human Resources

We may not be able to recruit and retain the experienced and skilled personnel we need to compete.

Our future success depends on our ability to attract, retain, develop and motivate highly skilled personnel. We must have talented personnel to succeed and competition for senior management in our industry is intense. Our ability to meet our performance goals depends upon the personal efforts and abilities of the principal members of our senior management who provide strategic direction, develop our business, manage our operations and maintain a cohesive and stable work environment. We cannot assure you that we will retain or successfully recruit senior executives, or that their services will remain available to us.

We rely on qualified managers and skilled employees, such as scientists, with technical and manufacturing industry experience in order to operate our business successfully. From time to time, there may be a shortage of skilled labor, which may make it more difficult and expensive for us to attract and retain qualified employees. If we are unable to attract and retain sufficient numbers of qualified individuals or our costs to do so increase significantly, our operations could be materially adversely affected.

If we are required to make unexpected payments to any pension plans applicable to our employees, our financial condition may be adversely affected.

We have defined benefit pension plans in which many of our current and former employees outside the United States participate or have participated. Many of these plans are underfunded or unfunded and the liabilities in relation to these plans will need to be satisfied as they mature from our operating reserves. In jurisdictions where the defined benefit pension plans are intended to be funded with assets in a trust or other funding vehicle, the liabilities exceed the corresponding assets in many of the plans. Various factors, such as changes in actuarial estimates and assumptions (including as to life expectancy, discount rates and rate of return on assets) as well as actual return on assets, can increase the expenses and liabilities of the defined benefit pension plans. The assets and liabilities of the plans must be valued from time to time under applicable funding rules and as a result we may be required to increase the cash payments we make in relation to these defined benefit pension plans.

Our financial condition and results of operations may be adversely affected to the extent that we are required to make any additional payments to any relevant defined benefit pension plans in excess of the amounts assumed in our current projections and assumptions or report higher pension plan expenses under relevant accounting rules.

We are subject to work stoppages, union negotiations, labor disputes and other matters associated with our labor force, which may adversely impact our operations and cause us to incur incremental costs.

Many of our employees globally are in unions or otherwise covered by labor agreements, including works councils. As of June 30, 2014, approximately 0.5% of our U.S. workforce was unionized and approximately 64% of our workforce outside the United States was unionized or otherwise covered by labor agreements. Consequently, we may be subject to potential union campaigns, work stoppages, union negotiations and other potential labor disputes. Additionally, negotiations with unions or works councils in connection with existing labor agreements may result in significant increases in our cost of labor, divert management's attention away from operating our business or break down and result in the disruption of our operations. The occurrence of any of the preceding outcomes could impair our ability to manufacture our products and result in increased costs and/or decreased operating results. Further, we may be impacted by work stoppages at our suppliers or customers that are beyond our control.

Risks Related to Intellectual Property

Our inability to protect and enforce our intellectual property rights could adversely affect our financial results.

Intellectual property rights both in the United States and in foreign countries, including patents, trade secrets, confidential information, trademarks and trade names are important to our business and will be critical to our ability to grow and succeed in the future. We make strategic decisions on whether to apply for intellectual property protection and what kind of protection to pursue based on a cost benefit analysis. While we endeavor to protect our intellectual property rights in certain jurisdictions in which our products are produced or used and in jurisdictions into which our products are imported, the decision to file for intellectual property protection is made on a case-by-case basis. Because of the differences in foreign trademark, patent and other laws concerning proprietary rights, our intellectual property rights may not receive the same degree of protection in foreign countries as they would in the United States. Our failure to obtain or maintain adequate protection of our intellectual property rights for any reason could have a material adverse effect on our business, financial condition and results of operations.

We have applied for patent protection relating to certain existing and proposed products, processes and services in certain jurisdictions. While we generally consider applying for patents in those countries where we intend to make, have made, use, or sell patented products, we may not accurately assess all of the countries where patent protection will ultimately be desirable. If we fail to timely file a patent application in any such country, we may be precluded from doing so at a later date. Furthermore, we cannot assure you that our pending patent applications will not be challenged by third parties or that such applications will eventually be issued by the applicable patent offices as patents. We also cannot assure that the patents issued as a result of our foreign patent applications will have the same scope of coverage as our U.S. patents. It is possible that only a limited number of the pending patent applications will result in issued patents, which may have a materially adverse effect on our business and results of operations.

The patents we own could be challenged, invalidated or circumvented by others and may not be of sufficient scope or strength to provide us with any meaningful protection or commercial advantage. Furthermore, our existing patents are subject to challenges from third parties that may result in invalidations and will all eventually expire, after which we will not be able to prevent our competitors from using our previously patented technologies, which could materially adversely affect our competitive advantage stemming from those products and technologies. We also cannot assure that competitors will not infringe our patents, or that we will have adequate resources to enforce our patents.

We also rely on unpatented proprietary technology. It is possible that others will independently develop the same or similar technology or otherwise obtain access to our unpatented technology. To protect our trade secrets and other proprietary information, we require certain employees, consultants, advisors and collaborators to enter into confidentiality agreements as we deem appropriate. We cannot assure you that we will be able to enter into these confidentiality agreements or that these agreements will provide meaningful protection for our trade secrets, know-how or other proprietary information in the event of any unauthorized use, misappropriation or disclosure of such trade secrets, know-how or other proprietary information. If we are unable to maintain the proprietary nature of our technologies, we could be materially adversely affected.

We rely on our trademarks, trade names and brand names to distinguish our products from the products of our competitors, and have registered or applied to register many of these trademarks. We cannot assure you that our trademark applications will be approved. Third parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources advertising and marketing new brands. Further, we cannot assure you that competitors will not infringe our trademarks, or that we will have adequate resources to enforce our trademarks. We also license third parties to use our trademarks. In an effort to preserve our trademark rights, we enter into license agreements with these third parties that govern the use of our trademarks and contain limitations on their use. Although we make efforts to police the use of our trademarks by our licensees, we cannot assure you that these efforts will be sufficient to ensure that our licensees abide by the terms of their licenses. In the event that our licensees fail to do so, our trademark rights could be diluted.

If we are sued for infringing intellectual property rights of third parties, it may be costly and time consuming, and an unfavorable outcome in any litigation could harm our business.

We cannot assure you that our activities will not, unintentionally or otherwise, infringe on the patents or other intellectual property rights owned by others. We may spend significant time and effort and incur significant litigation costs if we are required to defend ourselves against intellectual property rights claims brought against us, regardless of whether the claims have merit. If we are found to have infringed on the patents or other intellectual property rights of others, we may be subject to substantial claims for damages, which could materially impact our cash flow, business, financial condition and results of operations. We may also be required to cease development, use or sale of the relevant products or processes, or we may be required to obtain a license on the disputed rights, which may not be available on commercially reasonable terms, if at all.

Risks Related to Other Aspects of our Business

We may engage in acquisitions and divestitures, and may encounter difficulties integrating acquired businesses with, or disposing of divested businesses from, our current operations and, as a result, we may not realize the anticipated benefits of these acquisitions and divestitures.

We may seek to grow through strategic acquisitions, joint ventures or other arrangements. Our due diligence reviews in these transactions may not identify all of the material issues necessary to accurately estimate the cost or potential loss contingencies with respect to a particular transaction, including potential exposure to regulatory sanctions resulting from a counterparty’s previous activities. We may incur unanticipated costs or expenses, including post-closing asset impairment charges, expenses associated with eliminating duplicate facilities, litigation and other liabilities. We may also face regulatory scrutiny as a result of perceived concentration in certain markets, which could cause additional delay or prevent us from completing certain acquisitions that would be beneficial to our business. We also may encounter difficulties in integrating acquisitions with our operations, applying our internal controls processes to these acquisitions or in managing strategic investments. Additionally, we may not achieve the benefits we anticipate when we first enter into a transaction in the amount or timeframe anticipated. Any of the foregoing could adversely affect our business and results of operations. In addition, accounting requirements relating to business combinations, including the requirement to expense certain acquisition costs as incurred, may cause us to experience greater earnings volatility and generally lower earnings during periods in which we acquire new businesses. Furthermore, we may make strategic divestitures from time to time. These divestitures may result in continued financial involvement in the divested businesses, such as through indemnities, guarantees or other financial arrangements. These arrangements could result in financial obligations imposed upon us and could affect our future financial condition and results of operations.

Our joint ventures may not operate according to our business strategy if our joint venture partners fail to fulfill their obligations.

As part of our business, we have entered into certain joint venture arrangements, and may enter into additional joint venture arrangements in the future. The nature of a joint venture requires us to share control over significant decisions with unaffiliated third parties. Since we may not exercise control over our current or future joint ventures, we may not be able to require our joint ventures to take actions that we believe are necessary to implement our business strategy. Additionally, differences in views among joint venture participants may result in delayed decisions or failures to agree on major issues. If these differences cause the joint ventures to deviate from our business strategy, our results of operations could be materially adversely affected.

The insurance we maintain may not fully cover all potential exposures.

Our product liability, property, business interruption and casualty insurance coverages may not cover all risks associated with the operation of our business and may not be sufficient to offset the costs of any losses, lost sales or increased costs experienced during business interruptions. For some risks, we elect not to obtain insurance. As a result of market conditions, premiums and deductibles for certain insurance policies can increase substantially and, in some instances, certain insurance policies may become unavailable or available only for reduced amounts of coverage. As a result, we may not be able to renew our insurance policies or procure other desirable insurance on commercially reasonable terms, if at all. Losses and liabilities from uninsured or underinsured events and delay in the payment of insurance proceeds could have a material adverse effect on our business, financial condition and results of operations.

We may need to recognize impairment charges related to goodwill, identifiable intangible assets and fixed assets.

Under the acquisition method of accounting, the net assets acquired were recorded at fair value as of the date of the Acquisition, with any excess purchase price allocated to goodwill. The Acquisition resulted in significant balances of goodwill and identifiable intangible assets. We are required to test goodwill and any other intangible asset with an indefinite life for possible impairment on the same date each year, unless conditions exist that would require a more frequent evaluation. We are also required to evaluate amortizable intangible assets and fixed assets for impairment if there are indicators of a possible impairment.

There is significant judgment required in the analysis of a potential impairment of goodwill, identified intangible assets and fixed assets. If, as a result of a general economic slowdown, deterioration in one or more of the markets in which we operate or impairment in our financial performance and/or future outlook, the estimated fair value of our long-lived assets decreases, we may determine that one or more of our long-lived assets is impaired. An impairment charge would be determined based on the estimated fair value of the assets and any such impairment charge could have a material adverse effect on our results of operations and financial position.

We recently completed the transition of our IT systems. If we experience any issues related to the recent transition, it may have a material adverse effect on our results of operations.

We recently completed the transition of IT systems from DuPont to our own platform, including the establishment of a global IT support team. There are inherent risks associated with transitioning and changing these types of systems, and while we completed the transition in October 2014, if there are any issues surrounding this recent transition, it could result in a potential disruption of our business and substantial unplanned costs, which could have a material adverse effect on our business, financial condition or results of operations.

Our Predecessor financial information may not be comparable to the Successor financial information.

Our Predecessor financial information may not reflect what our results of operations and cash flows would have been had we been a separate, standalone entity during those periods and may not be indicative of what our results of operations and cash flows will be in the future. As a result, you have limited information on which to evaluate our business. This is primarily because:

- Our Predecessor combined financial information has been derived from the financial statements and accounting records of DuPont and reflects assumptions made by DuPont. Those assumptions and allocations may be different from the comparable expenses we would have incurred as a standalone company;
- Certain general corporate expenses were historically allocated to the Predecessor period by DuPont that, while reasonable, may not be indicative of the actual expenses that would have been incurred had we been operating as a standalone company, nor are they indicative of the costs that will be incurred in the future as a standalone company;
- Our working capital requirements historically were satisfied as part of DuPont's corporate-wide cash management policies. Since becoming a standalone company, we no longer rely on DuPont for working capital. In connection with the Acquisition, we incurred a large amount of indebtedness and will therefore assume significant debt service costs. As a result, our cost of debt and capitalization is significantly different from that reflected in the Predecessor financial information; and
- Following the Acquisition, we have experienced increases in our costs, including the cost to establish an appropriate accounting and reporting system, debt service obligations, providing healthcare and other costs of being a standalone company.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 7 to our Audited Consolidated Financial Statements contained elsewhere in this prospectus.

DuPont's potential breach of its obligations in connection with the Acquisition, including failure to comply with its indemnification obligations, may materially affect our business and operating results.

Although the Acquisition closed on February 1, 2013, DuPont still has performance obligations to us, such as transferring delayed assets, providing IT-related transition services and fulfilling indemnification requirements. We could incur material additional costs if DuPont fails to meet its obligations or if we otherwise are unable to recover costs associated with such liabilities.

If we are treated as a financial institution under FATCA, withholding tax may be imposed on payments on our common shares.

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and applicable Treasury Regulations commonly referred to as "FATCA" generally impose 30% withholding on certain "withholdable payments" and, in the future, may impose such withholding on "foreign passthru payments" made by a "foreign financial institution" (each as defined in the Code) that has entered into an agreement with the U.S. Internal Revenue Service to perform certain diligence and reporting obligations with respect to the foreign financial institution's U.S.-owned accounts. The applicable Treasury Regulations treat an entity as a "financial institution" if it is a holding company formed in connection with or availed of by a private equity fund or other similar investment vehicle established with an investment strategy of investing, reinvesting, or trading in financial assets. The United States has entered into an intergovernmental agreement (an "IGA") with Bermuda, which modifies the FATCA withholding regime described above, although the U.S. Internal Revenue Service and Bermuda tax authorities have not yet provided final guidance regarding compliance with the Bermuda IGA. It is not clear whether we would be treated as a financial institution subject to the diligence, reporting and withholding obligations under FATCA or the Bermuda IGA. Furthermore, it is not yet clear how the Bermuda IGA will address foreign passthru payments. Prospective investors should consult their tax advisors regarding the potential impact of FATCA, the Bermudan IGA and any non-U.S. legislation implementing FATCA, on their investment in our common shares.

We may be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to U.S. Holders of our common shares.

Based on the anticipated market price of our common shares in this offering and expected price of our common shares following this offering, and the composition of our income, assets and operations, we do not expect to be treated as a passive foreign investment company ("PFIC") for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. However, the application of the PFIC rules is subject to uncertainty in several respects, and we cannot assure you the U.S. Internal Revenue Service will not take a contrary position. Furthermore, this is a factual determination that must be made annually after the close of each taxable year. If we are a PFIC for any taxable year during which a U.S. person holds our common shares, certain adverse U.S. federal income tax consequences could apply to such U.S. person. See "Taxation—U.S. Federal Income Tax Considerations—Passive Foreign Investment Company."

Risks Related to our Indebtedness

Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy and our industry, expose us to interest rate risk to the extent of our variable rate debt and prevent us from meeting our obligations with respect to our indebtedness.

As of June 30, 2014, we had approximately $3.9 billion of indebtedness on a consolidated basis, including $750.0 million of our Dollar Senior Notes, $340.4 million of our Euro Senior Notes, $2,277.0 million of the Dollar Term Loan Facility (as defined herein) and $539.3 million of the Euro Term Loan Facility (as defined herein). In addition, we had no outstanding borrowings under our Revolving Credit Facility (as defined herein) and approximately $378.5 million in borrowing capacity available under our Revolving Credit Facility, after giving effect to $21.5 million of outstanding letters of credit. As of June 30, 2014, we were in compliance with all of the covenants under our outstanding debt instruments.

Our substantial indebtedness could have important consequences to you. For example, it could:

- limit our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions, general corporate purposes or other purposes;
- require us to devote a substantial portion of our annual cash flow to the payment of interest on our indebtedness;
- expose us to the risk of increased interest rates as, over the term of our debt, the interest cost on a significant portion of our indebtedness is subject to changes in interest rates;
- hinder our ability to adjust rapidly to changing market conditions;
- limit our ability to secure adequate bank financing in the future with reasonable terms and conditions or at all; and
- increase our vulnerability to and limit our flexibility in planning for, or reacting to, a potential downturn in general economic conditions or in one or more of our businesses.

We are more leveraged than some of our competitors, which could adversely affect our business plans. A relatively greater portion of our cash flow is used to service debt and other financial obligations. This reduces the funds we have available for working capital, capital expenditures, acquisitions and other purposes and, given current credit constriction, may make it more difficult for us to make borrowings in the future. Similarly, our relatively greater leverage increases our vulnerability to, and limits our flexibility in planning for, adverse economic and industry conditions and creates other competitive disadvantages compared with other companies with relatively less leverage.

In addition, the indentures governing the Senior Notes and the agreements governing our Senior Secured Credit Facilities contain affirmative and negative covenants that limit our and certain of our subsidiaries' ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default that, if not cured or waived, could result in the acceleration of all of our debts.

To service all of our indebtedness, we will require a significant amount of cash and our ability to generate cash depends on many factors beyond our control.

Our operations are conducted through our subsidiaries and our ability to make cash payments on our indebtedness will depend on the earnings and the distribution of funds from our subsidiaries. None of our subsidiaries, however, is obligated to make funds available to us for payment on our indebtedness. Further, the terms of the instruments governing our indebtedness significantly restrict our subsidiaries from paying dividends and otherwise transferring assets to us. Our ability to make cash payments on and refinance our debt obligations, to fund planned capital expenditures and to meet other cash requirements will depend on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to financial, business, legislative, regulatory and other factors beyond our control. We might not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness.

Our business may not generate sufficient cash flow from operations and future borrowings may not be available under our Senior Secured Credit Facilities in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs, including planned capital expenditures. In such circumstances, we may need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on commercially reasonable terms or at all. If we cannot service our indebtedness, we may have to take actions such as selling assets, seeking additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances. Such actions, if necessary, may not be effected on commercially reasonable terms or at all. The instruments governing our indebtedness restrict our ability to sell assets and our use of the proceeds from such sales, and we may not be able to consummate those dispositions or to obtain proceeds in an amount sufficient to meet any debt service obligations then due.

If we are unable to generate sufficient cash flow or are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants in the instruments governing our indebtedness, we could be in default under the terms of the agreements governing such indebtedness. In the event of such default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest, the lenders under our Revolving Credit Facility could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to obtain waivers from the required lenders under the credit agreement governing our Senior Secured Credit Facilities to avoid being in default. If we breach our covenants under our Senior Secured Credit Facilities or we are in default thereunder and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under the credit agreement governing our Senior Secured Credit Facilities, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

Despite our current level of indebtedness and restrictive covenants, we and our subsidiaries may incur additional indebtedness or we may pay dividends in the future. This could further exacerbate the risks associated with our substantial financial leverage.

We and our subsidiaries may incur significant additional indebtedness under the agreements governing our indebtedness. Although the indentures governing the Senior Notes and the credit agreement governing our Senior Secured Credit Facilities contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of thresholds, qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. Additionally, these restrictions also will not prevent us from incurring obligations that, although preferential to our common shares in terms of payment, do not constitute indebtedness. As of June 30, 2014, we had $378.5 million of additional borrowing capacity under our Revolving Credit Facility, after giving effect to $21.5 million of outstanding letters of credit.

In addition, if new debt is added to our and/or our subsidiaries' debt levels, the related risks that we now face as a result of our leverage would intensify. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness."

We are dependent upon our lenders for financing to execute our business strategy and meet our liquidity needs. If our lenders are unable or unwilling to fund borrowings under their credit commitments or we are unable to borrow, it could negatively impact our business.

We are dependent upon our lenders for financing to execute our business strategy and meet our liquidity needs. If our lenders are unable to fund borrowings under their credit commitments or we are unable to borrow from them for any reason, our business could be negatively impacted. During periods of volatile credit markets, there is risk that any lenders, even those with strong balance sheets and sound lending practices, could fail or refuse to honor their legal commitments and obligations under existing credit commitments, including, but not limited to, extending credit up to the maximum permitted by a credit facility, allowing access to additional credit features and otherwise accessing capital and/or honoring loan commitments. If our lenders are unable or unwilling to fund borrowings under their revolving credit commitments or we are unable to borrow from them, it could be difficult in such environments to obtain sufficient liquidity to meet our operational needs.

Our ability to obtain additional capital on commercially reasonable terms may be limited.

Although we believe our cash and cash equivalents, together with cash we expect to generate from operations and unused capacity available under our Revolving Credit Facility, provide adequate resources to fund ongoing operating requirements, we may need to seek additional financing to compete effectively.

If we are unable to obtain capital on commercially reasonable terms, it could:

- reduce funds available to us for purposes such as working capital, capital expenditures, research and development, strategic acquisitions and other general corporate purposes;
- restrict our ability to introduce new products or exploit business opportunities;
- increase our vulnerability to economic downturns and competitive pressures in the markets in which we operate; and
- place us at a competitive disadvantage.

Difficult and volatile conditions in the capital, credit and commodities markets and in the overall economy could have a material adverse effect on our financial position, results of operations and cash flows.

Difficult global economic conditions, including concerns about sovereign debt and significant volatility in the capital, credit and commodities markets, could have a material adverse effect on our financial position, results of operations and cash flows. These global economic factors, combined with low levels of business and consumer confidence and high levels of unemployment, have precipitated a slow recovery from the global recession and concern about a return to recessionary conditions. The difficult conditions in these markets and the overall economy affect our business in a number of ways. For example:

- as a result of the volatility in commodity prices, we may encounter difficulty in achieving sustained market acceptance of past or future price increases, which could have a material adverse effect on our financial position, results of operations and cash flows;

- under difficult market conditions there can be no assurance that borrowings under our Revolving Credit Facility would be available or sufficient, and in such a case, we may not be able to successfully obtain additional financing on reasonable terms, or at all;
- in order to respond to market conditions, we may need to seek waivers from various provisions in the credit agreement governing our Senior Secured Credit Facilities, and in such case, there can be no assurance that we can obtain such waivers at a reasonable cost, if at all;
- market conditions could cause the counterparties to the derivative financial instruments we may use to hedge our exposure to interest rate, commodity or currency fluctuations to experience financial difficulties and, as a result, our efforts to hedge these exposures could prove unsuccessful and, furthermore, our ability to engage in additional hedging activities may decrease or become more costly; and
- market conditions could result in our key customers experiencing financial difficulties and/or electing to limit spending, which in turn could result in decreased sales and earnings for us.

In general, downturns in economic conditions can cause fluctuations in demand for our and our customers' products, product prices, volumes and margins. Future economic conditions may not be favorable to our industry and future growth in demand for our products, if any, may not be sufficient to alleviate any existing or future conditions of excess industry capacity. A decline in the demand for our products or a shift to lower-margin products due to deteriorating economic conditions could have a material adverse effect on our financial condition and results of operations and could also result in impairments of certain of our assets. We do not know if market conditions or the state of the overall economy will continue to improve in the near future. We cannot provide assurance that a continuation of current economic conditions or a further economic downturn in one or more of the geographic regions in which we sell our products would not have a material adverse effect on our business, financial condition and results of operations.

Our debt obligations may limit our flexibility in managing our business.

The indentures governing our Senior Notes and the credit agreement governing our Senior Secured Credit Facilities require us to comply with a number of customary financial and other covenants, such as maintaining leverage ratios in certain situations and maintaining insurance coverage. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness." These covenants may limit our flexibility in our operations, and breaches of these covenants could result in defaults under the instruments governing the applicable indebtedness even if we had satisfied our payment obligations. If we were to default on the indentures governing our Senior Notes, the credit agreement governing our Senior Secured Credit Facilities or other debt instruments, our financial condition and liquidity would be adversely affected.

Risks Related to this Offering and Ownership of our Common Shares

Because a significant portion of our operations is conducted through our subsidiaries and joint ventures, we are largely dependent on our receipt of distributions and dividends or other payments from our subsidiaries and joint ventures for cash to fund all of our operations and expenses, including to make future dividend payments, if any.

A significant portion of our operations is conducted through our subsidiaries and joint ventures. As a result, our ability to service our debt or to make future dividend payments, if any, is largely dependent on the earnings of our subsidiaries and joint ventures and the payment of those earnings to us in the form of dividends, loans or advances and through repayment of loans or advances from us. Payments to us by our subsidiaries and joint ventures will be contingent upon our subsidiaries' or joint ventures' earnings and other business considerations and may be subject to statutory or contractual restrictions. We do not currently expect to declare or pay dividends on our common shares for the foreseeable future; however, to the extent that we determine in the future to pay dividends on our common shares, the credit agreement governing our Senior Secured Credit Facilities and the indentures governing the Senior Notes significantly restrict the ability of our subsidiaries to pay dividends or otherwise transfer assets to us. In addition, Bermuda law imposes requirements that may restrict our ability to pay dividends to holders of our common shares. In addition, there may be significant tax and other legal restrictions on the ability of foreign subsidiaries or joint ventures to remit money to us.

There is no existing market for our common shares, and we do not know if one will develop to provide you with adequate liquidity to sell our common shares at prices equal to or greater than the price you paid in this offering.

Prior to this offering, there has not been a public market for our common shares. We cannot predict the extent to which investor interest in our company will lead to the development of an active trading market on the NYSE or otherwise or how liquid that market might become. If an active trading market does not develop, you may have difficulty selling any of our common shares that you buy. The initial public offering price for the common shares will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell our common shares at prices equal to or greater than the price you paid in this offering, or at all.

The price of our common shares may fluctuate significantly, and you could lose all or part of your investment.

Volatility in the market price of our common shares may prevent you from being able to sell your common shares at or above the price you paid for your common shares. The market price of our common shares could fluctuate significantly for various reasons, including:

- our operating and financial performance and prospects;
- our quarterly or annual earnings or those of other companies in our industry;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in, or failure to meet, earnings estimates or recommendations by research analysts who track our common shares or the stock of other companies in our industry;
- the failure of research analysts to cover our common shares;
- strategic actions by us, our customers or our competitors, such as acquisitions or restructurings;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the impact on our profitability temporarily caused by the time lag between when we experience cost increases until these increases flow through cost of sales because of our method of accounting for inventory, or the impact from our inability to pass on such price increases to our customers;
- material litigations or government investigations;
- changes in general conditions in the United States and global economies or financial markets, including those resulting from war, incidents of terrorism or responses to such events;
- changes in key personnel;
- sales of common shares by us, Carlyle or members of our management team;
- termination or expiration of lock-up agreements with our management team and principal shareholders;
- the granting of restricted common shares, stock options and other equity awards;

- volume of trading in our common shares; and
- the realization of any risks described under this “Risk Factors” section.

In addition, over the past several years, the stock markets have experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry. The changes frequently appear to occur without regard to the operating performance of the affected companies. Hence, the price of our common shares could fluctuate based upon factors that have little or nothing to do with our company, and these fluctuations could materially reduce our share price and cause you to lose all or part of your investment. Further, in the past, market fluctuations and price declines in a company’s stock have led to securities class action litigations. If such a suit were to arise, it could have a substantial cost and divert our resources regardless of the outcome.

If we fail to maintain proper and effective internal controls over financial reporting, our ability to produce accurate and timely financial statements could be impaired and investors’ views of us could be harmed.

The Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) requires, among other things, that we maintain effective internal control over financial reporting and disclosure controls and procedures. One key aspect of the Sarbanes-Oxley Act is that we must perform system and process evaluation and testing of our internal control over financial reporting to allow management and our independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act, with auditor attestation of the effectiveness of our internal controls, beginning with our annual report on Form 10-K for the fiscal year ending December 31, 2015. If we are not able to comply with the requirements of Section 404 in a timely manner, or if we or our independent registered public accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our common shares could decline and we could be subject to sanctions or investigations by the NYSE, the SEC or other regulatory authorities, which would require additional financial and management resources.

Our ability to successfully implement our business plan and comply with the Sarbanes-Oxley Act requires us to be able to prepare timely and accurate financial statements, among other requirements. Any delay in the implementation of, or disruption in the transition to, new or enhanced systems, procedures or controls, may cause our operations to suffer and we may be unable to conclude that our internal control over financial reporting is effective and to obtain an unqualified report on internal controls from our auditors. Moreover, we cannot be certain that these measures would ensure that we implement and maintain adequate controls over our financial processes and reporting in the future. Even if we were to conclude, and our auditors were to concur, that our internal control over financial reporting provided reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP, because of its inherent limitations, internal control over financial reporting may not prevent or detect fraud or misstatements. This, in turn, could have an adverse impact on trading prices for our common shares, and could adversely affect our ability to access the capital markets.

We will incur increased costs as a result of operating as a publicly traded company, and our management will be required to devote substantial time to new compliance initiatives.

As a publicly traded company, we will incur additional legal, accounting and other expenses that we did not previously incur. Although we are currently unable to estimate these costs with any degree of certainty, they may be material in amount. In addition, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules of the SEC and the NYSE, have imposed various requirements on public companies. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives as well as investor relations. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur additional costs to maintain the same or similar coverage.

Furthermore, if we are not able to comply with these requirements in a timely manner, the market price of our common shares could decline and we could be subject to potential delisting by the NYSE and review by the NYSE, the SEC, or other regulatory authorities, which would require the expenditure by us of additional financial and management resources and could harm our business and the market price of our common shares.

We are controlled by Carlyle, whose interests in our business may be different than yours.

As of June 30, 2014, Carlyle owned 99.5% of our common shares on a fully diluted basis and is able to control our affairs in all cases. Following this offering, Carlyle will continue to own approximately 79.6% of our common shares (or 76.6% if the underwriters exercise their option to purchase additional shares in full). Pursuant to a principal stockholders agreement, a majority of our Board of Directors will be designated by Carlyle. See "Certain Relationships and Related Person Transactions." As a result, Carlyle or its respective designees to our Board of Directors will have the ability to control the appointment of our management, the entering into of mergers, sales of substantially all or all of our assets and other extraordinary transactions and influence amendments to our memorandum of association and bye-laws. So long as Carlyle continues to own a majority of our common shares, they will have the ability to control the vote in any election of directors and will have the ability to prevent any transaction that requires shareholder approval regardless of whether other shareholders believe the transaction is in our best interests. Additionally, pursuant to our principal stockholders agreement, Carlyle will continue to have the ability to designate a majority of our directors until it owns less than 25% of the outstanding common shares. In any of these matters, the interests of Carlyle may differ from or conflict with your interests. Moreover, this concentration of stock ownership may also adversely affect the trading price for our common shares to the extent investors perceive disadvantages in owning stock of a company with a controlling shareholder. In addition, we have historically paid Carlyle an annual fee for certain advisory and consulting services pursuant to consulting agreements. See "Certain Relationships and Related Person Transactions." We will pay Carlyle a fee to terminate the consulting agreement in connection with the consummation of this offering. In addition, Carlyle is in the business of making investments in companies and may, from time to time, acquire interests in businesses that directly or indirectly compete with our business, as well as businesses that are our significant existing or potential suppliers or customers. Carlyle may acquire or seek to acquire assets that we seek to acquire and, as a result, those acquisition opportunities may not be available to us or may be more expensive for us to pursue.

We do not intend to pay dividends on our common shares and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common shares.

We do not intend to declare and pay dividends on our common shares for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth and potentially reduce our indebtedness. Therefore, you are not likely to receive any dividends on your common shares for the foreseeable future and the success of an investment in our common shares will depend upon any future appreciation in their value. There is no guarantee that our common shares will appreciate in value or even maintain the price at which our shareholders have purchased their shares. The payment of future dividends, however, will be at the discretion of our Board of Directors and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our Board of Directors deems relevant. The credit agreement governing our Senior Secured Credit Facilities and the indentures governing the Senior Notes also effectively limit our ability to pay dividends. As a consequence of these limitations and restrictions, we may not be able to make, or may have to reduce or eliminate, the payment of dividends on our common shares.

You may suffer immediate and substantial dilution.

The initial public offering price per share of our common shares is substantially higher than our net tangible book value per common share immediately after the offering. As a result, you may pay a price per share that substantially exceeds the tangible book value of our assets after subtracting our liabilities. At an offering price of

$19.50 per share, which is the midpoint of the range set forth on the cover page of this prospectus, you may incur immediate and substantial dilution in the amount of $14.37 per share. You will experience additional dilution upon the exercise of currently outstanding options to purchase our common shares as well as if any options or warrants are granted in the future, and the issuance and vesting of restricted stock or other equity awards under our existing or future stock incentive plans.

Future sales of our common shares in the public market could lower our share price, and any additional capital raised by us through the sale of equity or convertible debt securities may dilute your ownership in us and may adversely affect the market price of our common shares.

We and our shareholders may sell additional common shares in subsequent public offerings. We may also issue additional common shares or convertible debt securities to finance future acquisitions. After the consummation of this offering, we will have 1,000,000,000 common shares authorized and 229,069,356 common shares outstanding. This number includes 45,000,000 common shares that the selling shareholders are selling in this offering, which may be resold immediately in the public market. Of the remaining common shares, 183,242,110, or 79.99% of our total outstanding common shares, are restricted from immediate resale under the lock-up agreements between certain of our current shareholders and the underwriters described in "Underwriting," but may be sold into the market in the near future. These shares will become available for sale following the expiration of the lock-up agreements, which, without the prior consent of the representatives of the underwriters, is 180 days after the date of this prospectus, subject to compliance with the applicable requirements under Rule 144 of the Securities Act of 1933, as amended (the "Securities Act").

We cannot predict the size of future issuances of our common shares or the effect, if any, that future issuances and sales of our common shares will have on the market price of our common shares. Sales of substantial amounts of our common shares (including sales pursuant to Carlyle's registration rights, sales by members of management and shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common shares. See "Certain Relationships and Related Person Transactions" and "Shares Eligible for Future Sale."

We are a "controlled company" within the meaning of the rules of the NYSE and, as a result, expect to qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to shareholders of companies that are subject to such requirements.

Following the consummation of this offering, we expect Carlyle will collectively continue to own a majority in voting power of our outstanding common shares. As a result, we expect to be a "controlled company" within the meaning of the corporate governance standards of the NYSE. Under these rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of such company's board of directors consist of independent directors;
- the requirement that such company have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- the requirement that such company have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement for an annual performance evaluation of such company's nominating and corporate governance committee and compensation committee.

Following this offering, we intend to utilize these exemptions if we continue to qualify as a "controlled company." If we do utilize the exemption, we will not have a majority of independent directors and our nominating and corporate governance and compensation committees will not consist entirely of independent directors and such committees will not be subject to annual performance evaluations. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of the NYSE.

We are a Bermuda company and it may be difficult for you to enforce judgments against us or our directors and executive officers.

We are a Bermuda exempted company. As a result, the rights of our shareholders will be governed by Bermuda law and our memorandum of association and bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in another jurisdiction, and a substantial portion of our assets are located outside the United States. As a result, it may be difficult for investors to effect service of process on those persons in the United States or to enforce in the United States judgments obtained in U.S. courts against us or those persons based on the civil liability provisions of the U.S. securities laws. It is doubtful whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against us or our directors or officers under the securities laws of those jurisdictions or entertain actions in Bermuda against us or our directors or officers under the securities laws of other jurisdictions.

Bermuda law differs from the laws in effect in the United States and may afford less protection to our shareholders.

We are organized under the laws of Bermuda. As a result, our corporate affairs are governed by the Companies Act 1981 (the “Companies Act”), which differs in some material respects from laws typically applicable to U.S. corporations and shareholders, including the provisions relating to interested directors, amalgamations, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors. Generally, the duties of directors and officers of a Bermuda company are owed to the company only. Shareholders of Bermuda companies typically do not have rights to take action against directors or officers of the company and may only do so in limited circumstances. Shareholder class actions are not available under Bermuda law. The circumstances in which shareholder derivative actions may be available under Bermuda law are substantially more proscribed and less clear than they would be to shareholders of U.S. corporations. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company’s memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company’s shareholders than those who actually approved it.

When the affairs of a company are being conducted in a manner that is oppressive or prejudicial to the interests of some shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company’s affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company. Additionally, under our bye-laws and as permitted by Bermuda law, each shareholder has waived any claim or right of action against our directors or officers for any action taken by directors or officers in the performance of their duties, except for actions involving fraud or dishonesty. In addition, the rights of our shareholders and the fiduciary responsibilities of our directors under Bermuda law are not as clearly established as under statutes or judicial precedent in existence in jurisdictions in the United States, particularly the State of Delaware. Therefore, our shareholders may have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction within the United States.

We have anti-takeover provisions in our bye-laws that may discourage a change of control.

Our bye-laws contain provisions that could make it more difficult for a third party to acquire us without the consent of our Board of Directors. These provisions provide for:

- a classified Board of Directors with staggered three-year terms;
- directors only to be removed for cause once the number of common shares owned by Carlyle ceases to be more than 50%;
- restrictions on the time period in which directors may be nominated; and
- our Board of Directors to determine the powers, preferences and rights of our preference shares and to issue the preference shares without shareholder approval.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company and may prevent our shareholders from receiving the benefit from any premium to the market price of our common shares offered by a bidder in a takeover context. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common shares if the provisions are viewed as discouraging takeover attempts in the future. These provisions could also discourage proxy contests, make it more difficult for you and other shareholders to elect directors of your choosing and cause us to take corporate actions other than those you desire. See “Description of Share Capital.”

FORWARD-LOOKING STATEMENTS

Many statements made in this prospectus that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as “anticipate,” “expect,” “suggests,” “plan,” “believe,” “intend,” “estimates,” “targets,” “projects,” “should,” “could,” “would,” “may,” “will,” “forecast,” and other similar expressions. These forward-looking statements are contained throughout this prospectus, including the sections entitled “Prospectus Summary,” “Risk Factors,” “Capitalization,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Business.” We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. As you read and consider this prospectus, you should understand that these statements are not guarantees of performance or results. The forward-looking statements and projections are subject to and involve risks, uncertainties and assumptions and you should not place undue reliance on these forward-looking statements or projections. Although we believe that these forward-looking statements and projections are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections. Factors that may materially affect such forward-looking statements and projections include:

- adverse developments in economic conditions and, particularly, in conditions in the automotive and transportation industries;
- our inability to successfully execute on our growth strategy;
- risks associated with our non-U.S. operations;
- currency-related risks;
- increased competition;
- risks of the loss of any of our significant customers or the consolidation of MSOs, distributors and/or body shops;
- price increases or interruptions in our supply of raw materials;
- failure to develop and market new products and manage product life cycles;
- litigation and other commitments and contingencies;
- significant environmental liabilities and costs as a result of our current and past operations or products, including operations or products related to our business prior to the Acquisition;
- unexpected liabilities under any pension plans applicable to our employees;
- risk that the insurance we maintain may not fully cover all potential exposures;
- failure to comply with the anti-corruption laws of the United States and various international jurisdictions;
- failure to comply with anti-terrorism laws and regulations and applicable trade embargoes;
- business disruptions, security threats and security breaches;
- our ability to protect and enforce intellectual property rights;
- intellectual property infringement suits against us by third parties;
- our substantial indebtedness;
- our ability to obtain additional capital on commercially reasonable terms may be limited;

- our ability to realize the anticipated benefits of any acquisitions and divestitures;
- our joint ventures' ability to operate according to our business strategy should our joint venture partners fail to fulfill their obligations;
- ability to recruit and retain the experienced and skilled personnel we need to compete;
- work stoppages, union negotiations, labor disputes and other matters associated with our labor force;
- terrorist acts, conflicts, wars and natural disasters that may materially adversely affect our business, financial condition and results of operations;
- transporting certain materials that are inherently hazardous due to their toxic nature;
- weather conditions that may temporarily reduce the demand for some of our products;
- reduced demand for some of our products as a result of improved safety features on vehicles and insurance company influence;
- the amount of the costs, fees, expenses and charges related to this initial public offering and the related costs of being a public company;
- any statements of belief and any statements of assumptions underlying any of the foregoing;
- Carlyle's ability to control our common shares;
- other factors disclosed in this prospectus; and
- other factors beyond our control.

These cautionary statements should not be construed by you to be exhaustive and are made only as of the date of this prospectus. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

USE OF PROCEEDS

All of the common shares offered by this prospectus are being sold by the selling shareholders. We will not receive any of the proceeds from the sale of shares by the selling shareholders in this offering, including from any exercise by the underwriters of their overallotment option. For more information about the selling shareholders, see "Principal and Selling Shareholders."

DIVIDEND POLICY

We have not paid dividends in the past and we do not intend to pay any cash dividends for the foreseeable future. We intend to retain earnings, if any, for the future operation and expansion of our business and the repayment of debt. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend upon our results of operations, cash requirements, financial condition, contractual restrictions, restrictions imposed by applicable laws and other factors that our Board of Directors may deem relevant. Specifically, we are subject to Bermuda legal constraints that may affect our ability to pay dividends on our common shares and make other payments. Under Bermuda law, a company may not declare or pay dividends if there are reasonable grounds for believing that: (i) the company is, or would after the payment be, unable to pay its liabilities as they become due or (ii) the realizable value of its assets would thereby be less than its liabilities. Our ability to pay dividends to holders of our common shares is also dependent upon our subsidiaries' ability to make distributions to us, which is limited by the terms of the agreements governing the terms of their indebtedness. Additionally, the negative covenants in the agreements governing our indebtedness limit our ability to pay dividends and make distributions to our shareholders. For additional information on these limitations, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness."

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CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and capitalization as of June 30, 2014.

The information in this table should be read in conjunction with “Selected Historical Financial Information,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes thereto included elsewhere in this prospectus.

(dollars in millions, except per share data)	As of June 30, 2014 (Unaudited)
Cash and cash equivalents	$ 350.3
Debt:	
Senior Secured Credit Facilities, consisting of the following(1):	
Revolving Credit Facility	—
Dollar Term Loan, net of discount	2,258.3
Euro Term Loan, net of discount	537.0
Dollar Senior Notes(2)	750.0
Euro Senior Notes(3)	340.4
Other indebtedness(4)	15.2
Total debt	3,900.9
Total stockholders’ equity:	
Common Shares, $1.00 par value per share: 1,000,000,000 shares authorized; 229,069,356 shares issued and outstanding	229.1
Capital in excess of par	1,137.5
Accumulated deficit	(204.4)
Accumulated other comprehensive income	25.7
Total stockholders’ equity	1,187.9
Noncontrolling interests	68.8
Total stockholders’ equity and noncontrolling interests	$ 1,256.7
Total capitalization	$ 5,157.6

(1) The senior secured credit facilities consist of (a) a $400.0 million revolving credit facility that matures in 2018 (the “Revolving Credit Facility”), (b) a $2,300.0 million term loan facility that matures in 2020 (the “Dollar Term Loan Facility”) and (c) a €400.0 million term loan facility that matures in 2020 (our “Euro Term Loan Facility” and, together with the Revolving Credit Facility and the Dollar Term Loan Facility, the “Senior Secured Credit Facilities”). As of June 30, 2014, we had $2,277.0 million of outstanding borrowings under the Dollar Term Loan Facility, $539.3 million of outstanding borrowings under the Euro Term Loan Facility and no outstanding borrowings under the Revolving Credit Facility. As of June 30, 2014, we had approximately $378.5 million in additional borrowing capacity available under our Revolving Credit Facility, after giving effect to $21.5 million of outstanding letters of credit. See Note 22 to our Audited Consolidated Financial Statements included elsewhere in this prospectus and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Indebtedness.”

(2) Consists of $750.0 million in aggregate principal amount of 7.375% senior unsecured notes due 2021 (the “Dollar Senior Notes”).

(3) Consists of €250.0 million in aggregate principal amount of 5.750% senior secured notes due 2021 (the “Euro Senior Notes” and, together with the Dollar Senior Notes, the “Senior Notes”).

(4) Includes indebtedness to fund short-term operational requirements primarily in our Latin American jurisdictions.

The table set forth above is based on the number of common shares outstanding as of June 30, 2014. The table does not reflect:

- 710,270 common shares sold or issued pursuant to the exercise of options subsequent to June 30, 2014;
- 17,098,022 common shares issuable upon the exercise of options outstanding at a weighted average exercise price of $9.34 per share;
- 11,830,000 common shares reserved for issuance under our 2014 Plan, which we plan to adopt in connection with this offering; and
- exercise of the option to purchase additional common shares by the underwriters.

Additionally, the information presented above assumes:

- an initial public offering price of $19.50 per share, which is the midpoint of the range set forth on the cover page of this prospectus;
- the adoption of our amended and restated bye-laws immediately prior to the closing of this offering; and
- the completion of the 1.69-for-1 stock split.

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DILUTION

If you invest in our common shares, your interest will be diluted to the extent of the difference between the initial public offering price per share and the net tangible book value per share after this offering.

As of June 30, 2014, we had net tangible book value of approximately $1,187.9 million, or $5.19 per share. Our net tangible book value per share represents total tangible assets less total liabilities divided by the number of common shares outstanding. After giving effect to (i) the sale of 45,000,000 common shares by the selling shareholders in this offering, based upon an assumed initial public offering price of $19.50 per share, which is the midpoint of the range set forth on the cover page of this prospectus, after deducting estimated offering expenses payable by us and (ii) $13.4 million of fees to terminate our consulting services agreement with Carlyle, as if each had occurred on June 30, 2014, our as adjusted net tangible book value as of June 30, 2014 would have been approximately $1,173.7 million, or $5.13 per share. This represents an immediate decrease in net tangible book value of $0.06 per share to existing shareholders and an immediate dilution of $14.37 per share to new investors purchasing common shares in this offering. The following table illustrates this dilution on a per share basis:

		Per Share
Assumed initial public offering price per share		$19.50
Net tangible book value per share as of June 30, 2014	$ 5.19	
Decrease in net tangible book value per share attributable to this offering	(0.06)	
As adjusted net tangible book value per share after this offering		5.13
Dilution per share to new investors		$14.37

The following table sets forth, as of June 30, 2014, the total number of common shares owned by existing shareholders, including the selling shareholders, and to be owned by new investors, the total consideration paid, and the average price per share paid by our existing shareholders and to be paid by new investors purchasing common shares in this offering. The calculation below is based on an assumed initial public offering price of $19.50 per share, which is the midpoint of the range set forth on the cover page of this prospectus, before deducting the assumed underwriting discounts and commissions and other estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
	(in thousands, other than percentages and per share amounts)				
Existing shareholders	184,069	80.4%	$1,355,440	60.7%	$ 7.36
New investors	45,000	19.6	877,500	39.3	19.50
Total	229,069	100%	$2,232,940	100%	$ 9.75

A $1.00 increase (decrease) in the assumed initial offering price would increase (decrease) total consideration paid by new investors, total consideration paid by all shareholders and average price per share paid by all shareholders by $45 million, $45 million and $0.20 per share, respectively. An increase (decrease) of 1.0 million in the number of shares offered by the selling shareholders would increase (decrease) total consideration paid by new investors, total consideration paid by all shareholders and average price per share paid by all shareholders by $19.5 million, $19.5 million and $0.04 per share, respectively.

The tables and calculations above assume no exercise of outstanding options. As of June 30, 2014, there were 17,098,022 common shares issuable upon exercise of outstanding options at a weighted average exercise price of $9.34 per share. To the extent that the outstanding options are exercised, there will be further dilution to new investors purchasing common shares in the offering. See “Description of Share Capital.”

SELECTED HISTORICAL FINANCIAL INFORMATION

The following table sets forth selected historical combined and consolidated and unaudited financial data and other information of Axalta. As a result of the Acquisition, we applied acquisition accounting whereby the purchase price paid was allocated to the acquired assets and liabilities at fair value. The financial reporting periods presented are as follows:

- The years ended December 31, 2009, 2010, 2011 and 2012 and the period from January 1, 2013 through January 31, 2013 ("Predecessor" periods) reflect the combined results of operations of the DPC business.
- The year ended December 31, 2013 and the six-month periods ended June 30, 2013 and 2014 ("Successor" periods) reflect the consolidated results of operations of Axalta, which includes the effects of acquisition accounting commencing on the acquisition date of February 1, 2013 and the effects of the Financing.

The historical results of operations and cash flow data for the six months ended June 30, 2013 and 2014 and the historical balance sheet data as of June 30, 2014 presented below were derived from our Successor unaudited financial statements and the related notes thereto included elsewhere in this prospectus.

The historical results of operations data and cash flow data for the year ended December 31, 2013 and the historical balance sheet data as of December 31, 2013 presented below were derived from our Successor audited financial statements and the related notes thereto included elsewhere in this prospectus. As of and for the Successor period of August 24, 2012 (inception) through December 31, 2012, the Successor had no operations or activity prior to the Acquisition, other than merger and acquisition costs of $29.0 million, which consisted primarily of investment banking, legal and other professional advisory services costs. The historical financial data for the period January 1, 2013 through January 31, 2013 has been derived from the Predecessor audited combined financial statements and the related notes thereto for the DPC business included elsewhere in this prospectus. The historical combined financial data for the years ended December 31, 2009, 2010, 2011 and 2012 have been derived from the Predecessor audited combined financial statements and the related notes thereto for the DPC business.

Our historical financial data and that of the DPC business are not necessarily indicative of our future performance, nor does such data reflect what our financial position and results of operations would have been had we operated as an independent company during the periods shown.

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(dollars in millions)	Predecessor Year Ended December 31, 2009	2010	2011	2012	January 1 through January 31, 2013	Successor Year Ended December 31, 2013	Six Months Ended June 30, 2013	2014
Statement of Operations Data:								
Net sales	$3,431.4	$3,802.0	$4,281.5	$4,219.4	$ 326.2	$ 3,951.1	$ 1,783.6	$ 2,174.0
Other revenue	17.3	27.8	34.3	37.4	1.1	35.7	13.7	14.7
Total revenue	3,448.7	3,829.8	4,315.8	4,256.8	327.3	3,986.8	1,797.3	2,188.7
Cost of goods sold(1)	2,445.8	2,676.0	3,074.5	2,932.6	232.2	2,772.8	1,327.6	1,446.0
Selling, general and administrative expenses(2)	867.9	827.6	869.1	873.4	70.8	1,040.6	397.0	497.3
Research and development expenses	59.2	52.4	49.6	41.5	3.7	40.5	18.5	23.4
Amortization of acquired intangibles	—	—	—	—	—	79.9	38.0	42.4
Merger and acquisition related expenses	—	—	—	—	—	28.1	28.1	—
Operating income (loss)	75.8	273.8	322.6	409.3	20.6	24.9	(11.9)	179.6
Interest expense, net	0.4	1.1	0.2	—	—	215.1	90.4	113.9
Bridge financing commitment fees	—	—	—	—	—	25.0	25.0	—
Other expense (income), net	(31.3)	0.6	20.2	16.3	5.0	48.5	59.1	2.9
Income (loss) before taxes	106.7	272.1	302.2	393.0	15.6	(263.7)	(186.4)	62.8
Provision (benefit) for income taxes	28.7	99.1	120.7	145.2	7.1	(44.8)	(8.1)	10.7
Net income (loss)	78.0	173.0	181.5	247.8	8.5	(218.9)	(178.3)	52.1
Less: Net income attributable to noncontrolling interests	3.8	4.9	2.1	4.5	0.6	6.0	2.3	2.6
Net income (loss) attributable to controlling interests	$ 74.2	$ 168.1	$ 179.4	$ 243.3	$ 7.9	$ (224.9)	$ (180.6)	$ 49.5
Per share data:								
Earnings (loss) per share:								
Basic and diluted						$ (0.97)	$ (0.77)	$ 0.22
Weighted average shares outstanding, basic and diluted						228,280,574	228,149,996	229,069,356
(dollars in millions)								
Other Financial Data:								
Cash flows from:								
Operating activities	$ 320.6	$ 203.2	$ 236.2	$ 388.8	$ (37.7)	$ 376.8	$ 161.6	$ 13.7
Investing activities	(77.6)	(77.3)	(116.6)	(88.2)	(8.3)	(5,011.2)	(4,872.2)	(102.8)
Financing activities	(238.2)	(125.0)	(125.1)	(290.6)	43.0	5,098.1	5,095.8	(12.2)
Depreciation and amortization	126.7	111.2	108.7	110.7	9.9	300.7	140.6	152.9
Capital expenditures	55.4	80.2	82.7	73.2	2.4	107.3	23.4	100.8

(dollars in millions)	Predecessor As of December 31, 2009	Predecessor As of December 31, 2010	Predecessor As of December 31, 2011	Predecessor As of December 31, 2012	Successor As of December 31, 2013	Successor As of June 30, 2014
Balance sheet data:						
Cash and cash equivalents	$ 17.3	$ 21.9	$ 18.8	$ 28.7	$ 459.3	$ 350.3
Working capital(3)	488.9	604.4	640.0	605.2	952.2	971.5
Total assets	2,851.5	2,823.8	2,833.6	2,878.6	6,737.1	6,704.6
Debt, net of discount	4.5	0.8	0.9	0.2	3,920.9	3,900.9
Total liabilities	1,155.6	1,059.1	1,028.4	1,181.6	5,525.3	5,447.9
Total stockholders' equity/combined equity	1,695.9	1,764.7	1,805.1	1,697.0	1,211.8	1,256.7

(1) In the Successor six-month period ended June 30, 2013 and year ended December 31, 2013, cost of goods sold included the impact of $103.7 million attributable to the increase in inventory value resulting from the fair value adjustment associated with our acquisition accounting for inventories.

(2) Selling, general and administrative expense included transition-related expenses of $46.5 million, $56.8 million and $231.5 million for the Successor six-month periods ended June, 30, 2013 and 2014, and the Successor year ended December 31, 2013, respectively. Additionally, during the Predecessor periods ended December 31, 2011 and 2012, $(2.5) million and $0.7 million in employee separation and asset related costs (income) were recorded, respectively.

(3) Working capital is defined as current assets less current liabilities.

UNAUDITED PRO FORMA CONDENSED COMBINED AND CONSOLIDATED FINANCIAL INFORMATION

The unaudited pro forma condensed combined and consolidated financial information for the six months ended June 30, 2014 and 2013 and for the year ended December 31, 2013 presented below were derived from our unaudited financial statements for the six month periods ended June 30, 2014 and 2013, our audited financial statements for the year ended December 31, 2013 and the related notes thereto and the audited financial statements for the DPC business for the period from January 1, 2013 through January 31, 2013 and the related notes thereto, each of which are included elsewhere in this prospectus.

On February 1, 2013, we consummated the Acquisition and acquired the DPC business from DuPont for $4,907.3 million plus transaction expenses. The purchase price paid was allocated to the acquired assets and liabilities at fair value. The purchase price for the Acquisition was funded by (i) an equity contribution of $1,350.0 million, (ii) proceeds from a $2,300.0 million Dollar Term Loan facility and a €400.0 million Euro Term Loan facility and (iii) proceeds from the issuance of $750.0 million in senior unsecured notes and €250.0 million in senior secured notes.

On February 3, 2014, we refinanced our Dollar Term Loan and Euro Term Loan Facilities. The Acquisition financing and refinancing are collectively referred to herein as the "Financing."

Our unaudited pro forma condensed combined and consolidated statements of operations are presented for the six months ended June 30, 2014 and 2013 and for the year ended December 31, 2013, assuming:

- the Acquisition was completed on January 1, 2013;
- the Financing was completed on January 1, 2013; and
- the Offering was completed on January 1, 2013.

As the Acquisition and the Financing are reflected in the Company's historical balance sheet at June 30, 2014, pro forma adjustments related to the Acquisition and Financing transactions are only reflected in the pro forma condensed combined and consolidated statements of operations for such period. The unaudited pro forma condensed consolidated balance sheet assumes that the Offering was completed on June 30, 2014. Historically, the DPC businesses were managed and operated in the normal course of business with other affiliates of DuPont. Accordingly, certain shared costs were allocated to DPC and reflected as expenses in the standalone Predecessor combined financial statements. DuPont had historically provided various services to the DPC business, including cash management, utilities and facilities management, information technology, finance/accounting, tax, legal, human resources, site services, data processing, security, payroll, employee benefit administration, insurance administration and telecommunications. The cost of these services were allocated to the Predecessor in the combined financial statements using various allocation methods. See Note 7 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for information regarding the historical allocations for the period from January 1, 2013 through January 31, 2013.

The unaudited pro forma information set forth below is based upon available information and assumptions that we believe are reasonable. The unaudited pro forma information is for illustrative and informational purposes only and is not intended to represent or be indicative of what our financial condition or results of operations would have been had the above transactions occurred on the dates indicated. The unaudited pro forma information also should not be considered representative of our future financial condition or results of operations.

You should read the information contained in this table in conjunction with "Selected Historical Financial Information," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical audited financial statements and the related notes thereto included elsewhere in this prospectus.

Unaudited Pro Forma Condensed Consolidated Balance Sheet
As of June 30, 2014
(in millions)

	Historical	Adjustments for Offering		Pro forma
Assets				
Current assets:				
Cash and cash equivalents	$ 350.3	$ (17.2)	(a)	$ 333.1
Restricted cash	1.9	—		1.9
Accounts and notes receivable, net	953.8	—		953.8
Inventories	576.4	—		576.4
Prepaid expenses and other	63.4	—		63.4
Deferred income taxes	18.1	—		18.1
Total current assets	1,963.9	(17.2)		1,946.7
Net property, plant and equipment	1,621.3	—		1,621.3
Goodwill	1,110.1	—		1,110.1
Identifiable intangibles, net	1,394.4	—		1,394.4
Deferred financing costs, net	102.0	—		102.0
Deferred income taxes	285.4	3.0	(b)	288.4
Other assets	227.5	—		227.5
Total assets	$6,704.6	$ (14.2)		$6,690.4
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	$ 527.1	—		$ 527.1
Current portion of borrowings	43.7	—		43.7
Deferred income taxes	6.3	—		6.3
Other accrued liabilities	415.3	—		415.3
Total current liabilities	992.4	—		992.4
Long-term borrowings	3,857.2	—		3,857.2
Deferred income taxes	270.4	—		270.4
Other liabilities	327.9	—		327.9
Total liabilities	5,447.9	—		5,447.9
Commitments and contingent liabilities				
Stockholders' equity				
Common stock	229.1	—		229.1
Capital in excess of par	1,137.5	—		1,137.5
Accumulated deficit	(204.4)	(14.2)	(c)	(218.6)
Accumulated other comprehensive income	25.7	—		25.7
Total stockholders' equity	1,187.9	(14.2)		1,173.7
Noncontrolling interests	68.8	—		68.8
Total stockholders' equity and noncontrolling interests	1,256.7	(14.2)		1,242.5
Total liabilities, stockholders' equity and noncontrolling interests	$6,704.6	$ (14.2)		$6,690.4

Unaudited Pro Forma Condensed Consolidated Statement Of Operations
For the Six Months Ended June 30, 2014
(In millions, except per share data)

	Successor Six Months Ended June 30, 2014	Adjustments for Financing		Adjustments for Offering		Pro forma
Net sales	$ 2,174.0	$ —		$ —		$ 2,174.0
Other revenue	14.7	—		—		14.7
Total revenue	2,188.7	—		—		2,188.7
Cost of goods sold	1,446.0	—		—		1,446.0
Selling, general and administrative expenses	497.3	—		—		497.3
Research and development expenses	23.4	—		—		23.4
Amortization of acquired intangibles	42.4	—		—		42.4
Income from operations	179.6	—		—		179.6
Interest expense, net	113.9	(3.0)	**(e)**	—		110.9
Other expense (income), net	2.9	(3.1)	**(g)**	(1.6)	**(h)**	(1.8)
Income before income taxes	62.8	6.1		1.6		70.5
Provision for income taxes	10.7	0.6	**(i)**	0.4	**(i)**	11.7
Net income	52.1	5.5		1.2		58.8
Less: Net income attributable to noncontrolling interests	2.6	—		—		2.6
Net income attributable to controlling interests	$ 49.5	$ 5.5		$ 1.2		$ 56.2
Per share data:						
Earnings per share:						
Basic and diluted	$ 0.22					$ 0.25
Weighted average shares outstanding:						
Basic and diluted	229,069,356					229,069,356

Unaudited Pro Forma Condensed Combined and Consolidated Statement Of Operations
For the Six Months Ended June 30, 2013
(In millions, except per share data)

	Predecessor January 1 through January 31, 2013	Successor Six Months Ended June 30, 2013	Adjustments for Acquisition		Adjustments for Financing		Adjustments for Offering		Pro forma
Net sales	$ 326.2	$ 1,783.6	$ —		$ —		$ —		$ 2,109.8
Other revenue	1.1	13.7	—		—		—		14.8
Total revenue	327.3	1,797.3	—		—		—		2,124.6
Cost of goods sold	232.2	1,327.6	(96.0)	**(a)**	—		—		1,463.8
Selling, general and administrative expenses	70.8	397.0	2.2	**(a)**	—		—		470.0
Research and development expenses	3.7	18.5	—		—		—		22.2
Amortization of acquired intangibles	—	38.0	6.9	**(b)**	—		—		44.9
Merger and acquisition related expenses	—	28.1	(28.1)	**(c)**	—		—		—
Income (loss) from operations	20.6	(11.9)	115.0		—		—		123.7
Interest expense, net	—	90.4	—		8.7	**(e)**	—		99.1
Bridge financing commitment fees	—	25.0	—		(25.0)	**(f)**	—		—
Other expense, net	5.0	59.1	(19.4)	**(d)**	—		(1.3)	**(h)**	43.4
Income (loss) before income taxes	15.6	(186.4)	134.4		16.3		1.3		(18.8)
Provision (benefit) for income taxes	7.1	(8.1)	36.2	**(i)**	1.1	**(i)**	0.4	**(i)**	36.7
Net income (loss)	8.5	(178.3)	98.2		15.2		0.9		(55.5)
Less: Net income attributable to noncontrolling interests	0.6	2.3	—		—		—		2.9
Net income (loss) attributable to controlling interests	$ 7.9	$ (180.6)	$ 98.2		$ 15.2		$ 0.9		$ (58.4)
Per share data:									
Earnings (loss) per share:									
Basic and diluted		$ (0.77)							$ (0.26)
Weighted average shares outstanding:									
Basic and diluted		228,149,996							228,149,996

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Unaudited Pro Forma Condensed Combined and Consolidated Statement Of Operations
For the Year Ended December 31, 2013
(In millions, except per share data)

	Predecessor January 1 through January 31, 2013	Successor Year Ended December 31, 2013	Adjustments for Acquisition		Adjustments for Financing		Adjustments for Offering		Pro forma
Net sales	$ 326.2	$ 3,951.1	$ —		$ —		$ —		$ 4,277.3
Other revenue	1.1	35.7	—		—		—		36.8
Total revenue	327.3	3,986.8	—		—		—		4,314.1
Cost of goods sold	232.2	2,772.8	(96.0)	(a)	—		—		2,909.0
Selling, general and administrative expenses	70.8	1,040.6	2.2	(a)	—		—		1,113.6
Research and development expenses	3.7	40.5	—		—		—		44.2
Amortization of acquired intangibles	—	79.9	6.6	(b)	—		—		86.5
Merger and acquisition related expenses	—	28.1	(28.1)	(c)	—		—		—
Income from operations	20.6	24.9	115.3		—		—		160.8
Interest expense, net	—	215.1	—		(4.3)	(e)	—		210.8
Bridge financing commitment fees	—	25.0	—		(25.0)	(f)	—		—
Other expense, net	5.0	48.5	(19.4)	(d)	—		(3.1)	(h)	31.0
Income (loss) before income taxes	15.6	(263.7)	134.7		29.3		3.1		(81.0)
Provision (benefit) for income taxes	7.1	(44.8)	36.3	(i)	2.4	(i)	0.9	(i)	1.9
Net income (loss)	8.5	(218.9)	98.4		26.9		2.2		(82.9)
Less: Net income attributable to noncontrolling interests	0.6	6.0	—		—		—		6.6
Net income (loss) attributable to controlling interests	$ 7.9	$ (224.9)	$ 98.4		$ 26.9		$ 2.2		$ (89.5)
Per share data:									
Earnings (loss) per share:									
Basic and diluted		$ (0.97)							$ (0.39)
Weighted average shares outstanding:									
Basic and diluted		228,280,574							228,269,484

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Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

The Offering

(a) The Company will receive no proceeds from this offering but will incur certain one-time charges as follows (in millions):

	As of June 30, 2014
Payment to terminate the Consulting Services Agreement(1)	$ (13.4)
Legal, accounting and associated fees	(3.8)
	$ (17.2)

(1) Upon the consummation of the Offering, we expect The Carlyle Group L.P.'s Consulting Services Agreement to terminate in exchange for a one-time payment of approximately $13.4 million. As a result of the termination, Carlyle and its affiliates will have no further obligation to provide services to us, and we will have no further obligation to make annual payments of $3.0 million plus out of pocket expenses under this agreement. See "Certain Relationships and Related Person Transactions—Consulting Agreement."

(b) Represents the tax effect of the adjustments in note **(a)** above (in millions):

	Pro forma Adjustment	Weighted average statutory income tax rate(1)	As of June 30, 2014
Pro forma adjustment (a), termination payment to Carlyle(1)	$ (13.4)	22.7%	$ 3.0
Pro forma adjustment (a), legal, accounting and associated fees(2)	(3.8)	0.0%	—
			$ 3.0

(1) Reflects our United States statutory tax rate of 38.5% net of the impact of permanent differences.
(2) Reflects our effective tax rate due to certain transaction costs in our parent company not being deductible.

(c) Represents the cumulative impact to accumulated deficit related to the adjustments in notes **(a)** and **(b)** (in millions):

	As of June 30, 2014
Pro forma adjustment (a)	$ (17.2)
Pro forma adjustment (b)	3.0
	$ (14.2)

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Notes To Unaudited Pro Forma Condensed Combined and Consolidated Statement Of Operations

The Acquisition

(a) Represents the net pro forma adjustment to cost of sales resulting from the application of acquisition accounting (in millions):

	Year ended December 31, 2013	Six months ended June 30, 2013
Total increase in depreciation(1)	$ 7.9	$ 7.9
Impact to cost of sales for conforming Predecessor periods to weighted average cost flow assumption(2)	(0.2)	(0.2)
Impact to cost of sales for inventory step-up related to the Acquisition(3)	(103.7)	(103.7)
Decrease applicable to cost of goods sold	$ (96.0)	$ (96.0)

(1) Represents incremental depreciation applicable to purchase price allocation to tangible assets. The allocation of incremental depreciation expense is based on Axalta's historical classification.

Assumed allocation of purchase price to fair value of property, plant and equipment (in millions):

	Acquisition Date Fair Value	Estimated useful life	Estimated annual depreciation and amortization: Year ended December 31, 2013	Six months ended June 30, 2013
Description:				
Property, plant and equipment	$ 1,705.9	Various	$ 208.2	$ 104.1
Less: Aggregated historical depreciation			(198.1)	(94.0)
			$ 10.1	$ 10.1
Reflected in:				
Cost of goods sold			$ 7.9	$ 7.9
Selling, general and administrative expenses			2.2	2.2
			$ 10.1	$ 10.1

(2) Represents the effect of reversing the impact of the LIFO cost flow assumption on the Predecessor periods to conform with Successor's weighted average cost flow assumption

(3) Represents the effect of the increase in inventory stepped-up to fair value as a result of the application of acquisition accounting.

(b) Represents incremental amortization applicable to purchase price allocation to intangible assets. The allocation of incremental amortization expense is based on Axalta's historical classification.

Assumed allocation of purchase price to fair value of amortizable intangibles (in millions):

	DuPont Performance Coatings Acquisition	Weighted average estimated useful life (years)	Estimated annual depreciation and amortization	
			Year ended December 31, 2013	Six months ended June 30, 2013
Description:				
Technology	$ 403.0	10	$ 40.3	$ 20.2
Trademarks	41.7	14.8	2.8	1.4
Customer relationships	764.3	19.4	39.8	19.9
Non-compete	1.5	4	0.4	0.2
Less: Aggregated historical amortization(1)			(76.7)	(34.8)
			$ 6.6	$ 6.9

(1) Exclusive of the $3.2 million associated with abandoned acquired in process research and development projects.

(c) Represents the net adjustment to remove one-time non-recurring expenses related to the Acquisition (in millions):

	Year ended December 31, 2013	Six months ended June 30, 2013
Decrease in acquisition-related transaction expenses	$ (28.1)	$ (28.1)

(d) Represents the adjustment to remove the non-recurring loss on foreign currency contract directly related to the Acquisition (in millions):

	Year ended December 31, 2013	Six months ended June 30, 2013
Acquisition related loss on foreign currency contract to hedge Euro denominated financing	$ (19.4)	$ (19.4)
Decrease in other expense, net	$ (19.4)	$ (19.4)

The Financing

(e) Represents the pro forma adjustments to interest expense applicable to the Financing, as follows (in millions):

	Year ended December 31, 2013	Six Months Ended June 30, 2014	Six months ended June 30, 2013
Borrowings under Term Loans(1)	$ 114.3	$ 56.7	$ 57.3
Borrowings under Senior Notes(2)	74.4	37.2	37.2
Revolver unused availability fee(3)	2.0	1.0	1.0
Amortization of deferred financing fees and original issue discount(4)	20.3	10.3	10.1
Total pro forma interest expense	211.0	105.2	105.6
Less: Aggregated historical interest expense	(215.3)	(108.2)	(96.9)
	$ (4.3)	$ (3.0)	$ 8.7

(1) As a result of the February 2014 refinancing, reflects pro forma interest expense based on $2.3 billion of borrowings under Dollar Term Loans at an assumed minimal base rate of 1.00% plus an applicable margin of 3.00% and €400 million (approximately $531.1 million) of borrowings under Euro Term Loans at an assumed minimal base rate of 1.00% plus an applicable margin of 3.25%. A 0.125% increase or decrease in the interest rate on the Term Loan facility would increase or decrease our annual interest expense by $3.5 million.

(2) Reflects pro forma interest expense based on $750 million Dollar Senior Notes at 7.375% and €250 million Euro Senior Notes (approximately $331.9 million) at 5.75%.

(3) Based on unused availability of $400.0 million under the Revolving Credit Facility with an unused facility charge of 0.5% per annum.

(4) Reflects the non-cash amortization of deferred financing fees and original issue discount related to the Financing over the term of the related facility.

	Year ended December 31, 2013	Six months ended June 30, 2013
(f) Represents pro forma adjustment to remove bridge loan commitment fees	$ (25.0)	$ (25.0)

	Six Months Ended June 30, 2014
(g) Represents pro forma adjustment to remove debt modification fees and charges	$ (3.1)

The Offering

(h) Represents the adjustment to remove Carlyle management fees, which will terminate on the consummation of the Offering (in millions):

	Year ended December 31, 2013	Six Months Ended June 30, 2014	Six months ended June 30, 2013
Adjustment to remove historical Carlyle management fees	$ (3.1)	$ (1.6)	$ (1.3)

The Transactions

(i) Represents pro forma adjustments to the tax provision as a result of the Acquisition, the Financing and the Offering (in millions)

Six months ended June 30, 2014	Pro forma Adjustment	Weighted average statutory income tax rate	Six Months Ended June 30, 2014
The Financing Transactions			
Pro forma adjustment (e), interest expense	$ (3.0)	10.0%(2)	$ 0.3
Pro forma adjustment (g), debt modification fees	$ (3.1)	9.4%(2)	0.3
			$ 0.6
The Offering			
Pro forma adjustment (h), management fee	$ (1.6)	27.8%(3)	$ 0.4

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Six months ended June 30, 2013	Pro forma adjustment	Weighted average statutory income tax rate	Six Months Ended June 30, 2013
The Acquisition			
Pro forma adjustment (a), depreciation	$ 10.1	33.0%(4)	$ (3.3)
Pro forma adjustment (a), LIFO to weighted average	$ (0.2)	33.2%(5)	0.1
Pro forma adjustment (a), inventory step-up	$ (103.7)	33.2%(5)	34.5
Pro forma adjustment (b), amortization of intangibles	$ 6.9	23.4%(1)	(1.6)
Pro forma adjustment (c), acquisition related expenses	$ (28.1)	23.1%(6)	6.5
Pro forma adjustment (d), foreign currency contract	$ (19.4)	0.0%(7)	—
Pro forma adjustment to income tax provision			$ 36.2
The Financing			
Pro forma adjustment (e), interest expense	$ 8.7	23.0%(2)	$ (2.0)
Pro forma adjustment (f), bridge loan commitment fees	$ (25.0)	12.4%(8)	3.1
Pro forma adjustment to income tax provision			$ 1.1
The Offering			
Pro forma adjustment (h), management fee	$ (1.3)	27.8%(3)	$ 0.4
Pro forma adjustment to income tax provision			$ 0.4

Year ended December 31, 2013	Pro forma adjustment	Weighted average statutory income tax rate	Year ended December 31, 2013
The Acquisition			
Pro forma adjustment (a), depreciation	$ 10.1	33.0%(4)	(3.3)
Pro forma adjustment (a), LIFO to weighted average	$ (0.2)	33.2%(5)	0.1
Pro forma adjustment (a), inventory step-up	$ (103.7)	33.2%(5)	34.5
Pro forma adjustment (b), amortization of intangibles	$ 6.6	23.4%(1)	(1.5)
Pro forma adjustment (c), acquisition related expenses	$ (28.1)	23.1%(6)	6.5
Pro forma adjustment (d), foreign currency contract	$ (19.4)	0.0%(7)	—
Pro forma adjustment to income tax provision			$ 36.3
The Financing			
Pro forma adjustment (e), interest expense	$ (4.3)	(16.3)%(2)	(0.7)
Pro forma adjustment (f), bridge loan commitment fees	$ (25.0)	12.4%(8)	3.1
Pro forma adjustment to income tax provision			$ 2.4
The Offering			
Pro forma adjustment (h), management fee	$ (3.1)	27.8%(3)	0.9
Pro forma adjustment to income tax provision			$ 0.9

(1) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Luxembourg(a)	0.0%
Germany	32.5%

(a) Represents our effective tax rate due to prior and expected continued net operating losses.

(2) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Netherlands(a)	0.0%

(a) Represents our effective tax rate due to prior and expected continued net operating losses

(3) Reflects our United States statutory tax rate of 38.5% net of impact of permanent differences.

(4) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Brazil	34.0%
Germany	32.5%

(5) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Belgium	34.0%
Germany	32.5%

(6) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Germany	32.5%
Luxembourg(a)	0.0%

(a) Represents our effective tax rate due to prior and expected continued net operating losses

(7) Reflects our Netherlands effective tax rate due to prior and expected continued net operating losses

(8) Reflects our weighted average statutory tax rate consisting primarily of the following jurisdictions and related rates:

Jurisdiction	Statutory Rate
United States	38.5%
Netherlands(a)	0.0%

(a) Represents our effective tax rate due to prior and expected continued net operating losses

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion summarizes the significant factors affecting the operating results, financial condition, liquidity and cash flows of our company as of and for the periods presented below. The following discussion and analysis should be read in conjunction with “Prospectus Summary—Summary Historical and Pro Forma Financial Information,” “Selected Historical Financial Information” and the financial statements and the related notes thereto included elsewhere in this prospectus. The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and all other non-historical statements in this discussion are forward-looking statements and are based on the beliefs of our management, as well as assumptions made by, and information currently available to, our management. Actual results could differ materially from those discussed in or implied by forward-looking statements as a result of various factors, including those discussed below and elsewhere in this prospectus, particularly in the section entitled “Risk Factors.”

Overview

We are a leading global manufacturer, marketer and distributor of high performance coatings systems. We have a nearly 150-year heritage in the coatings industry and are known for manufacturing high-quality products with well-recognized brands supported by market-leading technology and customer service. Our diverse global footprint of 35 manufacturing facilities, 7 technology centers, 45 customer training centers and approximately 12,650 employees allows us to meet the needs of customers in over 130 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through over 4,000 independent, locally based distributors.

We operate our business in two segments, Performance Coatings and Transportation Coatings. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

Through our Transportation Coatings segment we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed.

Business Highlights and Trends

From 2011 to 2013, we managed the transition of ownership and operational separation resulting from the planned divestiture of our business by DuPont and ultimately the Acquisition, including significant changes to our senior leadership team. During this time period, our Adjusted EBITDA grew at a 14% CAGR primarily as the result of several strategic initiatives focused on margin improvement. In addition to regular price increases in our refinish end-market, these initiatives included selective price increases in other end-markets, reducing sales with lower margin customers and productivity improvements, which collectively drove Adjusted EBITDA growth in both of our segments.

From 2011 to 2013, our net sales remained flat with net sales growth in our Transportation Coatings segment offset by net sales declines in our Performance Coatings segment. Net sales in our Transportation Coatings segment grew at a 3% CAGR, driven by increases in both our light and commercial vehicle end-markets, primarily as a result of increased vehicle production in North America and Asia Pacific and improvements in average selling price driven by new product and color introductions. Net sales in our Performance Coatings segment decreased at a 2% CAGR as a result of lower volumes in both our refinish and industrial end-markets in developed markets. In EMEA, volumes declined as a result of a difficult economic environment while in North America our lack of participation in the MSO market prior to the Acquisition had a negative impact on our volumes as MSO body shops increased the number of vehicles serviced at the expense of independent body shop customers. These factors in developed markets were partially offset by continued refinish net sales growth in the emerging markets.

With 12 of our 17 most senior managers joining our company since the Acquisition, 2014 will be the first full fiscal year of results under our current senior management team. Our net sales increased 3% for the six-month period ended June 30, 2014 compared to the corresponding pro forma period in the prior year, driven by 5% growth in our Performance Coatings segment and 1% growth in our Transportation Coatings segment, with growth in both segments across all regions except Latin America. Excluding Latin America, where difficult economic conditions contributed to weak demand, our net sales grew 6% in the first six months of 2014 compared to the same pro forma period last year. The following trends have impacted our sales performance in 2014:

- *Performance Coatings*: Improving economic conditions in Europe, our recent wins with growing MSO customers in North America and continued growth in Asia Pacific drove higher volumes.
- *Transportation Coatings*: Significant growth in Asia Pacific driven by increases in light vehicle production combined with increased North American commercial truck volumes were largely offset by significantly lower light vehicle volumes in Latin America.

Since the Acquisition, we have implemented numerous initiatives to reduce our fixed and variable costs that have improved our Adjusted EBITDA margin during the first six months of 2014 compared to the prior year. Examples include transitioning our IT systems to more cost-effective solutions that better meet our needs as an independent company, developing a global procurement organization to reduce procurement costs and investing in a European manufacturing re-alignment to position the region for profitable growth. These initiatives are just beginning to contribute to our financial results and we believe they will continue to drive profitability improvements over the next several years.

Basis of Presentation

Axalta Coating Systems Ltd. (formerly known as Flash Bermuda Co., Ltd. or Axalta Coating Systems Bermuda Co., Ltd.) (“Axalta” or the “Company”), a Bermuda exempted company limited by shares formed at the direction of affiliates of Carlyle, was incorporated on August 24, 2012 for the purpose of consummating the Acquisition.

The purchase price for the Acquisition was funded by (i) an equity contribution of $1,350.0 million into the Company by affiliates of Carlyle (the “Equity Contribution”), (ii) proceeds from borrowings under our Senior Secured Credit Facilities, consisting of a $2,300.0 million Dollar Term Loan facility and a €400.0 million Euro Term Loan facility, both of which mature on February 1, 2020 and (iii) proceeds from the issuance of $750.0 million aggregate principal amount of 7.375% Dollar Senior Notes and the issuance of €250.0 million aggregate principal amount of 5.750% Euro Senior Notes. The Senior Secured Credit Facilities and the Senior Notes are more fully described in Note 22 to the annual audited financial statements for the year ended December 31, 2013 included elsewhere in this prospectus. Subsequent to the closing, we received approximately $18.6 million in closing date working capital and pension adjustments resulting in a final purchase price of $4,907.3 million. In February 2014, we entered into an amendment to the credit agreement governing the Senior Secured Credit Facilities to reprice our existing first lien term loan facilities (the “Refinancing”).

The combined financial statements for the Predecessor one-month period ended January 31, 2013 and the years ended December 31, 2012 and 2011 have been prepared on a carve-out basis and are derived from the consolidated financial statements of DuPont and may not be comparable to the consolidated financial statements for the Successor periods ended June 30, 2014 and 2013 and the year ended December 31, 2013.

In addition to the historical analysis of results of operations, we have prepared unaudited supplemental pro forma results of operations for the six-month periods ended June 30, 2014 and 2013 and for the year ended December 31, 2013 as if the Acquisition, related financing and Refinancing (collectively referred to herein as the “Financing”) and offering transactions had occurred on January 1, 2013. The pro forma analysis is prepared and presented to aid in explaining the results of operations. The Pro Forma discussion follows the historical analysis of results of operations.

The pro forma results for the six months ended June 30, 2013 and the year ended December 31, 2013 represent the addition of the Predecessor period January 1, 2013 through January 31, 2013 and the Successor six months ended June 30, 2014 and June 30, 2013 as well as the pro forma adjustments to reflect the Acquisition, the Financing and the offering transactions as if they had occurred on January 1, 2013, in accordance with Article 11 of Regulation S-X and are included in “Unaudited Pro Forma Combined and Consolidated Financial Information.” The pro forma results do not reflect the actual results we would have achieved had the Acquisition been completed as of January 1, 2013 and are not indicative of our future results of operations.

Acquisition Accounting

We allocated the purchase price paid to acquire DPC to the acquired assets and liabilities assumed based on their respective estimated fair value as of the acquisition date. The application of acquisition accounting resulted in an increase in amortization and depreciation expense relating to our acquired intangible assets and property, plant and equipment. In addition to the increase in the net carrying value of property, plant and equipment, we revised the remaining depreciable lives of property, plant and equipment to reflect the estimated remaining useful lives for purposes of calculating periodic depreciation expense. We adjusted the carrying values of the joint ventures to reflect their estimated fair values at the date of purchase. We adjusted the value of inventory to its estimated fair value, which increased the costs recognized upon the sale of this acquired inventory. We also provided for deferred income taxes for the future tax consequences of acquisition date basis differences between the carrying amounts of assets and liabilities utilized for financial reporting purposes and the respective amounts used for income tax purposes. The excess of the purchase price over the estimated fair value of assets and liabilities was assigned to goodwill, which is not amortized for accounting purposes but is subject to testing for impairment at least annually. See Note 4 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for further discussion on the Acquisition.

Factors Affecting Our Operating Results

The following discussion sets forth certain components of our statements of operations as well as factors that impact those items.

Net sales

We generate revenue from the sale of our products across all major geographic areas. Our net sales include total sales less estimates for returns and price allowances. Price allowances include discounts for prompt payment as well as volume-based incentives. Our overall net sales are generally impacted by the following factors:

- fluctuations in overall economic activity within the geographic markets in which we operate;
- underlying growth in one or more of our end-markets, either worldwide or in particular geographies in which we operate;
- the type of products used within existing customer applications, or the development of new applications requiring products similar to ours;
- changes in product sales prices (including volume discounts and cash discounts for prompt payment);

- changes in the level of competition faced by our products, including price competition and the launch of new products by competitors;
- our ability to successfully develop and launch new products and applications; and
- fluctuations in foreign exchange rates.

While the factors described above impact net sales in each of our operating segments, the impact of these factors on our operating segments can differ, as described below. For more information about risks relating to our business, see “Risk Factors—Risks Related to our Business.”

Other revenue

Other revenue consists primarily of consulting and other service revenue and royalty income.

Cost of goods sold (“cost of sales”)

Our cost of sales consists principally of the following:

- *Production Materials Costs*. We purchase much of the materials used in production on a global lowest-cost basis.
- *Employee Costs*. These include the compensation and benefit costs for employees involved in our manufacturing operations. These costs generally increase on an aggregate basis as production volumes increase and may decline as a percent of net sales as a result of economies of scale associated with higher production volumes.
- *Depreciation Expense.* Property, plant and equipment are stated at cost and depreciated or amortized on a straight-line basis over their estimated useful lives. Property, plant and equipment acquired through the Acquisition were recorded at their estimated fair value on the acquisition date resulting in a new cost basis for accounting purposes.
- *Other*. Our remaining cost of sales consists of freight costs, warehousing expenses, purchasing costs, costs associated with closing or idling of production facilities, functional costs supporting manufacturing, product claims and other general manufacturing expenses, such as expenses for utilities and energy consumption.

The main factors that influence our cost of goods sold as a percentage of net sales include:

- changes in the price of raw materials;
- production volumes;
- the implementation of cost control measures aimed at improving productivity, including reduction of fixed production costs, refinements in inventory management and the coordination of purchasing within each subsidiary and at the business level; and
- fluctuations in foreign exchange rates.

Selling, general and administrative expenses

Our selling, general and administrative expense consists of all expenditures incurred in connection with the sales and marketing of our products, as well as administrative overhead costs, including:

- compensation and benefit costs for management, sales personnel and administrative staff, including share-based compensation expense. Expenses relating to our sales personnel increase or decrease principally with changes in sales volume due to the need to increase or decrease sales personnel to meet changes in demand. Expenses relating to administrative personnel generally do not increase or decrease directly with changes in sales volume; and

- depreciation, advertising and other selling expenses, such as expenses incurred in connection with travel and communications.

Changes in selling, general and administrative expense as a percentage of net sales have historically been impacted by a number of factors, including:

- changes in sales volume, as higher volumes enable us to spread the fixed portion of our administrative expense over higher sales;
- changes in our customer base, as new customers may require different levels of sales and marketing attention;
- new product launches in existing and new markets, as these launches typically involve a more intense sales activity before they are integrated into customer applications;
- customer credit issues requiring increases to the allowance for doubtful accounts; and
- fluctuations in foreign exchange rates.

Research and development expenses

Research and development expense represents costs incurred to develop new products, services, processes and technologies or to generate improvements to existing products or processes.

Interest expense, net

Interest expense, net consists primarily of interest expense on institutional borrowings and other financing obligations and changes in fair value of interest rate derivative instruments, net of capitalized interest expense. Interest expense, net also includes the amortization of debt issuance costs and debt discounts associated with our Senior Secured Credit Facilities and Senior Notes. See Note 22 to our Audited Consolidated Financial Statements included elsewhere in this prospectus.

Provision for income taxes

We and our subsidiaries are subject to income tax in the various jurisdictions in which we operate. While the extent of our future tax liability is uncertain, the impact of acquisition accounting for the Acquisition and for future acquisitions, changes to the debt and equity capitalization of our subsidiaries, and the realignment of the functions performed and risks assumed by the various subsidiaries are among the factors that will determine the future book and taxable income of the respective subsidiary and the Company as a whole. For the Predecessor periods, DPC did not file separate tax returns in the majority of its jurisdictions as it was included in the tax returns of DuPont entities within the respective tax jurisdictions. The income tax provision for the Predecessor periods was calculated using a separate return basis as if DPC was a separate taxpayer.

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Results of Operations

The following discussion should be read in conjunction with the information contained in the accompanying financial statements and related footnotes included elsewhere in this prospectus. Our historical results of operations set forth below may not necessarily reflect what would have occurred if we had been a separate standalone entity prior to the Acquisition or what will occur in the future.

Successor six months ended June 30, 2014 and Pro Forma six months ended June 30, 2014 compared to the Successor six months ended June 30, 2013, Predecessor period January 1, 2013 through January 31, 2013 and the Pro Forma six months ended June 30, 2013

The following table was derived from the Successor's condensed consolidated statements of operations for the six months ended June 30, 2014 and 2013 and from the Predecessor's combined statements of operations for the period from January 1, 2013 through January 31, 2013 included elsewhere in this prospectus. It should be noted that the results of operations for the Successor six-month period ended June 30, 2013 only include the results of DPC from the date of the Acquisition. Prior to the Acquisition, Axalta generated no revenue and only incurred merger and acquisition related costs and debt financing costs in anticipation of the Acquisition. We have also presented pro forma financial results for the six-month periods ended June 30, 2014 and 2013 as if the Acquisition, related Financing and Offering transactions had occurred on January 1, 2013. We believe this information, and the related comparison to the Successor six months ended June 30, 2013, provides a more meaningful comparison for the six-month period.

	Predecessor	Successor		Pro Forma	
	January 1 through January 31,	Six months ended June 30,		Six months ended June 30,	
(dollars in millions)	2013	2013	2014	2013	2014
Net sales	$ 326.2	$1,783.6	$2,174.0	$2,109.8	$2,174.0
Other revenue	1.1	13.7	14.7	14.8	14.7
Total revenue	327.3	1,797.3	2,188.7	2,124.6	2,188.7
Cost of goods sold	232.2	1,327.6	1,446.0	1,463.8	1,446.0
Selling, general and administrative expenses	70.8	397.0	497.3	470.0	497.3
Research and development expenses	3.7	18.5	23.4	22.2	23.4
Amortization of acquired intangibles	—	38.0	42.4	44.9	42.4
Merger and acquisition related expenses	—	28.1	—	—	—
Income (loss) from operations	20.6	(11.9)	179.6	123.7	179.6
Interest expense, net	—	90.4	113.9	99.1	110.9
Bridge financing commitment fees	—	25.0	—	—	—
Other expense (income), net	5.0	59.1	2.9	43.4	(1.8)
Income (loss) before income taxes	15.6	(186.4)	62.8	(18.8)	70.5
Provision (benefit) for income taxes	7.1	(8.1)	10.7	36.7	11.7
Net income (loss)	8.5	(178.3)	52.1	(55.5)	58.8
Less: Net income attributable to noncontrolling interests	0.6	2.3	2.6	2.9	2.6
Net income (loss) attributable to controlling interests	$ 7.9	$ (180.6)	$ 49.5	$ (58.4)	$ 56.2

Net sales

Historical: Net sales were $2,174.0 million for the Successor six months ended June 30, 2014 compared to net sales of $1,783.6 million for the Successor six months ended June 30, 2013 and $326.2 million for the Predecessor period January 1, 2013 through January 31, 2013. Our net sales growth in the Successor six months ended June 30, 2014 was primarily driven by higher average selling prices across all regions, which contributed to net sales growth of 3.7%. This net sales growth was partially offset by volume decreases, primarily resulting from a weak economic environment in Latin America, which contributed to a decline in net sales of 0.5% during the period. Net sales growth was also partially offset by the unfavorable impacts of currency exchange, which contributed to an approximately 0.2% reduction in net sales as the benefits of the strengthening Euro were more than offset by the impact of weakening currencies in certain jurisdictions within Latin America and Asia, as well as Canada.

Pro Forma: Net sales increased $64.2 million, or 3.0%, to $2,174.0 million for the Pro Forma six months ended June 30, 2014, as compared to net sales of $2,109.8 million for the Pro Forma six months ended June 30, 2013. Our net sales growth was primarily driven by higher average selling prices across all regions, which contributed to net sales growth of 3.7%. This net sales growth was partially offset by volume decreases, primarily resulting from a weak economic environment in Latin America, which contributed to a decline in net sales of 0.5% during the period. Net sales growth was also partially offset by the unfavorable impacts of currency exchange, which contributed to an approximately 0.2% reduction in net sales as the benefits of the strengthening Euro were more than offset by the impact of weakening currencies in certain jurisdictions within Latin America and Asia, as well as Canada.

Other revenue

Historical: Other revenue was $14.7 million for the Successor six months ended June 30, 2014 as compared to $13.7 million for the Successor six months ended June 30, 2013 and $1.1 million for the Predecessor period January 1, 2013 through January 31, 2013. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: Other revenue remained flat at $14.7 million for the Pro Forma six months ended June 30, 2014, as compared to other revenue of $14.8 million for the Pro Forma six months ended June 30, 2013. The impacts of currency exchange did not have a material impact on the comparable periods.

Cost of sales

Historical: Cost of sales was $1,446.0 million for the Successor six-month period ended June 30, 2014 compared to $1,327.6 million for the Successor six-month period ended June 30, 2013 and $232.2 million for the Predecessor period January 1, 2013 through January 31, 2013. Cost of sales was lower during the Successor six months ended June 30, 2013 compared to the Successor period ended June 30, 2014 but higher when combined with the Predecessor period January 1, 2013 through January 31, 2013 compared to the Successor period ended June 30, 2014, primarily as a result of increased inventory costs of $103.7 million related to fair value adjustments to inventory in conjunction with the Acquisition. In 2014, the absence of the increased inventory costs associated with the Acquisition were partially offset by $7.9 million of increased depreciation in the six months ended June 30, 2014 resulting from the fair value adjustments to property, plant and equipment in conjunction with the Acquisition compared to only five months of increased depreciation in the Predecessor six months ended June 30, 2013. The remaining change in cost of sales in 2014 was driven by lower raw material costs, partially resulting from our purchasing initiatives. The favorable impact of raw material prices across both our Performance Coatings and Transportation Coatings segments contributed to an approximately 0.6% impact on cost of sales as a percentage of net sales. However, unfavorable impacts of currency exchange contributed to a 0.6% increase in cost of sales as a percentage of net sales, primarily due to the strengthening Euro compared to the U.S. dollar.

Pro Forma: Cost of sales decreased $17.8 million, or 1.2%, to $1,446.0 million for the Pro Forma six months ended June 30, 2014 as compared to $1,463.8 million for the Pro Forma six months ended June 30, 2013. The Pro Forma six months ended June 30, 2013 is adjusted to reflect increased depreciation and the exclusion of increased inventory costs, each related to the Acquisition. As a percentage of net sales, cost of sales decreased from 69.4% to 66.5%. This decrease was driven by lower raw material costs, partially resulting from our purchasing initiatives, as well as higher average selling prices resulting from selective price increases across our two segments. The favorable impact of raw material prices across both our Performance Coatings and Transportation Coatings segments contributed to an approximately 0.6% impact on cost of sales as a percentage of net sales. However, unfavorable impacts of currency exchange contributed to a 0.6% increase in cost of sales as a percentage of net sales, primarily due to the strengthening Euro compared to the U.S. dollar.

Selling, general and administrative expenses

Historical: Selling, general and administrative expenses were $497.3 million for the Successor six-month period ended June 30, 2014 compared to $397.0 million for the Successor six-month period ended June 30, 2013 and $70.8 million for the Predecessor period January 1, 2013 through January 31, 2013. During the Successor six months ended June 30, 2013 we incurred $46.5 million of transition-related costs, primarily related to our transition to a standalone company, compared to $56.8 million of transition-related expenses for the Successor six months ended June 30, 2014. This resulted in a $10.3 million increase over the comparable periods. The remaining increase in selling, general and administrative expenses was driven primarily by the unfavorable impact of the strengthening Euro, which contributed to an increase of approximately $1.9 million. Additionally, we incurred increased advertising and administration costs, in particular within our Performance Coatings segment as we focused on opportunities to expand our market presence. These increases were slightly offset as a result of our amendment to certain long-term benefit plans, which resulted in a gain of $7.7 million for the Successor six months ended June 30, 2014.

Pro Forma: Selling, general and administrative expenses increased $27.3 million, or 5.8%, to $497.3 million for the Pro Forma six months ended June 30, 2014, as compared to $470.0 million for the Pro Forma six months ended June 30, 2013. The Pro Forma six months ended June 30, 2013 is adjusted to reflect the increased depreciation expense of $2.2 million resulting from the fair value adjustments to non-manufacturing assets in conjunction with the Acquisition. The increase is partially the result of additional transition-related expenses resulting in $56.8 million during the Pro Forma six-month period ended June 30, 2014, related to our transition to a standalone company, compared to $46.8 million of transition-related expenses for the Pro Forma six months ended June 30, 2013. Excluding the impact of transition costs, selling, general and administrative expenses increased $17.3 million driven primarily by the unfavorable impact of the strengthening Euro, which contributed to an increase of approximately $1.9 million. Additionally, we incurred increased advertising and administration costs, in particular within our Performance Coatings segment as we focused on opportunities to expand our market presence. These increases were slightly offset as a result of our amendment to certain long-term benefit plans, which resulted in a gain of $7.7 million for the Pro Forma six months ended June 30, 2014.

Research and development expenses

Historical: Research and development expenses were $23.4 million for the Successor six-month period ended June 30, 2014 compared to $18.5 million for the Successor six-month period ended June 30, 2013 and $3.7 million for the Predecessor period January 1, 2013 through January 31, 2013. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: Research and development expenses for the Pro Forma six months ended June 30, 2014 were largely consistent, with $23.4 million of costs compared to $22.2 million for the Pro Forma six months ended June 30, 2013. The impacts of currency exchange did not have a material impact on the comparable periods.

Amortization of acquired intangibles

Historical: Amortization of acquired intangibles was $42.4 million for the Successor six-month period ended June 30, 2014 compared to $38.0 million for the Successor six-month period ended June 30, 2013 and $0 for the Predecessor period January 1, 2013 through January 31, 2013. Amortization of acquired intangibles for the Successor period ended June 30, 2013 included a loss of $3.2 million associated with abandoned in-process research and development projects, all of which were recorded at fair value as part of the Acquisition. There was $0.1 million of comparable costs recorded during the six months ended June 30, 2014. Excluding the impact of the $3.2 million loss, the increase during the Successor six months ended June 30, 2014 included the impact of six months of amortization expense associated with purchase accounting while the comparable 2013 periods included five months due to the timing of the Acquisition. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: Amortization of acquired intangibles for the Pro Forma six months ended June 30, 2014 was $42.4 million and $44.9 million for the Pro Forma six months ended June 30, 2013. Amortization of acquired intangibles for the Pro Forma period ended June 30, 2013 included a loss of $3.2 million associated with abandoned in-process research and development projects, all of which were recorded at fair value as part of the Acquisition. There was $0.1 million of comparable costs recorded during the six months ended June 30, 2014. The impacts of currency exchange did not have a material impact on the comparable periods.

Merger and acquisition related expenses

Historical: In connection with the Acquisition, we incurred $28.1 million of merger and acquisition costs during the Successor six months ended June 30, 2013. These costs consisted primarily of investment banking, legal and other professional advisory services costs. There were no comparable costs for the Successor six months ended June 30, 2014.

Pro Forma: The Pro Forma six months ended June 30, 2013 has been adjusted to remove the impact of these Acquisition related costs. There were no costs for the Pro Forma six months ended June 30, 2014.

Interest expense, net

Historical: Interest expense, net for the Successor six months ended June 30, 2013 of $90.4 million represents interest expense incurred during the period associated with our debt financing for the Acquisition and our liquidity requirements as a standalone entity. Interest expense, net for the Successor six months ended June 30, 2014 of $113.9 million represented six months of interest costs including the Refinancing. The increase from 2013 primarily relates to the Successor six months ended June 30, 2014 including six months of interest expense while the comparable 2013 periods included five months due to the timing of the Acquisition. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: Interest expense, net was $110.9 million and $99.1 million for the Pro Forma six months ended June 30, 2014 and 2013, respectively, reflecting the effects of the Financing as if the transactions had occurred on January 1, 2013. Interest expense for the Successor six months ended June 30, 2013 includes gains of $6.5 million on interest rate derivative instruments as compared to a $7.0 million loss for the six months ended June 30, 2014. These amounts were offset slightly due to an increase in capitalized interest during the Successor six months ended June 30, 2014.

Bridge financing commitment fees

Historical: On August 30, 2012, we signed a debt commitment letter, which was subsequently amended and restated, that included a bridge facility comprised of $1,100.0 million of unsecured U.S. bridge loans and the Euro equivalent of $300.0 million of secured Euro bridge loans (the “Bridge Facility”), which was to be utilized to partially fund the Acquisition in the event that permanent financing was not obtained. Upon the issuance of the

Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated. Commitment fees related to the Bridge Facility of $21.0 million and associated legal and other professional advisory services costs of $4.0 million were expensed upon the termination during the Successor six months ended June 30, 2013. There were no such costs incurred for the Successor six months ended June 30, 2014.

Pro Forma: The Pro Forma six months ended June 30, 2013 has been adjusted to remove the impact of these fees. There were no costs for the Pro Forma six months ended June 30, 2014.

Other expense (income), net

Historical: Other expense (income), net was $2.9 million of expense for the Successor six-month period ended June 30, 2014 compared to $59.1 million of expense for the Successor six months ended June 30, 2013 and $5.0 million of expense for the Predecessor period January 1, 2013 through January 31, 2013. Contributing to the decrease was the adverse impact of $19.4 million of expense incurred during the Successor six months ended June 30, 2013 related to the Acquisition date settlement of a foreign currency hedge contract used to hedge the variability of the U.S. dollar equivalent of the original borrowings under the Euro Term Loan and Euro Senior Notes. In addition, net foreign exchange gains were $14.5 million during the Successor six months ended June 30, 2014 as compared to exchange losses of $40.2 million and $4.5 million for the six months ended June 30, 2013 and the predecessor period ended January 31, 2013, respectively. Net foreign exchange gains for the six months ended June 30, 2014 consisted of $11.8 million in gains on our Euro borrowings and $12.2 million in gains related to our Venezuelan operations (discussed further below within *Pro Forma*), which were slightly offset by translation losses on intercompany transactions denominated in currencies different from the functional currency of the relevant subsidiary. Exchange losses of $40.2 million for the six months ended June 30, 2013 were attributable to $36.2 million in gains on our Euro borrowings, $74.6 million translation losses on intercompany transactions denominated in currencies different from the functional currency of the relevant subsidiary, and $1.8 million of translation losses related to other foreign currency contracts. The 2014 increases were slightly offset by the release of an indemnity receivable that had been recorded in conjunction with our tax indemnities from the Acquisition. This resulted in $12.3 million of expense relating to an uncertain tax position that was reversed during the six months ended June 30, 2014.

Pro Forma: Other expense (income), net was $1.8 million of income for the Pro Forma six months ended June 30, 2014 as compared to $43.4 million of expense for the Pro Forma six months ended June 30, 2013, representing a change of $45.2 million, or 104.1%. The Pro Forma six months ended June 30, 2014 excludes the impact of $3.1 million in fees associated with Refinancing. The Pro Forma six months ended June 30, 2013 excludes the impact of $19.4 million of costs incurred related to the Acquisition date settlement of a foreign currency hedge contract used to hedge the variability of the U.S. dollar equivalent of the original borrowings under the Euro Term Loan and Euro Senior Notes. The Pro Forma six-month periods ended June 30, 2014 and 2013 also exclude the Carlyle management fee of $1.6 million and $1.3 million, respectively. Net foreign exchange gains of $14.5 million were recorded for the Pro Forma six months ended June 30, 2014, as compared to exchange losses of $44.7 million for the Pro Forma six months ended June 30, 2013. Net foreign exchange gains for the Pro Forma six months ended June 30, 2014 consisted of $11.8 million in gains on our Euro borrowings and $12.2 million in gains related to our Venezuelan operations, which were slightly offset by translation on intercompany transactions denominated in currencies different from the functional currency of the relevant subsidiary.

During 2014, we changed the exchange rate we use for remeasuring our Venezuelan subsidiaries' non-U.S. Dollar denominated monetary assets and liabilities to the rate determined by an auction process conducted by Venezuela's Complementary System of Foreign Currency Administration (SICAD I), which was 10.0 to 1 compared to the historical indexed rate of 6.3 to 1. The devaluation resulted in a gain of $12.2 million for the Pro Forma six months ended June 30, 2014 due to our Venezuelan operations being in a net monetary liability position. These increases were slightly offset by the release of an indemnity receivable which had been recorded in conjunction with our tax indemnities from the Acquisition. This resulted in a $12.3 million expense relating to an uncertain tax position that was reversed during the Pro Forma six months ended June 30, 2014.

Provision (benefit) for income taxes

Historical: We recorded a provision for income taxes of $10.7 million for the Successor six months ended June 30, 2014, which represents a 17.0% effective tax rate in relation to the income before income taxes of $62.8 million. The effective tax rate for the six months ended June 30, 2014 differs from the U.S. federal statutory rate by 18.0%. This difference is primarily due to favorable adjustments related to prior year tax positions of $21.1 million, earnings in jurisdictions where the statutory tax rate was lower than the U.S. federal statutory rate of $17.4 million, and net foreign exchange gains that were not taxable of $3.9 million. These adjustments were partially offset by pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $13.0 million and the loss of tax benefits on nondeductible expenses and withholding tax expense of $18.1 million.

We recorded a benefit for income taxes of $8.1 million for the Successor six months ended June 30, 2013, which represents a 4.3% effective tax rate in relation to the loss before income taxes of $186.4 million. The effective tax rate for the Successor six months ended June 30, 2013 differs from the U.S. federal statutory rate by 30.7%. This difference is primarily due to unfavorable adjustments for non-deductible merger and acquisition-related expenses of $10.0 million, the impact of pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $33.0 million, and non-deductible expenses and withholding taxes of $15.0 million. These adjustments were partially offset by the benefit of earnings in jurisdictions where the statutory tax rate was lower than the U.S. federal statutory rate of $14.8 million and the impact of non-deductible net foreign exchange losses of $17.0 million.

Pro Forma: We recorded a provision for income taxes of $11.7 million for the Pro Forma six-month period ended June 30, 2014, which represents a 16.6% effective tax rate in relation to the pro forma income before income taxes of $70.5 million. The variance in the pro forma effective tax rate from the historical effective tax rate described in the corresponding historical discussion above was primarily due to the application of statutory income tax rates to the cumulative pro forma adjustments.

We recorded a provision for income taxes of $36.7 million for the Pro Forma six-month period ended June 30, 2013, which represents a (195.2)% effective tax rate in relation to pro forma loss before income taxes of $18.8 million. The variance in the pro forma effective tax rate from the historical effective tax rate described in the corresponding historical discussion above was primarily due to the application of statutory income tax rates to the cumulative pro forma adjustments.

Successor year ended December 31, 2013, Pro Forma year ended December 31, 2013 and Predecessor period January 1, 2013 through January 31, 2013 compared to Successor period August 24, 2012 through December 31, 2012 and the Predecessor years ended December 31, 2012 and 2011

The following table was derived from the Successor's consolidated statements of operations for the year ended December 31, 2013 and for the period from August 24, 2012 through December 31, 2012 and from the Predecessor's combined statements of operations for the period from January 1, 2013 through January 31, 2013 and for the years ended December 31, 2012 and 2011 included elsewhere in this prospectus. It should be noted that the results of operations for the Successor year ended December 31, 2013 only include the results of DPC from the date of the Acquisition. Prior to the Acquisition, Axalta generated no revenue and only incurred merger and acquisition related costs and debt financing costs in anticipation of the Acquisition. We have also presented pro forma financial results for the year ended December 31, 2013 as if the Acquisition, the Financing and Offering transactions had occurred on January 1, 2013. This information and the related comparison to the operating results for the Predecessor year ended December 31, 2012 is provided for a more meaningful comparison between years.

	Predecessor			Successor		Pro Forma
	Year Ended December 31,		January 1 through January 31,	August 24 through December 31,	Year Ended December 31,	Year Ended December 31,
(dollars in millions)	2011	2012	2013	2012	2013	2013
Net sales	$4,281.5	$4,219.4	$ 326.2	$ —	$ 3,951.1	$ 4,277.3
Other revenue	34.3	37.4	1.1	—	35.7	36.8
Total revenue	4,315.8	4,256.8	327.3	—	3,986.8	4,314.1
Cost of goods sold	3,074.5	2,932.6	232.2	—	2,772.8	2,909.0
Selling, general and administrative expenses	869.1	873.4	70.8	—	1,040.6	1,113.6
Research and development expenses	49.6	41.5	3.7	—	40.5	44.2
Amortization of acquired intangibles	—	—	—	—	79.9	86.5
Merger and acquisition related expenses	—	—	—	29.0	28.1	—
Income (loss) from operations	322.6	409.3	20.6	(29.0)	24.9	160.8
Interest expense, net	0.2	—	—	—	215.1	210.8
Bridge financing commitment fees	—	—	—	—	25.0	—
Other expense, net	20.2	16.3	5.0	—	48.5	31.0
Income (loss) before income taxes	302.2	393.0	15.6	(29.0)	(263.7)	(81.0)
Provision (benefit) for income taxes	120.7	145.2	7.1	—	(44.8)	1.9
Net income (loss)	181.5	247.8	8.5	(29.0)	(218.9)	(82.9)
Less: Net income attributable to noncontrolling interests	2.1	4.5	0.6	—	6.0	6.6
Net income (loss) attributable to controlling interests	$ 179.4	$ 243.3	$ 7.9	$ (29.0)	$ (224.9)	$ (89.5)

Successor year ended December 31, 2013, Pro Forma year ended December 31, 2013 and Predecessor period January 1, 2013 through January 31, 2013 compared to the Successor period August 24, 2012 through December 31, 2012 and the Predecessor year ended December 31, 2012

Net sales

Historical: Net sales were $3,951.1 million and $326.2 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to net sales of $4,219.4 million for the Predecessor year ended December 31, 2012. Higher average selling prices across all regions contributed to net sales growth of 6.3% in the Successor year ended December 31, 2013. This growth was partially offset by volume declines during the period, which reduced net sales by 3.5%, primarily as a result of a weak economic environment in Latin America. Additionally, the unfavorable impacts of currency exchange contributed to a 1.4% reduction in net sales, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Pro Forma: Net sales increased $57.9 million, or 1.4%, to $4,277.3 million for the Pro Forma year ended December 31, 2013, as compared to net sales of $4,219.4 million for the Predecessor year ended December 31, 2012. Higher average selling prices contributed to net sales growth of 6.3%. This growth was partially offset by volume declines during the period, which reduced net sales by 3.5%, primarily as a result of a weak economic environment in Latin America. Additionally, the unfavorable impacts of currency exchange contributed to a 1.4% reduction in net sales, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Other revenue

Historical: Other revenue was $35.7 million and $1.1 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to other revenue of $37.4 million for the Predecessor year ended December 31, 2012. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: Other revenue remained largely consistent at $36.8 million for the Pro Forma year ended December 31, 2013, as compared to other revenue of $37.4 million for the Predecessor year ended December 31, 2012. The impacts of currency exchange did not have a material impact on the comparable periods.

Cost of sales

Historical: Cost of sales was $2,772.8 million and $232.2 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to cost of sales of $2,932.6 million for the Predecessor year ended December 31, 2012. Cost of sales for the Successor year ended December 31, 2013 reflected increased depreciation expense of $73.4 million resulting from the fair value adjustments to property, plant and equipment in conjunction with the Acquisition. Cost of sales was also negatively impacted in 2013 by increased inventory costs of $103.7 million resulting from the fair value adjustments to inventory in conjunction with the Acquisition. Included in the Predecessor year ended December 31, 2012 was a $19.1 million benefit due to the last-in-first-out "LIFO" method of inventory accounting. In addition to the impacts from purchase accounting, cost of sales was also favorably impacted by the reduction in costs incurred in the Successor period operating structure versus those previously allocated by DuPont during the Predecessor year ended December 31, 2012. This includes the impacts of the defined benefit pension obligations for U.S. employees in connection with the Acquisition, which resulted in a net reduction in U.S. employee fringe costs compared to the Predecessor year ended December 31, 2012. The remaining decrease was primarily due to lower raw material costs across most regions and product lines as well as impacts from foreign currency exchange rates. The favorable impact of raw material prices across both our Performance Coatings and Transportation Coatings segments contributed to an approximately 0.3% impact on cost of sales as a percentage of net sales. Favorable impacts of currency exchange contributed to a 0.4% decrease in cost of goods sold, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Pro Forma: Cost of sales decreased $23.6 million, or 0.8%, to $2,909.0 million for the Pro Forma year ended December 31, 2013 as compared to $2,932.6 million for the Predecessor year ended December 31, 2012. The Pro Forma year ended December 31, 2013 is adjusted to exclude the impact of $7.9 million of increased depreciation for the Predecessor period January 1, 2013 through January 31, 2013 and to exclude $103.7 million of increased inventory costs related to the Acquisition. As a percentage of net sales, cost of sales decreased from 69.5% to

68.0%. This decrease was primarily due to lower raw material costs across most regions and product lines. The favorable impact of raw material prices across both our Performance Coatings and Transportation Coatings segments contributed to an approximately 0.3% impact on cost of sales as a percentage of net sales. Cost of sales was also favorably impacted by the reduction in costs incurred in our current operating structure versus those previously allocated by DuPont during the Predecessor year ended December 31, 2012. Further, we did not assume defined benefit pension obligations for U.S. employees in connection with the Acquisition, which resulted in a net reduction in U.S. employee fringe costs compared to the Predecessor year ended December 31, 2012. These decreases were slightly offset by the $19.1 million benefit included in the Predecessor year ended December 31, 2012 due to the LIFO method of inventory accounting, as well as the impact in the Successor year ended December 31, 2013 of increased depreciation expense of $81.3 million resulting from the fair value adjustments to property, plant and equipment in conjunction with the Acquisition. Favorable impacts of currency exchange contributed to a 0.4% decrease in cost of goods sold, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Selling, general and administrative expenses

Historical: Selling, general and administrative expenses were $1,040.6 million and $70.8 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to selling, general and administrative expenses of $873.4 million for the Predecessor year ended December 31, 2012. The increase in 2013 was primarily the result of $231.5 million of transition-related expenses we incurred during the Successor year ended December 31, 2013, primarily due to 2013 termination benefits and other employee related costs of $147.5 million, and consulting and advisory costs of $54.7 million related to our initial separation and transition to a standalone company. Selling, general and administrative expenses were also adversely impacted by increased depreciation expense of approximately $23.1 million resulting from the fair value adjustments to non-manufacturing assets in conjunction with the Acquisition. Favorable impacts of currency exchange, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar, contributed to an approximately 1.0% decrease in selling, general and administrative expenses. These increases were offset slightly by a reduction in U.S. pension expense and lower actual costs for our operating structure as a standalone entity.

Pro Forma: Selling, general and administrative expenses increased $240.2 million, or 27.5%, to $1,113.6 million for the Pro Forma year ended December 31, 2013, as compared to $873.4 million for the Predecessor year ended December 31, 2012. The Pro Forma year ended December 31, 2013 is adjusted to reflect the increased depreciation expense resulting from the fair value adjustments to non-manufacturing assets in conjunction with the Acquisition. The 27.5% increase was primarily driven by the $231.8 million of transition-related costs incurred during the Pro Forma year ended December 31, 2013, primarily due to 2013 termination benefits and other employee related costs of $147.8 million, and consulting and advisory costs of $54.7 million related to our transition to a standalone company. Additionally, we incurred $25.3 million in additional depreciation expense associated with fair value adjustments to non-manufacturing assets in conjunction with the Acquisition and due to the favorable impact of weakening currency exchange rates primarily within the Latin America region compared to the U.S. dollar of approximately 1.0%. These increases were offset slightly by approximately $16.9 million reduction in U.S. pension expense and lower actual costs for our operating structure as a standalone entity.

Research and development expenses

Historical: Research and development expense was $40.5 million and $3.7 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to research and development expense of $41.5 million for the Predecessor year ended December 31, 2012. Research and development expense compared to the Predecessor year ended December 31, 2012 increased due to focused spending on growth projects. This increase was partially offset by a decrease in allocations of costs of $2.1 million for the Successor year ended December 31, 2013 compared to the Predecessor year ended

December 31, 2012, representing costs associated with the DuPont Corporate research and development activities in 2012. In addition, favorable impacts of currency exchange contributed to a 0.7% decrease in research and development expense, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Pro Forma: Research and development expense increased $2.7 million, or 6.5%, for the Pro Forma year ended December 31, 2013 to $44.2 million compared to $41.5 million for the Predecessor year ended December 31, 2012. Research and development expense for the Pro Forma year ended December 31, 2013 increased due to focused spending on growth projects. This increase was partially offset by a decrease in allocations of costs of $2.1 million for the Pro Forma year ended December 31, 2013 compared to the Predecessor year ended December 31, 2012 representing costs associated with the DuPont Corporate research and development activities in 2012. Favorable impacts of currency exchange contributed to a 0.7% decrease in research and development expense, primarily due to the weakening of foreign currency exchange rates within the Latin America region compared to the U.S. dollar.

Amortization of acquired intangibles

Historical: Amortization of acquired intangibles was $79.9 million for the Successor year ended December 31, 2013. Amortization of acquired intangibles in the Successor year ended December 31, 2013 includes a loss of $3.2 million associated with abandoned acquired in-process research and development projects, all of which was related to the Acquisition. There were no comparable costs recorded in the Predecessor period January 1, 2013 through January 31, 2013 and the Predecessor year ended December 31, 2012.

Pro Forma: Amortization of acquired intangibles was $86.5 million for the Pro Forma year ended December 31, 2013. Amortization expense for the Pro Forma year ended December 31, 2013 has been adjusted to reflect amortization expense for January 2013. There were no comparable costs recorded in the Predecessor year ended December 31, 2012. The impacts of currency exchange did not have a material impact on the comparable periods.

Merger and acquisition costs

Historical: In connection with the Acquisition, we incurred $28.1 million and $29.0 million of merger and acquisition costs during the Successor year ended December 31, 2013 and the Successor period August 24, 2012 through December 31, 2012, respectively. These costs consisted primarily of investment banking, legal and other professional advisory services costs. There were no such costs associated with the Predecessor period January 1, 2013 through January 31, 2013 or the Predecessor year ended December 31, 2012. The impacts of currency exchange did not have a material impact on the comparable periods.

Pro Forma: The Pro Forma year ended December 31, 2013 has been adjusted to remove the impact of these Acquisition related costs. There were no comparable costs recorded in the Predecessor year ended December 31, 2012.

Interest expense, net

Historical: Interest expense, net was $215.1 million for the Successor year ended December 31, 2013. There was no interest expense for the Predecessor year ended December 31, 2012 or the Predecessor period January 1, 2013 through January 31, 2013. The increase in interest expense, net was due to interest costs associated with the debt financing for the Acquisition and the liquidity requirements of a standalone entity.

Pro Forma: Interest expense, net for the Pro Forma year ended December 31, 2013 of $210.8 million has been adjusted to reflect interest expense for January 2013, which was more than offset by the pro forma effects of the Company's February 2014 refinancing of its Acquisition term loans. There was no interest expense for the Predecessor year ended December 31, 2012.

Bridge financing commitment fees

Historical: Commitment fees related to the Bridge Facility of $21.0 million and associated legal and other professional advisory services costs of $4.0 million were expensed upon termination of the Bridge Facility during the Successor period ended December 31, 2013. There were no such costs associated with the Predecessor period January 1, 2013 through January 31, 2013 and the Predecessor year ended December 31, 2012.

Pro Forma: The Pro Forma year ended December 31, 2013 has been adjusted to remove the impact of these fees. There were no comparable costs recorded in the Predecessor year ended December 31, 2012.

Other expense, net

Historical: Other expense, net was $48.5 million and $5.0 million for the Successor year ended December 31, 2013 and for the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to $16.3 million for the Predecessor year ended December 31, 2012. Other expense, net during the Successor year ended December 31, 2013 primarily consists of net foreign exchange losses from intercompany transactions denominated in currencies different from the functional currency of the subsidiary involved in the transaction. In addition, the increase partially resulted from a $19.4 million loss related to the Acquisition date settlement of a foreign currency hedge contract used to hedge the variability of the U.S. dollar equivalent of the original borrowings under the Euro Term Loan and Euro Senior Notes, and the impact of the strengthening Euro against our Euro Borrowings.

Pro Forma: Other expense, net increased $14.7 million, or 90.2%, for the Pro Forma year ended December 31, 2013 to $31.0 million compared to $16.3 million for the Predecessor year ended December 31, 2012. The Pro Forma year ended December 31, 2013 excludes the impact of $19.4 million of a loss related to the Acquisition date settlement of a foreign currency hedge contract used to hedge the variability of the U.S. dollar equivalent of the original borrowings under the Euro Term Loan and Euro Senior Notes. Net foreign exchange losses of $34.0 million were recorded for the Pro Forma year ended December 31, 2013, as compared to a loss of $17.7 million for the Predecessor year ended December 31, 2012.

During the Pro Forma year ended December 31, 2013, we incurred net unrealized foreign exchange losses of $9.4 million on the remeasurement of intercompany loans. In addition, we incurred unrealized foreign exchange losses of $14.6 million related to the remeasurement of the Euro Senior Notes and Euro Term Loan into U.S. dollars. The remaining foreign exchange losses primarily related to the remeasurement of other assets and liabilities denominated in currencies other than the functional currency of the affected subsidiaries.

Provision (benefit) for income taxes

Historical: We recorded a benefit for income taxes of $44.8 million for the Successor year ended December 31, 2013, which represents a 17.0% effective tax rate in relation to the loss before income taxes of $263.7 million. The effective tax rate for the Successor year ended December 31, 2013 differs from the U.S. federal statutory rate by 18.0%. This difference is primarily due to unfavorable adjustments for the impact of pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $55.0 million, prior year tax positions of $35.1 million, non-deductible expenses, unrecognized tax benefits and the impact of unremitted earnings assertions of $16.8 million. These adjustments were partially offset by the benefit of earnings in jurisdictions where the statutory tax rate was lower than the U.S. Federal statutory rate of $33.1 million and capital losses of $46.7 million.

We recorded a provision for income taxes of $145.2 million for the Predecessor year ended December 31, 2012 which represents a 37.0% effective tax rate in relation to the income before taxes of $393.0 million. The effective tax rate for the Predecessor year ended December 31, 2012 differs from the U.S. federal statutory rate by 2.0%. This difference is primarily due to the unfavorable impact of pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $9.8 million, as well as a $4.7 million impact related to non-deductible net foreign exchange losses. This is offset by the benefit of earnings in jurisdictions where the statutory tax rate was lower than the U.S. Federal statutory rate of $10.9 million.

Pro Forma: We recorded a provision for income taxes of $1.9 million for the Pro Forma year ended December 31, 2013, which represents a 2.3% effective tax rate in relation to the pro forma loss before income taxes of $81.0 million. The variance in the pro forma effective tax rate from the historical effective tax rate, described in the corresponding historical discussion above, was primarily due to the application of statutory income tax rates to the cumulative pro forma adjustments.

Predecessor year ended December 31, 2012 Compared to Predecessor year ended December 31, 2011

Net sales

Historical: Net sales decreased $62.1 million, or 1.5%, to $4,219.4 million for the Predecessor year ended December 31, 2012, as compared to net sales of $4,281.5 million for the Predecessor year ended December 31, 2011. The unfavorable impacts of currency exchange contributed to a 5.0% reduction in net sales, primarily due to the weakening of foreign currency exchange rates for the Euro and currencies within the Latin America region compared to the U.S. dollar. This decrease was offset by higher average selling prices that contributed to net sales growth of 5.9%. Declining volumes during the period contributed to a 2.4% decrease in net sales, primarily resulting from difficult economic conditions in Europe.

Other revenue

Historical: Other revenue increased to $3.1 million, or 9.0 %, to $37.4 million for Predecessor year ended December 31, 2012 compared to $34.3 million for the Predecessor year ended December 31, 2011. The increase was primarily attributed to higher service revenue and royalty income. The impacts of currency exchange did not have a material impact on the comparable periods.

Cost of sales

Historical: Cost of sales decreased $141.9 million, or 4.6%, to $2,932.6 million for Predecessor year ended December 31, 2012, as compared to $3,074.5 million for the Predecessor year ended December 31, 2011. As a percentage of net sales, cost of sales decreased from 71.8% to 69.5%. This decrease was primarily driven by the $22.0 million unfavorable impact of an increase to the LIFO reserve in the Predecessor year ended December 31, 2011 that did not re-occur in 2012 and the favorable impact on costs due to the weakening of foreign currency exchange rates compared to the U.S. dollar primarily related to the Euro and certain currencies within the Latin America region during the Predecessor year ended December 31, 2012. These decreases were partially offset by higher raw material prices and overhead costs. The unfavorable impact of raw material prices across both our Performance Coatings and Transportation Coatings segments contributed to an approximately 1.5% negative impact on cost of sales as a percentage of net sales.

Selling, general and administrative expenses

Historical: Selling, general and administrative expenses increased $4.3 million, or 0.5%, to $873.4 million for Predecessor year ended December 31, 2012, as compared to $869.1 million the Predecessor year ended December 31, 2011. This increase was primarily attributable to increased marketing-related expenses and selling resources providing technical customer sales support and inflationary cost increases. Additionally, in November 2012, DuPont concluded that consolidating the financial results of DPC's joint venture investment in DPC Saudi was no longer appropriate due to a lack of financial control in the operations of the business. Consequently, the Predecessor deconsolidated this joint venture and accounted for the joint venture under the equity method of accounting since November 2012. This joint venture investment in DPC Saudi was not an asset acquired in connection with the Acquisition. As part of the deconsolidation of DPC Saudi, a remeasurement of the retained investment was performed based upon the estimated selling price of our related shares. The remeasurement resulted in a loss of $1.0 million for the Predecessor year ended December 31, 2012, which was recorded as a component of selling, general and administrative expenses. Partially offsetting this asset charge were reduced employee separation liabilities related to previous restructuring programs in the amount of $0.3 million due to favorable changes in estimates of these remaining employee separation liabilities.

Termination benefits and other employee related costs were a credit of $2.6 million for the year ended December 31, 2011. In the year ended December 31, 2011, we recorded a net reduction of $1.4 million in the estimated costs associated with our 2009 restructuring program. In addition during the year ended December 31, 2011, we recorded a net reduction in the estimated employee costs associated with DPC's 2008 restructuring program of $1.2 million. These net reductions were primarily due to lower-than-estimated individual severance costs and work force reductions through non-severance programs. In addition, favorable impacts of currency exchange contributed to a 4.5% reduction in selling, general and administrative expense, primarily due to the weakening of foreign currency exchange rates compared to the U.S. dollar primarily related to the Euro and certain currencies within the Latin America region.

Research and development expenses

Historical: Research and development expense decreased $8.1 million, or 16.3%, from $49.6 million to $41.5 million for the Predecessor year ended December 31, 2012, as compared to the Predecessor year ended December 31, 2011. Of the decrease, 5.6% was due to the impact of weakening foreign currency exchange rates compared to the U.S. Dollar primarily related to the Euro and certain currencies within the Latin America region during the Predecessor year ended December 31, 2012.

Other expense, net

Historical: Other expense, net decreased $3.9 million, or 19.3%, from $20.2 million to $16.3 million for the Predecessor year ended December 31, 2012, as compared to the year ended December 31, 2011. This decrease was primarily due to the reduction in foreign exchange losses to $17.7 million from $23.4 million during the Predecessor year ended December 31, 2012 as compared to the Predecessor year ended December 31, 2011, respectively.

Provision for income taxes

Historical: We recorded a provision for income taxes of $145.2 million for the Predecessor year ended December 31, 2012 as compared to $120.7 million for the Predecessor year ended December 31, 2011. Our effective income tax rate was 37.0% and 39.9% for the Predecessor years ended December 31, 2012 and 2011, respectively. The decrease in our effective income tax rate in relation to the prior year was due to a larger portion of earnings sourced in non-U.S. jurisdictions where the statutory tax rate was lower than the U.S. Federal statutory rate, which resulted in a benefit of $1.8 million, $5.0 million benefit relating to a decrease in the valuation allowances for net operating losses that were not previously expected to be realized, and a $2.3 million favorable impact related to an net foreign exchange gains that were not taxable. The favorable impact of these factors on our effective income tax rate was partially offset by $1.9 million of higher state income taxes, net of U.S. federal income tax benefit.

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Selected Segment Information

Successor six months ended June 30, 2014 compared to the Successor six months ended June 30, 2013, Predecessor period January 1, 2013 through January 31, 2013 and the Pro Forma six months ended June 30, 2013

The following table presents net sales by segment and segment Adjusted EBITDA for the following periods (in millions):

	Predecessor	Successor		Pro Forma
	January 1 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014	Six Months Ended June 30, 2013
Net Sales				
Performance Coatings	$ 186.8	$1,036.4	$1,281.1	$ 1,223.2
Transportation Coatings	139.4	747.2	892.9	886.6
Total	$ 326.2	$1,783.6	$2,174.0	$ 2,109.8
Segment Adjusted EBITDA(1)(2)				
Performance Coatings	$ 15.0	$ 212.9	$ 261.2	$ 231.4
Transportation Coatings	17.7	94.6	146.6	114.7
Total	$ 32.7	$ 307.5	$ 407.8	$ 346.1

(1) For additional information regarding Segment Adjusted EBITDA, see Note 21 to our Unaudited Condensed Consolidated Financial Statements and Note 25 to our Audited Consolidated Financial Statements appearing elsewhere in this prospectus.

(2) For information about Adjusted EBITDA, including the manner in which it is calculated and a reconciliation from our net income (loss) to Adjusted EBITDA see "Prospectus Summary—Summary Historical and Pro Forma Financial Information." The Segment Adjusted EBITDA information for the Pro Forma six months ended June 30, 2013 includes (a) the add-back of corporate allocations from DuPont to DPC for the usage of DuPont's facilities, functions and services; costs for administrative functions and services performed on behalf of DPC by centralized staff groups within DuPont; a portion of DuPont's general corporate expenses; and certain pension and other long-term employee benefit costs net of (b) estimated standalone costs based on a corporate function resource analysis that included a standalone executive office, the costs associated with supporting a standalone information technology infrastructure, corporate functions such as legal, finance, treasury, procurement and human resources and certain costs related to facilities management. This resource analysis included anticipated headcount and the associated overhead costs of running these functions effectively as a standalone company of our size and complexity. This resulted in a net benefit of $5.7 million for the Predecessor period January 1, 2013 through January 31, 2013.

Performance Coatings Segment

Successor six months ended June 30, 2014 compared to Predecessor period January 1, 2013 through January 31, 2013, Successor six months ended June 30, 2013 and Pro Forma six months ended June 30, 2013

Historical: Net sales were $1,281.1 million for the Successor six months ended June 30, 2014 compared to net sales of $1,036.4 million for the Successor six months ended June 30, 2013 and $186.8 million for the Predecessor period January 1, 2013 through January 31, 2013. The increase in net sales in the Successor six months ended June 30, 2014 was primarily driven by volume growth, which contributed to a net sales increase of 2.1%, as well as higher average selling prices, which contributed to a net sales increase of 2.3%. Favorable currency exchange rates contributed to net sales growth of 0.3%, primarily related to the benefits of the strengthening Euro.

Adjusted EBITDA was $261.2 million for the Successor six months ended June 30, 2014 compared to Adjusted EBITDA of $212.9 million for the Successor six months ended June 30, 2013 and $15.0 million for the Predecessor period January 1, 2013 through January 31, 2013. The 14.6% increase in Adjusted EBITDA in the Successor six months ended June 30, 2014 was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and price increases. In addition, the absence of the Predecessor corporate allocated costs contributed an approximate $3.4 million benefit. Unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases and contributed to a reduction in Adjusted EBITDA.

Pro Forma: Net sales increased $57.9 million, or 4.7%, to $1,281.1 million for the six months ended June 30, 2014, as compared to net sales of $1,223.2 million for the Pro Forma six months ended June 30, 2013. The increase in net sales for the six months ended June 30, 2014 as compared to the Pro Forma six months ended June 30, 2013 was primarily driven by volume growth, which contributed to a net sales increase of 2.1%, as well as higher average selling prices, which contributed to a net sales increase of 2.3%. Favorable currency exchange rates contributed to net sales growth of 0.3%, primarily related to the benefits of the strengthening Euro.

Adjusted EBITDA increased $29.8 million, or 12.9%, to $261.2 million for the six months ended June 30, 2014 as compared to $231.4 million for the Pro Forma six months ended June 30, 2013. As a percentage of net sales, Adjusted EBITDA increased to 20.4% from 18.9%. This increase was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and price increases. Unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases and contributed to a reduction in Adjusted EBITDA.

Transportation Coatings Segment

Successor six months ended June 30, 2014 compared to Predecessor period January 1, 2013 through January 31, 2013, Successor six months ended June 30, 2013 and Pro Forma six months ended June 30, 2013

Historical: Net sales were $892.9 million for the Successor six months ended June 30, 2014 compared to net sales of $747.2 million for the Successor six months ended June 30, 2013 and $139.4 million for the Predecessor period January 1, 2013 through January 31, 2013. The increase in net sales in the Successor six months ended June 30, 2014 was primarily driven by higher average selling prices, which contributed to net sales growth of 5.7%. This increase was partially offset by declining volumes, which contributed to a net sales decline of 4.2%, and were primarily concentrated in Latin America. Unfavorable currency exchange rates also contributed to a reduction to net sales of 0.8% as the benefits of the strengthening Euro were more than offset by impacts of weakening currencies in certain jurisdictions primarily within Latin America.

Adjusted EBITDA was $146.6 million for the Successor six months ended June 30, 2014 compared to Adjusted EBITDA of $94.6 million for the Successor six months ended June 30, 2013 and $17.7 million for the Predecessor period January 1, 2013 through January 31, 2013. The 30.5% increase in Adjusted EBITDA in the

Successor six months ended June 30, 2014 was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and selective price increases. In addition, the absence of the Predecessor corporate allocated costs contributed an approximate $2.3 million benefit. Unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases and contributed to a reduction in Adjusted EBITDA.

Pro Forma: Net sales increased $6.3 million, or 0.7%, to $892.9 million for the six months ended June 30, 2014, as compared to net sales of $886.6 million for the Pro Forma six months ended June 30, 2013. The increase in net sales for the six months ended June 30, 2014 as compared to the Pro Forma six months ended June 30, 2013 was primarily driven by higher average selling prices, which contributed to net sales growth of 5.7%. This increase was partially offset by declining volumes, which contributed to a net sales decline of 4.2%, and were primarily concentrated in Latin America. Unfavorable currency exchange rates also contributed to a reduction to net sales of 0.8% as the benefits of the strengthening Euro were more than offset by impacts of weakening currencies in certain jurisdictions primarily within Latin America.

Adjusted EBITDA increased $31.9 million, or 27.8%, to $146.6 million for the six months ended June 30, 2014 as compared to $114.7 million for the Pro Forma six months ended June 30, 2013. As a percentage of net sales, Adjusted EBITDA increased to 16.4% from 12.9%. This increase was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and selective price increases. Unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases, and contributed to a reduction in Adjusted EBITDA.

Successor year ended December 31, 2013, Pro Forma year ended December 31, 2013 and Predecessor period January 1, 2013 through January 31, 2013 compared to the Predecessor years ended December 31, 2012 and 2011

The following table presents net sales by segment and segment Adjusted EBITDA for the following periods (in millions):

	Predecessor			Successor	Pro Forma
	Year Ended December 31,		January 1 through January 31,	Year Ended December 31,	Year Ended December 31,
	2011	2012	2013	2013	2013
Net Sales					
Performance Coatings	$2,623.7	$2,479.5	$ 186.8	$ 2,325.3	$ 2,512.1
Transportation Coatings	1,657.8	1,739.9	139.4	1,625.8	1,765.2
Total	$4,281.5	$4,219.4	$ 326.2	$ 3,951.1	$ 4,277.3
Segment Adjusted EBITDA(1)(2)					
Performance Coatings	$ 415.9	$ 426.0	$ 15.0	$ 500.2	$ 518.7
Transportation Coatings	62.5	151.6	17.7	198.8	218.9
Total	$ 478.4	$ 577.6	$ 32.7	$ 699.0	$ 737.6

(1) For additional information regarding Segment Adjusted EBITDA, see Note 21 to our Unaudited Condensed Consolidated Financial Statements and Note 25 to our Audited Consolidated Financial Statements appearing elsewhere in this prospectus.

(2) For information about Adjusted EBITDA, including the manner in which it is calculated and a reconciliation from our net income (loss) to Adjusted EBITDA see "Prospectus Summary—Summary Historical and Pro Forma Financial Information." The Segment Adjusted EBITDA information for the Pro Forma year ended December 31, 2013 includes (a) the add-back of corporate allocations from DuPont to DPC for the usage of DuPont's facilities, functions and services; costs for administrative functions and services performed on behalf of DPC by centralized staff groups within DuPont; a portion of DuPont's general corporate expenses; and

certain pension and other long-term employee benefit costs net of (b) estimated standalone costs based on a corporate function resource analysis that included a standalone executive office, the costs associated with supporting a standalone information technology infrastructure, corporate functions such as legal, finance, treasury, procurement and human resources and certain costs related to facilities management. This resource analysis included anticipated headcount and the associated overhead costs of running these functions effectively as a standalone company of our size and complexity. This resulted in a net benefit of $5.7 million for the Predecessor period January 1, 2013 through January 31, 2013. The Predecessor years ended December 31, 2012 and 2011 do not include $91.7 million and $84.2 million, respectively, in net benefits related to these costs.

Performance Coatings Segment

Successor year ended December 31, 2013, Pro Forma year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013 compared to the Predecessor year ended December 31, 2012

Historical: Net sales were $2,325.3 million and $186.8 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to net sales of $2,479.5 million for the Predecessor year ended December 31, 2012. Net sales growth for the Predecessor period January 1, 2013 through January 31, 2013 and the Successor year ended December 31, 2013 was primarily driven by higher average selling prices, which contributed to net sales growth of 5.9%. These increases were offset by lower volumes, which decreased net sales by 3.4%. Weakening foreign currency exchange rates compared to the U.S. dollar primarily related to certain currencies within the Latin America region also had a negative impact on sales of 1.2%.

Adjusted EBITDA was $500.2 million and $15.0 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, compared to Adjusted EBITDA of $426.0 million for the Predecessor year ended December 31, 2012. This increase was driven primarily by the absence of $77.6 million in the Predecessor year ended December 31, 2012 related to the add-back of corporate allocations from DuPont to DPC for estimated standalone entity benefits. The remaining increase was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and price increases. These factors were slightly offset by the negative impact of weakening foreign currency exchange rates compared to the U.S. dollar, which were primarily related to certain currencies within the Latin America region, and contributed to a reduction in Adjusted EBITDA.

Pro Forma: Net sales increased $32.6 million, or 1.3%, to $2,512.1 million for the Pro Forma year ended December 31, 2013, as compared to net sales of $2,479.5 million for the Predecessor year ended December 31, 2012. Net sales growth was primarily driven by higher average selling prices, which contributed to net sales growth of 5.9%. These increases were offset by lower volumes, which decreased net sales by 3.4%. Weakening foreign currency exchange rates compared to the U.S. dollar primarily related to certain currencies within the Latin America region also had a negative impact on sales of 1.2%.

Adjusted EBITDA increased $15.1 million, or 3.0%, to $518.7 million for the Pro Forma year ended December 31, 2013 as compared to $503.6 million for the Predecessor year ended December 31, 2012. As a percentage of net sales, Adjusted EBITDA increased to 20.6% from 20.3%. This increase was driven by lower raw material input costs and fixed manufacturing costs, partially resulting from our purchasing and operational improvement initiatives and price increases. These factors were slightly offset by the negative impact of weakening foreign currency exchange rates compared to the U.S. dollar, which were primarily related to certain currencies within the Latin America region, and contributed to a reduction in Adjusted EBITDA.

Predecessor year ended December 31, 2012 compared to the Predecessor year ended December 31, 2011

Historical: Net sales decreased $144.2 million, or 5.5%, to $2,479.5 million for the Predecessor year ended December 31, 2012, as compared to net sales of $2,623.7 million for the Predecessor year ended December 31, 2011. Our net sales decrease was primarily driven by overall lower sales volumes, which contributed to a net sales decline of 5.5% and were primarily concentrated in Southern Europe, where difficult economic conditions resulted in fewer repairs in our refinish end-market. The negative impact of weakening foreign currency exchange rates contributed to a net sales decline of 4.7%, primarily from the weakening of the Euro and certain currencies within the Latin America region compared to the U.S. dollar. These factors were partially offset by higher average selling prices, which contributed to net sales growth of 4.7%.

Adjusted EBITDA increased $10.1 million, or 2.4%, to $426.0 million for the Predecessor year ended December 31, 2012 compared to Adjusted EBITDA of $415.9 million for the Predecessor year ended December 31, 2011. As a percentage of net sales, Adjusted EBITDA increased to 17.2% from 15.9%, primarily driven by price increases. Unfavorable currency exchange rates also contributed to a reduction in Adjusted EBITDA which was primarily due to the weakening of the Euro and certain currencies concentrated in the Latin America region.

Transportation Coatings Segment

Successor year ended December 31, 2013, Pro Forma year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013 compared to the Predecessor year ended December 31, 2012

Historical: Net sales were $1,625.8 million and $139.4 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, as compared to net sales of $1,739.9 million for the Predecessor year ended December 31, 2012. Net sales growth for the Predecessor period January 1, 2013 through January 31, 2013 and the Successor year ended December 31, 2013 was primarily driven by higher average selling prices, which contributed to a 6.8% net sales growth. Lower sales volumes contributed to a net sales decline of 3.7%, and the negative currency impact from weakening foreign currency exchange rates compared to the U.S. dollar primarily related to certain currencies within the Latin America region contributed to a net sales decline of 1.6%.

Adjusted EBITDA was $198.8 million and $17.7 million for the Successor year ended December 31, 2013 and the Predecessor period January 1, 2013 through January 31, 2013, respectively, compared to Adjusted EBITDA of $151.6 million for the Predecessor year ended December 31, 2012. The increase in Adjusted EBITDA from the Predecessor year ended December 31, 2012 was primarily driven by selective price increases as well as the absence of $6.6 million related to the add-back of corporate allocations from DuPont to DPC for estimated standalone entity benefits. Additionally, unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases, and contributed to a reduction in Adjusted EBITDA.

Pro Forma: Net sales increased $25.3 million, or 1.5%, to $1,765.2 million for the Pro Forma year ended December 31, 2013, as compared to net sales of $1,739.9 million for the Predecessor year ended December 31, 2012. Net sales growth was primarily driven by higher average selling prices, which contributed to a 6.8% net sales growth. Lower sales volumes contributed to a net sales decline of 3.7%, and the negative currency impact from weakening foreign currency exchange rates compared to the U.S. dollar primarily related to certain currencies within the Latin America region contributed to a net sales decline of 1.6%.

Pro Forma: Adjusted EBITDA increased $67.3 million, or 44.4%, to $218.9 million for the Pro Forma year ended December 31, 2013 as compared to $151.6 million for the Predecessor year ended December 31, 2012. As a percentage of net sales, Adjusted EBITDA increased to 12.4% from 8.7%, driven primarily by selective price increases. Unfavorable currency exchange rates, which were primarily concentrated in the Latin America region, slightly offset these increases, and contributed to a reduction in Adjusted EBITDA.

Predecessor year ended December 31, 2012 compared to the Predecessor year ended December 31, 2011

Historical: Net sales increased $82.1 million, or 5.0%, to $1,739.9 million for the Predecessor year ended December 31, 2012, as compared to net sales of $1,657.8 million for the Predecessor year ended December 31, 2011. Net sales growth was driven by increased volumes, which contributed to net sales growth of 2.6%, and higher average selling prices, which contributed to net sales growth of 7.8%. These factors were partially offset by the negative currency impact from weakening foreign currency exchange rates compared to the U.S. dollar primarily related to the Euro and certain currencies within the Latin America region, which contributed to a net sales decline of 5.4%.

Adjusted EBITDA increased $89.1 million, or 142.6%, to $151.6 million for the Predecessor year ended December 31, 2012 compared to Adjusted EBITDA of $62.5 million for the Pro Forma Predecessor year ended December 31, 2011. As a percentage of net sales, Adjusted EBITDA increased to 8.7% from 3.8%, driven primarily by selective price increases. Unfavorable currency exchange rates also contributed to a reduction in Adjusted EBITDA, which was primarily due to the weakening of the Euro and certain currencies concentrated in the Latin America region.

Liquidity and Capital Resources

February 2013 DPC Acquisition and Related Financing

On August 30, 2012, Axalta Bermuda entered into a purchase agreement (the “Acquisition Agreement”) with DuPont pursuant to which Axalta Bermuda and certain of its indirect subsidiaries acquired DPC, including certain assets of DPC and all of the capital stock and other equity interests of certain entities engaged in the DPC business, from DuPont for a purchase price of $4,925.9 million plus or minus a working capital and pension adjustment. On February 1, 2013, Axalta Bermuda completed the acquisition of DPC. The Company and DuPont finalized the working capital and pension adjustments to the purchase price during the year ended December 31, 2013, which resulted in a reduction to the purchase price of $18.6 million to $4,907.3 million.

The purchase price was funded by (i) the Equity Contribution, (ii) proceeds from Senior Secured Credit Facilities consisting of a $2,300.0 million Dollar Term Loan facility and a €400.0 million Euro Term Loan facility and (iii) proceeds from the issuance of $750.0 million aggregate principal amount of Dollar Senior Notes and the issuance of €250.0 million Euro Senior Notes.

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Cash Flows

Successor six-month period ended June 30, 2014 compared to Successor six-month period ended June 30, 2013 and Predecessor period January 1, 2013 through January 31, 2013

The table below summarizes our primary sources and uses of cash for the Successor six-month periods ended June 30, 2014 and 2013 and the Predecessor period January 1, 2013 through January 31, 2013.

(dollars in millions)	Predecessor January 1 through January 31, 2013	Successor Six Months Ended June 30, 2013	Successor Six Months Ended June 30, 2014
Net cash provided by (used in):			
Operating activities:			
Net income (loss)	$ 8.5	$ (178.3)	$ 52.1
Depreciation and amortization	9.9	140.6	152.9
Deferred income taxes	9.1	(58.5)	(14.1)
Amortization of deferred financing fees and OID	—	8.3	10.3
Fair value of acquired inventory sold	—	103.7	—
Foreign exchange losses (gains)	4.5	35.2	(19.2)
Bridge financing commitment fees	—	25.0	—
Other non-cash items	(3.9)	(9.2)	3.2
Net income adjusted for non-cash items	28.1	66.8	185.2
Changes in operating assets and liabilities	(65.8)	94.8	(171.5)
Operating activities	(37.7)	161.6	13.7
Investing activities	(8.3)	(4,872.2)	(102.8)
Financing activities	43.0	5,095.8	(12.2)
Effect of exchange rate changes on cash	—	—	(7.7)
Net increase (decrease) in cash and cash equivalents	$ (3.0)	$ 385.2	$(109.0)

Six months ended June 30, 2014 (Successor)

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the six months ended June 30, 2014 was $13.7 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of $185.2 million. This was substantially offset by net increases in working capital of $171.5 million. The most significant drivers in working capital were increases in receivables and inventory of $112.3 million and $24.3 million, respectively, due primarily to increased sales compared to seasonally lower sales in the month of December and inventory builds in anticipation of certain information technology transition projects and to support ongoing operational demands compared to December 2013, as well as reductions of other accrued liabilities of $47.6 million primarily related to annual compensation payments, nonrecurring transition costs and semi-annual interest payments associated with our Senior Notes.

Net Cash Used for Investing Activities

Net cash used for investing activities for the six months ended June 30, 2014 was $102.8 million. This use was driven primarily by purchases of property, plant and equipment of $100.8 million and an increase of $1.9 million in restricted cash. Purchases of property, plant and equipment includes approximately $57.0 million associated with our transition-related capital projects including our information technology systems and finalization of our transition of our global office relocations.

Net Cash Used for Financing Activities

Net cash used for financing activities for the six months ended June 30, 2014 was $12.2 million. The change was primarily driven by repayments of short term borrowings and term loans of $17.2 million and $7.1 million, respectively, partially offset by proceeds received from short-term borrowing during the period of $16.7 million. During the six months ended June 30, 2014, we paid $3.0 million in fees related to the Refinancing (See Note 18 to our Unaudited Condensed Consolidated Financial Statements contained elsewhere in this prospectus).

Six months ended June 30, 2013 (Successor)

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the Successor six months ended June 30, 2013 was $161.6 million. Net loss, before deducting depreciation and amortization and other non-cash items, provided cash of $66.8 million.

Increases in accounts payable and other accrued liabilities favorably impacted cash flow from operations by $47.6 million and $74.9 million, respectively. The increase in accounts payable was due in part to the inclusion of amounts due DuPont for services rendered pursuant to transition service agreements and for purchases of materials. Prior to the Acquisition, transactions between DuPont and DPC were deemed to be settled immediately through the parent company net investment. Subsequent to the Acquisition, amounts due to DuPont are presented as a component of trade accounts payable. Timing of disbursements also contributed to the increase in accounts payable. The increase in other accrued liabilities was primarily related to accrued interest on the Senior Notes as well as accruals related to annual employee performance related benefits. A decrease in inventories resulted in a generation of cash of $35.5 million. An increase in trade and notes receivable resulted in a use of cash of $37.8 million. All other operating assets and liabilities netted to a $25.4 million use of cash including funding of our transaction expenses of $29.0 million, which were incurred during the Successor period August 24, 2012 through December 31, 2012.

Net Cash Used for Investing Activities

During the Successor six months ended June 30, 2013, we acquired DPC for a preliminary purchase price of $4,906.7 million. Cash acquired was $79.7 million, which resulted in a net cash outflow of $4,827.0 million to acquire DPC.

During the Successor six months ended June 30, 2013, we entered into a foreign currency contract to hedge the variability of the U.S. dollar equivalent of the borrowings under the Euro Term Loan and the proceeds from the issuance of Euro Senior Notes. Net cash used to settle the derivative instrument was $19.4 million.

Purchases of property, plant and equipment during the Successor six months ended June 30, 2013 were $23.4 million.

Net Cash Provided by Financing Activities

As part of the Transactions, Carlyle made the Equity Contribution of $1,350.0 million. Borrowings during the Successor six months ended June 30, 2013 included $2,817.3 million of proceeds from borrowings under our Senior Secured Credit Facilities, net of original issue discount of $25.7 million, and the issuance of our Senior Notes in the amount of $1,089.4 million. Borrowings during the Successor six months ended June 30, 2013 also included short-term borrowings of $5.0 million payable to foreign credit institutions.

During the Successor six months ended June 30, 2013, we paid $126.0 million of deferred financing costs associated with entering into the Dollar Senior Notes, Euro Senior Notes and Senior Secured Credit Facilities and $25.0 million of commitment fees related to the Bridge Facility. During the Successor six months ended June 30, 2013, dividends paid to noncontrolling interests totaled $4.1 million.

January 1, 2013 through January 31, 2013 (Predecessor)

Net Cash Used for Operating Activities

Net cash used for operating activities for the Predecessor period from January 1, 2013 through January 31, 2013 was $37.7 million. Net income, before deducting depreciation and amortization and other non-cash items, generated cash of $28.1 million.

An increase in inventories resulted in a use of cash of $19.3 million. Decreases in other accrued liabilities and accounts payable resulted in a use of cash of $43.8 million and $29.9 million, respectively. The decrease in other current liabilities was primarily due to reductions in compensation and other employee-related cost liabilities related to payment of annual incentive compensation, a reduction in the liabilities for discounts, rebates and warranties related to payments under annual rebate programs and a reduction in our foreign currency contracts derivatives liability. The reduction in accounts payable was primarily related to timing of vendor payments. Partially offsetting these items was a decrease in trade accounts and notes receivable, which provided cash of $25.8 million. All other operating assets and liabilities netted to a $1.4 million generation of cash.

Net Cash Used for Investing Activities

During the Predecessor period January 1, 2013 through January 31, 2013, net cash used in investing activities was $8.3 million. Purchases of property, plant and equipment and intangible assets during the Predecessor period January 1, 2013 through January 31, 2013 were $2.4 million and $6.3 million, respectively.

Net Cash Provided by Financing Activities

During the Predecessor period January 1, 2013 through January 31, 2013, net cash provided by financing activities was $43.0 million, which mainly represents the net cash used by operating activities and net cash used in investing activities discussed above as a result of DuPont's centralized cash management system.

Successor year ended December 31, 2013 and Predecessor year ended December 31, 2012 compared to 2011

(dollars in millions)	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	January 1 through January 31, 2013	August 24 through December 31, 2012	Year Ended December 31, 2013
Net cash provided by (used in):					
Operating activities:					
Net income (loss)	$ 181.5	$ 247.8	$ 8.5	$ (29.0)	$ (218.9)
Depreciation and amortization	108.7	110.7	9.9	—	300.7
Deferred income taxes	3.5	9.1	9.1	—	(120.8)
Fair value of acquired inventory sold	—	—	—	—	103.7
Foreign exchange losses (gains)	—	—	4.5	—	48.9
Bridge financing commitment fees	—	—	—	—	25.0
Other non-cash items	3.1	7.6	(3.9)	—	39.0
Net income (loss) adjusted for non-cash items	296.8	375.2	28.1	(29.0)	177.6
Changes in operating assets and liabilities	(60.6)	13.6	(65.8)	29.0	199.2
Operating activities	236.2	388.8	(37.7)	—	376.8
Investing activities	(116.6)	(88.2)	(8.3)	—	(5,011.2)
Financing activities	(125.1)	(290.6)	43.0	—	5,098.1
Effect of exchange rate changes on cash	2.4	(0.1)	—	—	(4.4)
Net increase (decrease) in cash and cash equivalents	$ (3.1)	$ 9.9	$ (3.0)	$ —	$ 459.3

Year ended December 31, 2013 (Successor)

Net Cash Provided by Operating Activities

Cash provided by operating activities was $376.8 million for the Successor year ended December 31, 2013. The cash flow from operations was the result of cash flows generated by operating earnings and reductions in net working capital, partially offset by merger and acquisition related costs and transition costs associated with our separation from DuPont. An increase in trade and notes receivable was due largely to higher sales levels during the Successor year ended December 31, 2013 resulted in an outflow of cash of $6.4 million. A decrease in inventories resulted in a generation of cash of $33.9 million. The decrease in inventories was primarily the result of the continued focus on working capital levels relative to demand and lower raw material costs. An increase in accounts payable favorably impacted cash flow from operations by $67.1 million. The increase in accounts payable was due in part to the separation from DuPont in February 2013, which resulted in the establishment of new credit terms with our new vendors as a standalone company, including certain raw materials contracts with DuPont, which were historically related party purchases in the Predecessor period. Prior to the Acquisition, transactions between DuPont and DPC were deemed to be settled immediately through the parent company net investment. Further contributing to the cash flows provided by operating activities was an increase in accrued liabilities of $193.1 million related to the timing of cash payments for annual employee performance related benefits, which were paid by DuPont for the 2012 performance period. The remaining increases in accrued liabilities had no impact on cash flows from operations, including severance-related liabilities and transition-related expenses, which had been accrued as of December 31, 2013 and had an offsetting impact within Net income (loss). Offsetting this operating activity was cash used in operating activities related to the restructuring activities during the year ended December 31, 2013, for which $23.7 million of payments were made.

Net Cash Used for Investing Activities

During the Successor year ended December 31, 2013, we acquired DPC for a purchase price of $4,907.3 million. Cash acquired was $79.7 million, which resulted in a net cash outflow of $4,827.6 million to acquire DPC.

During the Successor year ended December 31, 2013, we entered into a foreign currency contract to hedge the variability of the U.S. dollar equivalent of the original borrowings under the Euro Term Loan and the proceeds from the issuance of Euro Senior Notes. Net cash used to settle the derivative instrument was $19.4 million. Additionally, we purchased a €300.0 million 1.5% interest rate cap on our Euro Term Loan for a premium of $3.1 million.

Purchases of property, plant and equipment during the Successor year ending December 31, 2013, were $107.3 million, which included transition costs related to our transition to a standalone entity, which included costs to transition off of the DuPont information technology systems. In addition to the transition costs, we incurred costs for several growth and improvement initiatives including the waterborne projects in Jiading, China and Front Royal, Virginia.

During the Successor year ended December 31, 2013, we also invested $54.5 million for a real estate property.

Net Cash Provided by Financing Activities

As part of the Acquisition, on February 1, 2013 Carlyle made the Equity Contribution of $1,350.0 million. Further, there were additional equity contributions of $5.4 million during the Successor year ended December 31, 2013.

Borrowings during the Successor year ended December 31, 2013 included $2,817.3 million of proceeds from borrowings under our Senior Secured Credit Facilities, net of original issue discount of $25.7 million, and the issuance of our Senior Notes in the amount of $1,089.4 million. We paid $126.0 million of deferred financing costs associated with issuing the Dollar Senior Notes and Euro Senior Notes and entering into the Senior Secured

Credit Facilities and $25.0 million of commitment fees related to the Bridge Facility. Other short-term borrowings during the Successor year ended December 31, 2013 also included short-term borrowings of $38.8 million.

During the Successor year ended December 31, 2013, we made our required quarterly amortization payments on the Dollar Term Loan and Euro Term Loan totaling $21.3 million, as well as payments of $25.3 million on short-term borrowings.

During the Successor year ended December 31, 2013, dividends paid to noncontrolling interests totaled $5.2 million.

Years ended December 31, 2012 and 2011 (Predecessor)

Net Cash Provided by Operating Activities

Cash provided by operating activities was $388.8 million for the Predecessor year ended December 31, 2012. This increase compared to the Predecessor year ended December 31, 2011 was driven by higher net income of $66.3 million, and increases in cash generated by operating assets and liabilities. Cash provided by net income adjusted for other non-cash income statement items totaled $375.2 million for the Predecessor year ended December 31, 2012 compared to $296.8 million for the Predecessor year ended December 31, 2011. Cash provided by operating assets and liabilities totaled $13.6 million for the year ended December 31, 2012. Increases in accounts payable and other current liabilities, of $53.1 million and $36.4 million, respectively, primarily related to increased employee incentive compensation and transition related liabilities, were partially offset by increases in trade accounts and notes receivable of $58.9 million and decreases in other liabilities of $25.9 million. Cash used by operating assets and liabilities totaled $60.6 million for the Predecessor year ended December 31, 2011. Decreases in other accrued liabilities and other liabilities resulted in a use of cash of $60.5 million. These decreases primarily related to payments related to our restructuring programs.

Cash Used for Investing Activities

Cash used for investing activities decreased $28.4 million for the Predecessor year ended December 31, 2012 compared to the Predecessor year ended December 31, 2011. The decrease was primarily driven by lower acquisitions of property, plant and equipment and intangibles.

Cash Used for Financing Activities

Cash used for financing activities increased $165.5 million for the Predecessor year ended December 31, 2012 compared to the Predecessor year ended December 31, 2011, which mainly represents the net cash provided by operating activities less net cash used in investing activities discussed above as a result of DuPont’s centralized cash management system, as well as DuPont incurring costs on behalf of DPC. The increase in cash used for financing activities was the result of higher cash provided by operating activities for the year ended December 31, 2012 in relation to the year ended December 31, 2011 as discussed above.

Indebtedness

Our liquidity requirements are significant due to the highly leveraged nature of our company as well as our working capital requirements. At June 30, 2014, there were no borrowings under the Revolving Credit Facility with total availability under the Revolving Credit Facility of $378.5 million, all of which may be borrowed by us without violating any covenants under the credit agreement governing such facility or the indentures governing the Dollar Senior Notes and the Euro Senior Notes. As of June 30, 2014, we had $3,900.9 million in outstanding indebtedness and $971.4 million in working capital including $350.3 million in cash and cash equivalents.

The following table details our borrowings outstanding as of June 30, 2014 and the associated interest expense, including amortization of debt issuance costs and debt discounts, and average effective interest rates for such borrowings for the Successor six-month period ended June 30, 2014:

(dollars in millions)	Principal balance as of June 30, 2014	Average Effective Interest Rate, for Successor Period	Interest Expense, for Successor Period
Term Loans	$ 2,795.3	4.9%	$ 66.5
Revolving Credit Facility	—	N/A	2.4
Senior Notes	1,090.4	7.5%	39.6
Short-term borrowings	15.2	Various	0.8
Total	$ 3,900.9		$ 109.3

The following table details our borrowings outstanding as of December 31, 2013 and the associated interest expense, including amortization of debt issuance costs and debt discounts, and average effective interest rates for such borrowings for the Successor year ended December 31, 2013:

(dollars in millions)	Principal balance as of December 31, 2013	Average Effective Interest Rate, for Successor Period	Interest Expense, for Successor Period
Term Loans	$ 2,807.8	5.6%	$ 139.0
Revolving Credit Facility	—	N/A	4.5
Senior Notes	1,094.9	7.5%	71.8
Short-term borrowings	18.2	Various	1.4
Total	$ 3,920.9		$ 216.7

As a result of the Refinancing, which is discussed below, we anticipate our annual cash interest expense to be approximately $193 million, which reflects an additional 25 basis point reduction as our Total Net Leverage Ratio was less than 4.50:1.00 as of June 30, 2014.

Senior Secured Credit Facilities

On February 1, 2013, we entered into the Senior Secured Credit Facilities. Costs of $92.9 million related to the issuance of the Senior Secured Credit Facilities are recorded within "Deferred financing costs, net" and are being amortized as interest expense over the life of the Senior Secured Credit Facilities. At December 31, 2013, the remaining unamortized balance of such costs was $81.2 million. Original issue discount of $25.7 million related to the Senior Secured Credit Facilities is recorded as a reduction of the principal amount of the borrowings and is amortized as interest expense over the life of the Senior Secured Credit Facilities. At December 31, 2013, the remaining unamortized original issue discount was $22.7 million. At December 31, 2013 and June 30, 2014, there were no borrowings under the Revolving Credit Facility. At December 31, 2013 and June 30, 2014, letters of credit issued under the Revolving Credit Facility totaled $20.7 million and $21.5 million, respectively, which reduced the availability under the Revolving Credit Facility. Availability under the Revolving Credit Facility was $379.3 million and $378.5 million at December 31, 2013 and June 30, 2014, respectively.

On February 3, 2014, we executed the second amendment to the Senior Secured Credit Facilities. The amendment (i) converted all of the outstanding Dollar Term Loans ($2,282.8 million) into a new class of term loans (the "New Dollar Term Loans") and (ii) converted all of the outstanding Euro Term Loans (€397.0 million) into a new class of term loans (the "New Euro Term Loans"). The New Dollar Term Loans are subject to an Adjusted Eurocurrency Rate or Base Rate (each as defined in the credit agreement governing the Senior Secured Credit Facilities) floor of 1.00% and 2.00%, respectively (the "Interest Rate Floor"), plus an applicable rate. The applicable rate for such New Dollar Term Loans is 3.00% per annum for Eurocurrency Rate Loans (as defined in the credit agreement governing the Senior Secured Credit Facilities) and 2.00% per annum for Base Rate Loans (as defined in the credit agreement governing the Senior Secured Credit Facilities). The applicable rate for both Eurocurrency Rate Loans as well as Base Rate Loans is subject to a further 25 basis point reduction if the Total Net Leverage Ratio (as defined in the credit agreement governing the Senior Secured Credit Facilities) is less than or equal to 4.50:1.00. The New Euro Term Loans are also subject to the Interest Rate Floor, plus an applicable rate. The applicable rate for such New Euro Term Loans is 3.25% per annum for Eurocurrency Rate Loans. The New Euro Term Loans may not be Base Rate Loans. The applicable rate is subject to a further 25 basis point reduction if the Total Net Leverage Ratio is less than or equal to 4.50:1.00.

The credit agreement governing the Senior Secured Credit Facilities requires us to comply with certain affirmative and negative covenants. As of June 30, 2014 and December 31, 2013, we were in compliance with all such covenants. All obligations under the Term Loans and Revolving Facility are guaranteed and collateralized by substantially all the tangible and intangible assets of the Company and its subsidiaries.

Senior Notes

On February 1, 2013, Axalta Coating Systems U.S. Holdings, Inc. (f/k/a U.S. Coatings Acquisition Inc.) and Axalta Coating Systems Dutch Holding B B.V. (f/k/a Flash Dutch 2 B.V.), our indirect wholly owned subsidiaries (the "Issuers"), offered and sold $750.0 million aggregate principal amount of 7.375% senior unsecured notes due 2021 (the "Dollar Senior Notes") and related guarantees thereof. Additionally, the Issuers offered and sold €250.0 million aggregate principal amount of 5.750% senior secured notes due 2021 (the "Euro Senior Notes") and related guarantees thereof. Cash fees related to the issuance of the Senior Notes were $33.1 million, are recorded as "Deferred financing costs" and are amortized as interest expense over the life of the Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance of such costs was $27.4 million and $29.4 million, respectively. The Senior Notes are unconditionally guaranteed on a senior basis by certain of the Issuers' subsidiaries. The indentures governing the Senior Notes contain covenants that restrict the ability of the Issuers and their subsidiaries to, among other things, incur additional debt, make certain payments including payment of dividends or repurchases of equity interest of the Issuers, make loans or acquisitions or capital contributions and certain investments, incur certain liens, sell assets, merge or consolidate or liquidate other entities and enter into transactions with affiliates.

The Euro Senior Notes were sold at par and are due February 1, 2021. The Euro Senior Notes bear interest at 5.750% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Euro Senior Notes were $10.2 million, are recorded within "Deferred financing costs, net" and are amortized as interest expense over the life of the Senior Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance is $8.4 million and $9.0 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Euro Senior Notes at the following redemption prices (expressed as percentages of principal amount):

Period	Euro Senior Notes Percentage
2016	104.313%
2017	102.875%
2018	101.438%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Euro Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Euro Senior Notes), at a redemption price of 105.750% plus accrued and unpaid interest, if any, to the redemption date. In addition, we have the option to redeem up to 10% of the Euro Senior Notes during any 12-month period from their issue date until February 1, 2016 at a redemption price of 103.0%, plus accrued and unpaid interest, if any, to the redemption date. Upon the occurrence of certain events constituting a change of control, holders of the Euro Senior Notes have the right to require us to repurchase all or any part of the Euro Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Euro Senior Notes and related guarantees is secured on a first-lien basis by the same assets that secure the obligations under the Senior Secured Credit Facilities, subject to permitted liens and applicable local law limitations, is senior in right of payment to all future subordinated indebtedness of the Issuers, is equal in right of payment to all existing and future senior indebtedness of the Issuers and is effectively senior to any unsecured indebtedness of the Issuers, including the Dollar Senior Notes, to the extent of the value securing the Euro Senior Notes.

The Dollar Senior Notes were sold at par and are due May 1, 2021. The Dollar Senior Notes bear interest at 7.375% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Dollar Senior Notes were $22.9 million, are recorded within “Deferred financing costs, net” and are amortized as interest expense over the life of the Senior Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance of such fees was $19.0 million and $20.4 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Dollar Senior Notes at the following redemption prices (expressed as percentages of principal amount)

Period	Dollar Senior Notes Percentage
2016	105.531%
2017	103.688%
2018	101.844%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Dollar Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Dollar Senior Notes), at a redemption price of 107.375% plus accrued and unpaid interest, if any, to the redemption date. Upon the occurrence of certain events constituting a change of control, holders of the Dollar Senior Notes have the right to require us to repurchase all or any part of the Dollar Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Dollar Senior Notes is senior unsecured indebtedness of the Issuers, is senior in right of payment to all future subordinated indebtedness of the Issuers and is equal in right of payment to all existing and future senior indebtedness of the Issuers. The Dollar Senior Notes are effectively subordinated to any secured indebtedness of the Issuers (including indebtedness of the Issuers outstanding under the Senior Secured Credit Facilities and the Euro Senior Notes) to the extent of the value of the assets securing such indebtedness.

Other short-term borrowings had an outstanding balance of $15.2 million and $18.2 million at June 30, 2014 and December 31, 2013, respectively.

Capital Resources

We had cash and cash equivalents at June 30, 2014 and December 31, 2013 of $350.3 million and $459.3 million, respectively. Of these balances, $288.9 million and $385.2 million were maintained in non-U.S. jurisdictions as of June 30, 2014 and December 31, 2013, respectively. We believe our organizational structure allows us the necessary flexibility to move funds throughout our subsidiaries to meet our operational working capital needs.

Our primary sources of liquidity are cash on hand, cash flow from operations and available borrowing capacity under our Revolving Credit Facility. Based on our forecasts, we believe that cash flow from operations, available cash on hand and available borrowing capacity under our Senior Secured Credit Facilities and existing lines of credit will be adequate to service debt, fund the transition-related costs, meet liquidity needs and fund necessary capital expenditures for the next twelve months.

Our ability to make scheduled payments of principal or interest on, or to refinance, our indebtedness or to fund working capital requirements, capital expenditures and other current obligations will depend on our ability to generate cash from operations. Such cash generation is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

If required, our ability to raise additional financing and our borrowing costs may be impacted by short and long-term debt ratings assigned by independent rating agencies, which are based, in significant part, on our performance as measured by certain credit metrics such as interest coverage and leverage ratios. Our highly leveraged nature may limit our ability to procure additional financing in the future.

Purchases of property, plant and equipment for 2014 are expected to be approximately $170 million, of which approximately $60 million will be related to maintenance capital expenditures and the remainder consists of growth and transition-related capital expenditures. The key growth projects include the following:

- In May 2013, we announced that we will expand our existing facility in Jiading, China to manufacture and supply paint to automobile manufacturers that are expanding into south and central China. We began expansion of the facility with production expected to begin in 2015.
- In February 2014, we began the next phase of construction to significantly expand our waterborne production capacity in Guarulhos, Brazil. The additional facility will more than double capacity, which will help meet the growing demands of the OEMs in South America where increases in the car parcs are forecast to continue. The additional production is expected to come on line in 2015.
- In February 2014, we announced a commitment to build a next-generation facility that will expand capacity to provide waterborne industrial coatings within Wuppertal, Germany. Production at the new operations center is expected to begin in the first quarter of 2015.

For years ending December 31, 2011, 2012 and 2013, our maintenance capital expenditures have ranged from approximately $59 million to $67 million and our growth-related capital expenditures have ranged from approximately $12 million to $16 million. Capital expenditures during the 2013 fiscal year totaled approximately $110 million, which included approximately $38 million of transition-related capital expenditures.

Recent Accounting Guidance

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2014-09 (Accounting Standard Codification 606), “Revenue from Contracts with Customers,” which sets forth the guidance that an entity should use related to revenue recognition. This ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is not permitted. We are in the process of assessing the impact the adoption of this ASU will have on our financial position, results of operations and cash flows.

Quantitative And Qualitative Disclosures About Market Risk

We are exposed to changes in interest rates and foreign currency exchange rates because we finance certain operations through fixed and variable rate debt instruments and denominate our transactions in a variety of foreign currencies. We are also exposed to changes in the prices of certain commodities that we use in production. Changes in these rates and commodity prices may have an impact on future cash flow and earnings.

We manage these risks through normal operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. We do not enter into financial instruments for trading or speculative purposes.

By using derivative instruments, we are subject to credit and market risk. The fair market value of the derivative instruments is determined by using valuation models whose inputs are derived using market observable inputs, including interest rate yield curves, as well as foreign exchange and commodity spot and forward rates, and reflects the asset or liability position as of the end of each reporting period. When the fair value of a derivative contract is positive, the counterparty owes us, thus creating a receivable risk for us. We are exposed to counterparty credit risk in the event of non-performance by counterparties to our derivative agreements. We minimize counterparty credit (or repayment) risk by entering into transactions with major financial institutions of investment grade credit rating.

Our exposure to market risk is not hedged in a manner that completely eliminates the effects of changing market conditions on earnings or cash flow.

Interest rate risk

We are subject to interest rate market risk in connection with our borrowings. A one-eighth percent change in the applicable interest rate for borrowings under the Senior Secured Credit Facilities (assuming the Revolving Credit Facility is undrawn and to the extent that the Eurocurrency Rate (as defined in the credit agreement governing the Senior Secured Credit Facilities) is in excess of the floor rate of the Senior Secured Credit Facilities) would have an annual impact of approximately $1.2 million on cash interest expense considering the impact of our hedging positions currently in place.

We selectively use derivative instruments to reduce market risk associated with changes in interest rates. The use of derivatives is intended for hedging purposes only and we do not enter into derivative instruments for speculative purposes. During the Successor year ended December 31, 2013, we entered into five interest rate swaps with notional amounts totaling $1,173.0 million to hedge interest rate exposures related to our variable rate borrowings under the Senior Secured Credit Facilities. The interest rate swaps were designated and qualified as cash flow hedges.

In addition to interest rate swaps, we purchased a €300.0 million 1.5% interest rate cap on our Euro Term Loan that matures on September 29, 2017. The interest rate cap is not designated as a hedging instrument. As such, the changes in fair values of the derivatives are recorded in interest expense in the current period.

As discussed in Note 22 to the notes to our audited financial statements, we have taken additional measures to reduce our cost of borrowing by entering into an amendment to the Senior Secured Credit Facilities as of February 3, 2014. The re-pricing enacted pursuant to the amendment reduces the margin applicable to our cost of borrowing from 3.5% to 3.0% for Eurocurrency Rate Loans and from 2.5% to 2.0% for Base Rate Loans and our cost of borrowing under the Euro Term Loan facility from 4.0% to 3.25%. The amendment provides for an additional reduction of these rates by 25 basis points if the Total Net Leverage Ratio is less than or equal to 4.50:1.00. In addition, the LIBOR floor on each term loan was reduced from 1.25% to 1.00% and the base rate floor on the Dollar Term Loan facility was reduced from 2.25% to 2.0%.

Foreign exchange rates risk

We are exposed to foreign currency risk by virtue of our international operations. The majority of our net sales for both the Pro Forma year ended December 31, 2013 and the Predecessor year ended December 31, 2012 were from operations/sales outside the United States.

In the majority of our jurisdictions, we earn revenue and incur costs in the local currency of such jurisdiction. We incur significant costs in foreign currencies including the Euro, Mexican peso, Brazilian real, the Chinese yuan/renminbi and the Venezuelan bolívar. As a result, movements in exchange rates could cause our expenses to fluctuate, impacting our future profitability and cash flows. Our purchases of raw materials in Latin America, EMEA and Asia Pacific and future business operations and opportunities, including the continued expansion of our business outside North America, may further increase the risk that cash flows resulting from these activities may be adversely affected by changes in currency exchange rates. If and when appropriate, we intend to manage these risks through foreign currency hedges and/or by utilizing local currency funding of these expansions. We do not intend to hold financial instruments for trading or speculative purposes.

Our Euro Senior Notes and the Euro Term Loan are denominated in Euro. As a result, movements in the Euro exchange rate in relation to the U.S. dollar could cause the amount of Euro Senior Notes and Euro Term Loan borrowings to fluctuate, impacting our future profitability and cash flows.

Additionally, in order to fund the purchase price for certain assets of DPC and the capital stock and other equity interests of certain non-U.S. entities, a combination of equity contributions and intercompany loans were utilized to capitalize certain non-U.S. subsidiaries. In certain instances, the intercompany loans are denominated in currencies other than the functional currency of the affected subsidiaries. Where intercompany loans are not a component of permanently invested capital of the affected subsidiaries, increases or decreases in the value of the subsidiaries' functional currency against other currencies will affect our results of operations.

Commodity price risk

We are subject to changes in our cost of sales caused by movements in underlying commodity prices (primarily oil and natural gas). Approximately 50% of our cost of sales is represented by raw materials. A substantial portion of the purchased raw materials include monomers, pigments, resins and solvents. Our price fluctuations generally follow industry indices. We historically have not entered into long-term purchase contracts related to the purchase of raw materials. If and when appropriate, we intend to manage these risks using purchase contracts with our suppliers.

Treasury policy

Our treasury policy seeks to ensure that adequate financial resources are available for the development of our businesses while managing our currency and interest rate risks. Our policy is to not engage in speculative transactions. Our policies with respect to the major areas of our treasury activity are set forth above.

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Contractual Obligations

The following table summarizes our contractual obligations at December 31, 2013:

(dollars in millions) Contractual Obligations	Total	Obligations Due In: 2014	2015-2016	2017-2018	Thereafter
Debt, including current portion(1)					
Senior Secured Credit Facilities, consisting of the following:					
Term Loan Facilities:					
Dollar Term Loan	$2,282.8	$ 23.0	$ 46.0	$ 46.0	$ 2,167.8
Euro Term Loan	547.7	5.5	11.0	11.0	520.2
Senior Notes, consisting of the following:					
Dollar Senior Notes	750.0	—	—	—	750.0
Euro Senior Notes	344.9	—	—	—	344.9
Other borrowings	18.2	18.2	—	—	—
Interest payments(1)	1,415.2	215.7	427.2	419.8	352.5
Operating Leases	138.6	34.3	50.3	29.0	25.0
Pension contributions(2)	18.9	18.9	—	—	—
Purchase obligations	19.4	6.1	11.1	1.1	1.1
Transition service agreements(3)	47.0	47.0	—	—	—
Uncertain tax positions, including interest and penalties(4)	—	—	—	—	—
Management fee(5)	27.8	3.0	6.0	6.0	12.8
Total	$5,610.5	$371.7	$ 551.6	$ 512.9	$ 4,174.3

(1) Amounts assume that the Senior Secured Credit Facilities and Senior Notes are repaid upon maturity, and the Revolving Credit Facility remains undrawn, which may or may not reflect future events. Future interest payments include commitment fees on the unused portion of the Revolving Credit Facility, and reflect the interest payments on our Dollar Term Loan, Euro Term Loan and the Senior Notes. Future interest payments assume December 31, 2013 interest rates will prevail throughout all future periods. Actual interest payments and repayment amounts may change.

(2) We expect to make contributions to our defined benefit pension plans beyond 2014; however, the amount of any contributions is dependent on the future economic environment and investment returns, and we are unable to reasonably estimate the pension contributions beyond 2014.

(3) We have various Transition Service Agreements with DuPont, which are generally cancellable on 90-days' notice. These amounts reflect our estimated liability through January 2015.

(4) As of December 31, 2013, we had approximately $20.1 million of uncertain tax positions, including interest and penalties. Due to the high degree of uncertainty regards future timing of cash flows associated with these liabilities, we are unable to estimate the years in which settlement will occur with the respective taxing authorities.

(5) We entered into a consulting services agreement with Carlyle in connection with the Acquisition. Pursuant to this agreement, subject to certain conditions, we are required to pay Carlyle an annual management fee of $3.0 million per year through the initial term, March 31, 2023. For years beyond 2023, we are unable to estimate the management fees. At the consummation of this offering, the consulting services agreement will terminate. As a result, we will be responsible for a termination payment to Carlyle, which is currently estimated to be $13.4 million dollars, and all future payment obligations set forth in this table will be terminated.

On February 3, 2014, we completed a repricing amendment to our Senior Secured Credit Facilities (see Note 27 to our Audited Consolidated Financial Statements contained elsewhere in this prospectus). The amendment lowered the effective interest rates on both the Dollar Term and Euro Term Loans. As a result, the following table reflects our obligations subsequent to the amendment:

	Obligations Due In:				
Contractual Obligations	**Total**	**2014**	**2015-2016**	**2017-2018**	**Thereafter**
Amended debt payments					
New Dollar Term Loan	$2,282.8	$ 17.3	$ 46.0	$ 46.0	$ 2,173.5
New Euro Term Loan	$ 547.7	$ 4.1	$ 11.0	$ 11.0	$ 521.6
Interest payments	$1,284.0	$195.2	$ 382.9	$ 376.3	$ 329.6

Off Balance Sheet Arrangements

In connection with the Acquisition, we assumed certain obligations under which we directly guarantee various debt obligations under agreements with third parties related to equity affiliates, customers and suppliers. At June 30, 2014 (Successor), December 31, 2013 (Successor) and December 31, 2012 (Predecessor), we had directly guaranteed $1.6 million, $1.6 million and $14.3 million of such obligations, respectively. These represent the maximum potential amount of future (undiscounted) payments that we could be required to make under the guarantees in the event of default by the guaranteed parties. No amounts were accrued at June 30, 2014 (Successor), December 31, 2013 (Successor) and December 31, 2012 (Predecessor).

No other off balance sheet arrangements existed as of June 30, 2014 and December 31, 2013.

Critical Accounting Policies and Estimates

Our discussion and analysis of results of operations and financial condition are based upon our financial statements. These financial statements have been prepared in accordance with U.S. GAAP unless otherwise noted. The preparation of these financial statements requires us to make estimates and judgments that affect the amounts reported in the financial statements. We base our estimates and judgments on historical experiences and assumptions believed to be reasonable under the circumstances and re-evaluate them on an ongoing basis. Actual results could differ from our estimates under different assumptions or conditions. Our significant accounting policies, which may be affected by our estimates and assumptions, are more fully described in Note 3 to our audited financial statements that appear elsewhere in this prospectus.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements. Management believes the following critical accounting policies reflect its most significant estimates and assumptions used in the preparation of the financial statements.

Accounting for Business Combinations

We account for business combinations under the acquisition method of accounting. This method requires the recording of acquired assets, including separately identifiable intangible assets, and assumed liabilities at their acquisition date fair values. The excess of the purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Determining the fair value of assets acquired and liabilities assumed requires management's judgment and often involves the use of significant estimates and assumptions, including assumptions with respect to future cash inflows and outflows, discount rates, royalty rates, asset lives and market multiples, among other items.

The fair values of intangible assets were estimated using an income approach, either the excess earnings method (customer relationships) or the relief from royalty method (technology and trademarks). Under the excess earnings method, an intangible asset's fair value is equal to the present value of the incremental after-tax cash flows attributable solely to the intangible asset over its remaining useful life. Under the relief from royalty method, fair value is measured by estimating future revenue associated with the intangible asset over its useful life and applying a royalty rate to the revenue estimate. These intangible assets enable us to secure markets for our products, develop new products to meet the evolving business needs and competitively produce our existing products.

The fair value of real properties acquired was based on the consideration of their highest and best use in the market. The fair values of property, plant, and equipment, other than real properties, were based on the consideration that unless otherwise identified, they will continue to be used "as is" and as part of the ongoing business. In contemplation of the in-use premise and the nature of the assets, the fair value was developed primarily using a cost approach. The determination of the fair value of assets acquired and liabilities assumed involves assessing factors such as the expected future cash flows associated with individual assets and liabilities and appropriate discount rates at the date of the acquisition.

The fair value of the noncontrolling interests, related to acquired joint ventures, were estimated by applying an income approach. This fair value measurement is based on significant inputs that are not observable in the market and thus represents a fair value measurement categorized within Level 3 of the fair value hierarchy. Key assumptions included a discount rate, a terminal value based on a range of long-term sustainable growth rates and adjustments because of the lack of control that market participants would consider when measuring the fair value of the noncontrolling interests.

The results of operations for businesses acquired are included in the financial statements from the date of the acquisition.

See Note 4 to our Audited Consolidated Financial Statements for further detail on the Acquisition and related accounting.

Asset Impairments

Factors that could result in future impairment charges, among others, include changes in worldwide economic conditions, changes in technology, changes in competitive conditions and customer preferences, and fluctuations in foreign currency exchange rates. These risk factors are discussed in "Risk Factors," included elsewhere in this prospectus.

Goodwill

Goodwill represents costs in excess of fair values assigned to underlying net assets of acquired companies and is not amortized; instead it is subject to annual review unless conditions arise that require a more frequent evaluation. We conducted our initial annual goodwill impairment assessment as of October 1, 2013 and plan on conducting our annual assessment each year in October, unless conditions exist that would require a more frequent evaluation.

In reviewing goodwill for impairment, an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not (greater than 50%) that the estimated fair value of a reporting unit is less than its carrying amount. Such qualitative factors may include the following:

- macroeconomic conditions;
- industry and market considerations;

- cost factors;
- overall financial performance; and
- other relevant entity-specific events.

If an entity elects to perform a qualitative assessment and determines that an impairment is more likely than not, the entity is then required to perform the two-step quantitative impairment test; otherwise no further analysis is required. An entity also may elect not to perform the qualitative assessment and, instead, proceed directly to the two-step quantitative impairment test. The ultimate outcome of the goodwill impairment review for a reporting unit should be the same whether an entity chooses to perform the qualitative assessment or proceeds directly to the two-step quantitative impairment test.

Under the two-step quantitative impairment test, the evaluation of impairment involves comparing the current fair value of each reporting unit to its carrying value, including goodwill.

There are several methods of estimating a reporting unit's fair value, including market quotations, underlying asset and liability fair value determinations, and other valuation techniques, such as discounted projected future net earnings or net cash flows and multiples of earnings of comparable entities with similar operations and economic characteristics and reference transactions in the same or similar lines of business. We use a combination of discounted projected future earnings or cash flow methods and multiples of earnings in estimating a reporting unit's fair value. The inputs utilized in the analyses are classified as Level 3 inputs within the fair value hierarchy as defined in ASC 820, *Fair Value Measurement*.

The process of evaluating the potential impairment of goodwill is subjective because it requires the use of estimates and assumptions as to our future cash flows, discount rates commensurate with the risks involved in the assets, future economic and market conditions, competition, customer relations, pricing, raw material costs, production costs, selling, general and administrative expenses, income taxes and other taxes. Although we base cash flow forecasts on assumptions that are consistent with plans and estimates we use to manage our Company, there is significant judgment in determining the cash flows. Due to the inherent uncertainty in forecasting cash flows and earnings, actual future results may vary significantly from the forecasts. Based on the degree of uncertainty, we cannot quantify the potential effect of the change in estimates on our results of operations and financial position.

Goodwill is allocated to, and evaluated for impairment at, the reporting unit level, which is defined as an operating segment or one level below an operating segment. We have two operating segments – Performance Coatings and Transportation Coatings – that also serve as our reportable segments. We have goodwill allocated to eight reporting units. At December 31, 2013, our $1,113.6 million in total goodwill is allocated to reportable segments as follows: $1,038.8 million in Performance Coatings and $74.8 million in Transportation Coatings.

If the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, then the fair values of the individual assets (including identifiable intangible assets) and liabilities of the reporting unit are estimated. The excess of the estimated fair value of the reporting unit over the estimated fair value of its net assets would establish the implied value of goodwill. The excess of the recorded amount of goodwill over the implied value is then charged to earnings as an impairment loss.

Due primarily to the recent timing of the Acquisition, we chose to proceed directly to the two-step quantitative impairment test for year ended December 31, 2013. Based on the results of our annual impairment review conducted in October 2013, management concluded that fair value exceeded the carrying value for all reporting units with recorded goodwill and no impairments existed.

Other intangible assets

We conducted our initial annual indefinite-lived intangible assets impairment assessment as of October 1, 2013 and plan to update this assessment annually each October, unless conditions arise that would require a more frequent evaluation. In assessing the recoverability of indefinite-lived intangible assets, projections regarding estimated discounted future cash flows and other factors are made to determine if impairment has occurred. If we conclude that there has been impairment, we will write down the carrying value of the asset to its fair value. Each year, we evaluate those intangible assets with indefinite lives to determine whether events and circumstances continue to support the indefinite useful lives. When testing indefinite-lived intangible assets for impairment, we have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not (more than 50%) that the fair value of an indefinite-lived intangible asset is less than its carrying amount. Such qualitative factors may include the following:

- macroeconomic conditions;
- industry and market considerations;
- cost factors;
- overall financial performance; and
- other relevant entity-specific events.

Based on the results of our annual impairment review conducted in October 2013, management concluded that the fair value exceeded carrying value and no impairments existed.

Definite-lived intangible assets, such as technology, trademarks, customer relationships and non-compete agreements are amortized over their estimated useful lives, generally for periods ranging from 4 to 20 years. The reasonableness of the useful lives of these assets is continually evaluated. Once these assets are fully amortized, they are removed from the balance sheet.

The in-process research and development projects we acquired are considered indefinite-lived intangible assets until the abandonment or completion of the associated research and development efforts. Upon completion of the research and development process, the carrying values of acquired in process research and development projects are reclassified as definite-lived assets and are amortized over their useful lives. If the project is abandoned, we record the write-off as a loss in the statement of operations. During the year ended December 31, 2013, we abandoned certain projects with a carrying amount of $3.2 million. We recorded a loss of $3.2 million associated with these projects, which is included as a component of amortization of acquired intangibles in the consolidated statement of operations.

Long-Lived Assets

Long-lived assets, which includes property, plant and equipment, and definite-lived intangible assets, are assessed for impairment whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. The impairment testing involves comparing the carrying amount of the asset to the forecasted undiscounted future cash flows generated by that asset. In the event the carrying amount of the asset exceeds the undiscounted future cash flows generated by that asset and the carrying amount is not considered recoverable, an impairment exists. An impairment loss is measured as the excess of the asset's carrying amount over its fair value. An impairment loss is recognized in the statement of operations in the period that the impairment occurs.

Stock-Based Compensation

Successor periods

On July 31, 2013, we granted approximately 4.1 million, 5.7 million and 6.4 million non-qualified service-based stock options to certain employees with strike prices of $5.92, $8.88 and $11.84 (per share), respectively.

During 2014, we granted 1.1 million non-qualified service-based stock options to certain employees with strike prices of $5.92, $7.21, $8.88 and $11.84 per share. Options generally vest over a 5 year period, and vesting of a portion of the options could accelerate in the event of a change in control. Option life cannot exceed ten years.

During the six-month period ended June 30, 2014 and for the year ended December 31, 2013, the Company recorded compensation expense of $3.8 million and $7.4 million, respectively. Compensation expense related to service-based non-qualified stock options is equivalent to the grant-date fair value of the awards determined under the Black-Scholes option pricing model and is being recognized as compensation expense over the service period utilizing graded vesting. At the grant date, we had estimated a forfeiture rate of zero due to the limited history and expectations of forfeitures.

The fair value of options granted in 2013 ranged from $0.95 per share to $2.01 per share. The fair value of options granted in 2014 ranged from $1.53 per share to $3.01 per share. Principal weighted average assumptions used in applying the Black-Scholes model were as follows:

Key Assumptions	2013 Grants	2014 Grants
Volatility	28.61%	28.38%
Risk-Free Interest Rate	2.13%	2.21%
Dividend Yield	0%	0%
Expected Term	7.81 years	7.81 years

To estimate the expected stock option term for the $5.92 and $7.21 stock options referred to above, we used the simplified method as the options were granted at fair value and Axalta, a privately-held company, has no exercise history. Based upon this simplified method, the $5.92 per share stock options have an expected term of 6.5 years. The strike price for the $8.88 and $11.84 per share tranches of options exceeded the fair value at the grant date, which required the use of an estimate of an implicitly longer holding period, resulting in the term of 8.25 years.

As we are a privately-held company with no trading history, expected volatility was estimated using trading data derived from publicly held peer group companies over the expected term of the options. We do not anticipate paying cash dividends in the foreseeable future and, therefore, use an expected dividend yield of zero.

During 2013 we issued 1.3 million shares of common stock to certain employees at fair value for $7.4 million in proceeds. Because we were not publicly traded on the grant date, the market value of the stock for the 2013 stock awards was estimated based upon the Acquisition price as there were no significant changes in operations since the closing date of February 1, 2013.

For the 2014 stock awards, we estimated the per share fair value of our common stock using a contemporaneous valuation consistent with the American Institute of Certified Public Accountants Practice Aid, “Valuation of Privately-Held Company Equity Securities Issued as Compensation” (the “Practice Aid”). In conducting this valuation, we considered all objective and subjective factors that we believed to be relevant, including our best estimate of our business condition, prospects and operating performance. Within this contemporaneous valuation, a range of factors, assumptions and methodologies were used. The significant factors included:

- the fact that we were a private company with illiquid securities;
- our historical operating results;
- our discounted future cash flows, based on our projected operating results;
- valuations of comparable public companies; and
- the risk involved in the investment, as related to earnings stability, capital structure, competition and market potential.

For the contemporaneous valuation of our common stock, management estimated, as of the issuance date, our enterprise value on a continuing operations basis, using the income and market approaches, as described in the Practice Aid. The income approach utilized the discounted cash flow (“DCF”) methodology based on our financial forecasts and projections, as detailed below. The market approach utilized the Guideline Public Company and Guideline Transactions methods, as detailed below.

For the DCF methodology, we prepared annual projections of future cash flows through 2018. Beyond 2018, projected cash flows through the terminal year were projected at long-term sustainable growth rates consistent with long-term inflationary and industry expectations. Our projections of future cash flows were based on our estimated net debt-free cash flows and were discounted to the valuation date using a weighted-average cost of capital estimated based on market participant assumptions.

For the Guideline Public Company and Guideline Transactions methods, we identified a group of comparable public companies and recent transactions within the chemicals industry. For the comparable companies, we estimated market multiples based on trading prices and trailing 12 months EBITDA. These multiples were then applied to our trailing 12 months EBITDA. When selecting comparable companies, consideration was given to industry similarity, their specific products offered, financial data availability and capital structure.

For the comparable transactions, we estimated market multiples based on prices paid for the related transactions and trailing 12 months EBITDA. These multiples were then applied to our trailing 12 months EBITDA. The results of the market approaches corroborated the fair value determined using the income approach.

Predecessor periods

DuPont maintained certain stock-based compensation plans for the benefit of certain of its officers, directors and employees, including, prior to the Acquisition, certain DPC employees. DPC recognized stock-based compensation within the consolidated and combined statement of operations based upon fair values. Total stock-based compensation expense included in the consolidated and combined statement of operations was \$0.1 million, \$0.5 million and \$1.9 million for the Predecessor period January 1, 2013 through January 31, 2013 and the Predecessor years ended December 31, 2012 and 2011, respectively.

Retirement Benefits

Successor periods

In connection with the Acquisition, we assumed certain defined benefit pension plan and other long-term employee benefit plan obligations and acquired certain related plan assets for both current and former employees of our subsidiaries.

The defined benefit pension plans for our subsidiaries represent single-employer plans. ASC 805, *Business Combinations*, requires recognition of a pension asset or liability of a single-employer defined benefit pension plan in connection with recording assets and liabilities of a business combination accounted for as a purchase. A pension liability is recorded for the excess of the projected benefit obligation over the fair value of the plan assets. The projected benefit obligation and the fair value of plan assets were remeasured at the acquisition date using current discount rates and assumptions. The amount recorded for the pension asset or liability in a purchase transaction essentially represents a “fresh start” approach. Accordingly, our subsequent net periodic pension cost does not include amortization of any prior service cost/credit, net gain or loss, or transition amount that existed prior to the date of the acquisition.

The defined benefit obligations for remaining current employees of non-U.S. subsidiaries assumed by us were carved out of defined benefit pension plans retained by DuPont. We have created new defined benefit pension plans and are in the process of finalizing the creation of new defined benefit pension plans for all affected participants. The Acquisition Agreement requires DuPont to transfer assets generally in the form of cash, insurance contracts or marketable securities from DuPont’s defined benefit pension plans to our defined benefit pension plans. As of December 31, 2013, DuPont had completed the asset transfers for all plans except the plan covering the Company’s Canadian employees. The Canadian plan assets continue to be invested and managed by DuPont until the required regulatory approvals are received at which time the assets will be transferred to a newly created trust.

For multiemployer plans, ASC 805, *Business Combinations*, requires an obligation to the plan for a portion of its unfunded benefit obligations to be established at the acquisition date when withdrawal from the multiemployer plan is probable. As withdrawal from the DuPont defined benefit pension plan and related transfer of plan assets were required pursuant to the Acquisition Agreement, an estimate of the unfunded benefit obligations was recorded as of the closing date of the Acquisition for certain foreign benefit plans. The plan assets have been or will be directly transferred to the pension trust. Accordingly, assumed defined benefit obligations were presented net of the estimate of the plan assets to be transferred by DuPont.

The amounts recognized in the audited financial statements related to pension and other long-term employee benefits are determined from actuarial valuations. Inherent in these valuations are assumptions including expected return on plan assets, discount rates at which liabilities could have been settled, rate of increase in future compensations levels, mortality rates and health care costs trend rates. These assumptions will be updated annually and are disclosed in Note 9 of the audited financial statements. In accordance with U.S. GAAP, actual results that differed from the assumptions are accumulated and amortized over future periods and therefore, affect expense recognized and obligations recorded in future periods.

The discount rate is determined as of each measurement date, based on a review of yield rates associated with long-term, high-quality corporate bonds. The calculation separately discounts benefit payments using the spot rates from a long-term, high-quality corporate bond yield curve.

The estimated impact of a 25 basis point increase of the discount rate to the net periodic benefit cost for 2014 would result in a decrease of $0.4 million, while the impact of a 25 basis point decrease of the discount rate would result in an increase of approximately $0.3 million. The estimated impact of a 25 basis point increase of the expected return on asset assumption on the net periodic benefit cost for 2014 would result in a decrease of approximately $0.7 million, while the impact of a 25 basis point decrease would result in an increase of $0.7 million.

Predecessor periods

Certain of DPC's employees participated in defined benefit pension and other long-term employee benefit plans accounted for in accordance with the guidance for defined benefit pension and other long-term employee benefit plans in accordance with ASC 715, *Compensation—Retirement Benefits*. Certain DPC employees were previously covered under DuPont and DuPont subsidiaries' sponsored plans, which were accounted for in accordance with accounting guidance in ASC 715. The majority of pension and other long-term employee benefit expenses during the Predecessor periods were specifically identified by employee. In addition, a portion of expense was allocated in shared entities and reported with cost of goods sold, selling, general and administrative expenses and research and development expenses in the Predecessor consolidated and combined statements of operations. For the U.S. pension plan and other defined benefit plans (the U.S. plans), DuPont considered DPC employees to be part of a multiemployer plan of DuPont. The expense related to the current and former employees of DPC is included in the Predecessor consolidated and combined financial statements. Non U.S. pensions and other long-term employee benefit plans (the non-U.S. plans) were accounted for as single employer plans where DPC recorded assets, liabilities and expenses related to the current DPC workforce.

Income taxes

Successor periods

The provision for income taxes was determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the period. Deferred taxes result from differences between the financial and tax basis of our assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates applicable in the years in which they are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax law is recognized in income in the period that includes the enactment date.

At June 30, 2014, we had a net deferred tax asset balance of $26.8 million, after valuation allowances of $76.4 million. At December 31, 2013, we had a net deferred tax asset balance of $16.0 million, after valuation allowances of $63.4 million. In evaluating the ability to realize deferred tax assets, the Company relies on, in order of increasing subjectivity, taxable income in prior carryback years, the future reversals of existing taxable temporary differences, tax planning strategies and forecasted taxable income using historical and projected future operating results.

We provide for income and foreign withholding taxes, where applicable, on undistributed earnings of all subsidiaries and related companies to the extent that such earnings are not deemed to be permanently invested. At June 30, 2014 and December 31, 2013, deferred income taxes of approximately $17.7 million and $15.9 million have been provided on such subsidiary earnings, respectively.

The breadth of our operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating taxes we will ultimately pay. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes arising from federal, state and international tax audits in the normal course of business. A liability for unrecognized tax benefits is recorded when management concludes that the likelihood of sustaining such positions upon examination by taxing authorities is less than “more likely than not.” Interest and penalties accrued related to unrecognized tax benefits are included in the provision for income taxes. At December 31, 2013, the Company had gross unrecognized tax benefits for both domestic and foreign operations of $38.9 million.

See Note 13 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for further detail on our accounting for income taxes.

Predecessor periods

During the Predecessor periods, we attributed current and deferred income taxes of DuPont to the DPC standalone financial statements in a manner that is systematic, rational and consistent with the asset and liability method prescribed by ASC 740, *Income Taxes*. Accordingly, our income tax provision was prepared following the “Separate Return Method.” The separate return method applies ASC 740 to the standalone financial statements of each member of the consolidated group as if the group member were a separate taxpayer and a standalone enterprise. As a result, we may not have included in the separate consolidated and combined financial statements of the Predecessor actual tax transactions included in the consolidated financial statements of DuPont. Similarly, the tax treatment of certain items reflected in the separate Predecessor consolidated and combined financial statements may not be reflected in the consolidated financial statements and tax returns of DuPont; therefore, such items as alternative minimum tax, net operating losses, credit carryforwards and valuation allowances may exist in the standalone financial statements that may or may not exist in DuPont’s consolidated financial statements.

The provision for income taxes was determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the period. Deferred taxes result from differences between the financial and tax basis of our assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Income tax related penalties are included in the provision for income taxes.

In general, the taxable income (loss) of our various entities was included in DuPont's consolidated tax returns, where applicable in jurisdictions around the world. As such, we have not historically prepared separate income tax returns for many of our entities. Consequently, income taxes currently payable for these entities are deemed to have been remitted to DuPont, in cash, in the period the liability arose and income taxes currently receivable are deemed to have been received from DuPont in the period that we would have recognized a refund had we been a separate taxpayer.

Prior to the presale structuring that occurred in the latter part of 2012, no direct ownership relationships existed among all our various legal entities. Consequently, no provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates. Four new Dutch holding companies were created in 2012 to hold a significant portion of the DPC operations in Latin America, EMEA and Asia. No provision was made for income taxes on unremitted earnings of subsidiaries and affiliates due to the indirect ownership structure (for entities not owned by the new Dutch holding companies) and because earnings of the direct subsidiaries of the new Dutch holding companies were deemed to be indefinitely invested.

Derivatives and Hedging

The fair values of all derivatives are recognized as assets or liabilities at the balance sheet date. For derivatives designated as fair value hedges, if any, we measure hedge effectiveness by formally assessing, at least quarterly, the historical high correlation of changes in the fair value of the hedged item and the derivative hedging instrument. For derivatives designated as cash flow hedges, if any, we measure hedge effectiveness by formally assessing, at least quarterly, the probable high correlation of the expected future cash flows of the hedged item and the derivative hedging instrument. The ineffective portions of both types of hedges are recorded in the consolidated statement of operations in the current period. If the hedging relationship ceases to be highly effective or it becomes probable that an expected transaction will no longer occur, future gains or losses on the derivative instrument are recorded in the statement of operations.

We account for interest rate swaps related to our existing long-term borrowings as cash flow hedges. The fair values of the derivatives are classified as current and noncurrent in the balance sheet based upon the maturity of the underlying derivative. As of December 31, 2013, theses balances are classified as noncurrent in the consolidated balance sheet. The effective portions of the changes in the fair values of these derivatives are recorded in other comprehensive income and are reclassified to interest expense in the period in which earnings are impacted by the hedged items or in the period that the transaction no longer qualifies as a cash flow hedge. The ineffective portions of the changes in fair values of the derivatives are recorded in interest expense, while the effective portion is reported in interest expense in the period in which earnings are impacted by the hedged items.

If no hedging relationship is designated, derivatives are marked to market through the statement of operations. Cash flows from derivatives are recognized in the statement of cash flows in a manner consistent with the underlying transactions.

See Note 24 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for further detail on our derivatives and hedging instruments.

Foreign Currency Translation

Successor periods

Our reporting currency is the U.S. dollar. As a result of the Acquisition, we had reevaluated our functional currency accounting conclusions. Due primarily to our new legal entity organization structure, global cash management and raw material sourcing strategies, we determined that the functional currency of certain subsidiaries operating outside of the United States is the local currency of the respective subsidiaries. Assets and liabilities of these operations are translated into U.S. dollars at end-of-period exchange rates; income and expenses are translated using the average exchange rates for the reporting period. Resulting cumulative translation adjustments are recorded as a component of stockholders' equity in the consolidated balance sheet of the Successor at December 31, 2013 in Accumulated other comprehensive (loss).

Gains and losses from transactions denominated in foreign currencies other than an entities' functional currency are included in the consolidated statement of operations in Other (income) expense, net.

Predecessor periods

For the Predecessor period, our reporting currency was the U.S. dollar as DuPont management determined that the U.S. dollar was the functional currency of DPC's legal entities and this functional currency was appropriate for the DPC organizational legal entity structure and the economic environment in which DPC operated during the period covered by the Predecessor consolidated and combined financial statements. For these legal entities, foreign currency denominated asset and liability amounts were remeasured into U.S. dollars at the end-of-period exchange rates. Nonmonetary assets, such as inventories, prepaid expenses, fixed assets and intangible assets were remeasured in U.S. dollars at historical exchange rates. Foreign currency denominated income and expense elements were remeasured into U.S. dollars at average exchange rates in effect during the year, except for expenses related to nonmonetary assets, which were remeasured at historical exchange rates.

Gains and losses from transactions denominated in foreign currencies other than an entities' functional currency are included in the combined statement of operations in Other (income) expense, net.

Allowance for doubtful accounts

We maintain an allowance for doubtful accounts that reduces receivables to amounts that are expected to be collected. In estimating the allowance, management considers factors such as current overall geographic and industry-specific economic conditions, statutory requirements, accounts receivable turnover, historical and anticipated customer performance, historical experience with write-offs as a standalone company and the level of past-due amounts. Changes in these conditions may result in additional allowances. After all attempts to collect a receivable have failed and local legal requirements are met, the receivable is written off against the allowance.

Contingencies

Contingencies, by their nature, relate to uncertainties that require management to exercise judgment both in assessing the likelihood that a liability has been incurred as well as in estimating the amount of potential loss. The most important contingencies impacting our financial statements are those related to environmental remediation, pending or threatened litigation against the Company and the resolution of matters related to open tax years.

Environmental remediation costs are accrued when it is probable that a liability has been incurred and the amount can be reasonably estimated. Estimates of environmental reserves require evaluating government regulation, available technology, site-specific information and remediation alternatives. We accrue an amount equal to our best estimate of the costs to remediate based upon the available information. The extent of environmental impacts may not be fully known and the processes and costs of remediation may change as new information is obtained or technology for remediation is improved. Our process for estimating the expected cost for remediation considers the information available, technology that can be utilized and estimates of the extent of environmental damage. Adjustments to our estimates are made periodically as additional information received as remediation progresses.

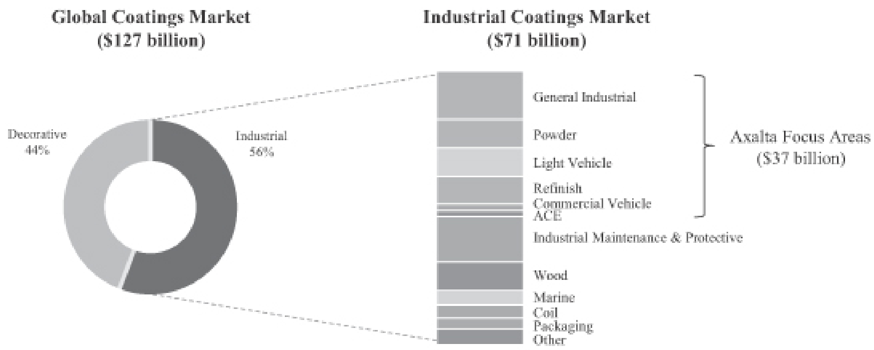
We are subject to legal proceedings and claims arising out of our business operations. We routinely assess the likelihood of any adverse outcomes to these matters, as well as ranges of probable losses. A determination of the amount of the reserves required, if any, for these contingencies is made after analysis of each known claim. We have an active risk management program consisting of numerous insurance policies secured from many carriers. These policies often provide coverage that is intended to minimize the financial impact, if any, of the legal proceedings. The required reserves may change in the future due to new developments in each matter.

For more information on these matters, see Note 13 and Note 8 to our Audited Consolidated Financial Statements included elsewhere in this prospectus.

OUR INDUSTRY

In 2013, we were the fourth largest supplier in the $127 billion global coatings industry as measured by sales, according to Orr & Boss. The global coatings industry is characterized by multiple end-markets and applications. Market participants include a few global coatings suppliers and many smaller, regionally focused suppliers that maintain a presence in select product categories and local markets.

Within the broad global coatings market, we focus on automotive refinish, light vehicle, commercial vehicle and industrial end-markets, which Orr & Boss estimates to collectively represent $37 billion of annual sales. The chart below illustrates the composition of the global coatings industry by application and indicates the end-markets in which we participate:



Source: Orr & Boss (2013).

We operate in attractive end-markets, with the top four suppliers collectively holding an estimated 67% market share in the automotive refinish end-market and 74% market share in the light vehicle end-market. This structure is a result of few suppliers having the technological capabilities, global manufacturing footprint, efficient supply chain, and overall scale to meet customer needs. These characteristics allow global coatings providers to serve customers locally while continuing to leverage global innovation, product platforms, relationships and best practices.

The refinish, industrial, light vehicle and commercial vehicle end-markets are collectively expected to grow at a CAGR of 5.8%, or $12.2 billion, from 2013 to 2018, according to Orr & Boss. This growth is due to specific end-market drivers as well as key industry trends, which favor large multi-national suppliers, including:

- *Increasingly stringent environmental regulations*: Evolving regulations in all major geographies have placed limits on the emission of VOCs and HAPs. As a result, customers are shifting toward regulation-compliant, low-VOC solventborne and waterborne coatings. Few coatings suppliers have the technology and products to meet these increasingly stringent requirements.
- *Global procurement model*: Multi-national light vehicle OEMs are increasingly utilizing global procurement teams to stipulate product specifications and color standardization requirements, which are implemented at the local level. These customers select coatings providers on the basis of their ability to consistently deliver advanced technological solutions on a global basis.
- *Increased efficiency*: Customers are encouraging coatings manufacturers to invest in new product offerings that require fewer application steps, resulting in lower capital and energy costs.
- *Vehicle light-weighting:* With more stringent vehicle emissions and fuel consumption regulations, light vehicle OEMs are focused on reducing vehicle weight to improve fuel economy. This is driving the

need for new, and frequently multiple, substrates on the exterior of the vehicle. Historically, OEMs have manufactured vehicles primarily with steel components but are now increasingly incorporating other materials, including aluminum, carbon fiber and plastics. These materials often require specialized primers and low-temperature curing formulations to achieve uniform appearance, color and finish.

- *Emerging market growth:* Emerging market demand in our end-markets is expected to grow at a CAGR of approximately 8.4% from 2013 to 2018, according to Orr & Boss. This is primarily due to increased government infrastructure spending and increased middle class consumption, which will increase the car parc. As per-capita wealth expands, consumers are also demanding higher-quality products, driving demand for more advanced coatings systems in these markets.

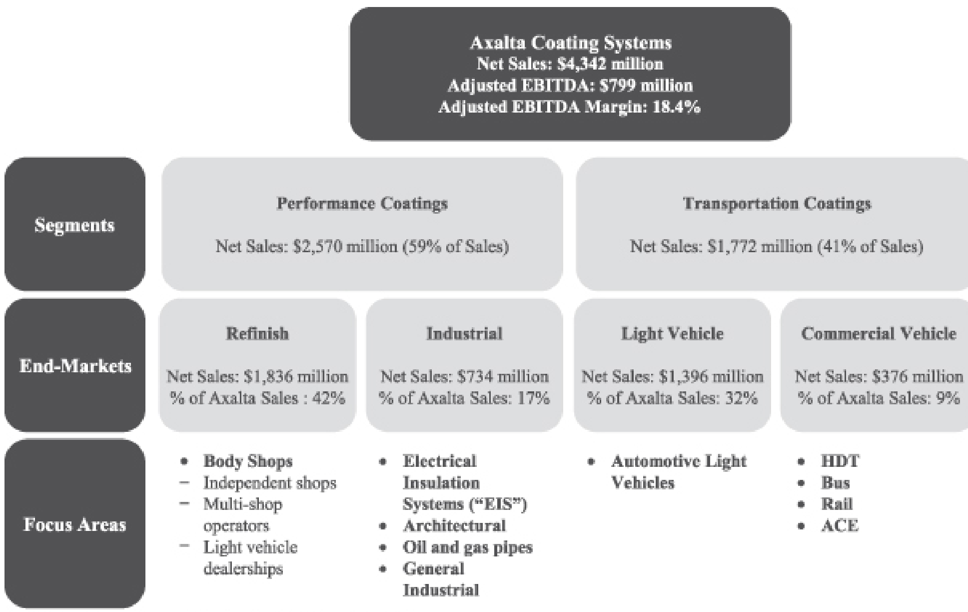
BUSINESS

We are a leading global manufacturer, marketer and distributor of high performance coatings systems. We generate approximately 90% of our revenue in markets where we hold the #1 or #2 global market position, including the #1 position in our core automotive refinish end-market with approximately a 25% global market share. We have a nearly 150-year heritage in the coatings industry and are known for manufacturing high-quality products with well-recognized brands supported by market-leading technology and customer service. Over the course of our history we have remained at the forefront of our industry by continually developing innovative coatings technologies designed to enhance product performance and appearance, while improving customer productivity and profitability.

Our diverse global footprint of 35 manufacturing facilities, 7 technology centers, 45 customer training centers and approximately 12,650 employees allows us to meet the needs of customers in over 130 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through over 4,000 independent, locally-based distributors. Our scale and strong local presence are critical to our success, allowing us to leverage our technology portfolio and customer relationships globally while meeting customer demands locally.

For the LTM Period, our net sales were $4,342 million, Adjusted EBITDA was $799 million, or 18.4% of net sales, and net income was $12 million. We have renewed the organization's focus on profitable growth, achieving year-over-year net sales and Adjusted EBITDA growth for each of the five full quarters following the Acquisition. Additionally, we have undertaken several transformational initiatives that we believe have laid the foundation for future growth, resulting in significant new business wins, many of which we expect to contribute to sales beginning in 2015. We have also begun implementing several EBITDA enhancement initiatives that we believe will drive meaningful earnings growth over the next several years. As of June 30, 2014, we had cash of $350 million and outstanding indebtedness of $3,901 million, which may limit the availability of financial resources to pursue our growth initiatives.

Our business is organized into two segments, Performance Coatings and Transportation Coatings, serving four end-markets globally as highlighted below:



Note: Financial results presented reflect results for the LTM Period.

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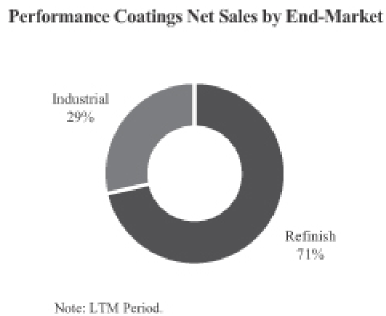
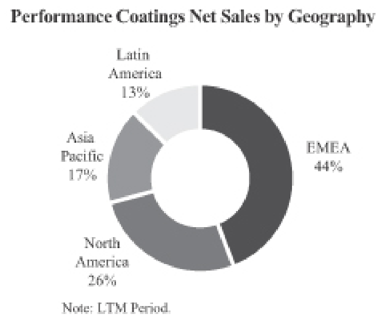
Segment Overview

Performance Coatings

Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

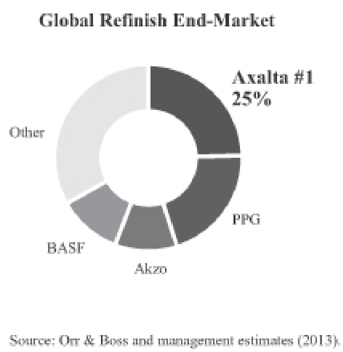




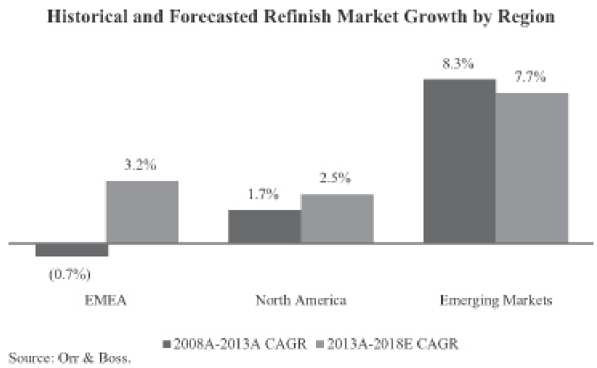
Our Served End-Markets

Refinish:

The refinish end-market represented an estimated $7.3 billion in 2013 global sales according to Orr & Boss. We hold the #1 global market position in this end-market with an estimated 25% share, based on our 2013 net sales of $1.8 billion. The global automotive refinish end-market grew at a CAGR of approximately 2.3% from 2008 to 2013 and is expected to grow at a CAGR of approximately 4.3% from 2013 to 2018, according to Orr & Boss.



Sales in this end-market are driven by the number of vehicle collisions and owners' propensity to repair their vehicles. The number of vehicle collisions in a given market is primarily determined by the size of the car parc and the aggregate number of miles driven in that market. The refinish end-market is expected to grow annually at 3.2% and 2.5% from 2013 to 2018 in EMEA and North America, respectively. In emerging markets, rising per capita income and a growing middle class are expected to drive continued increases in vehicle sales and size of the car parc, resulting in a projected market CAGR of 7.7% from 2013 to 2018.

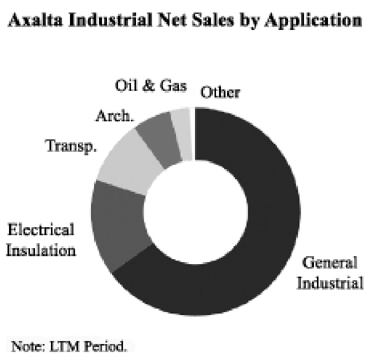


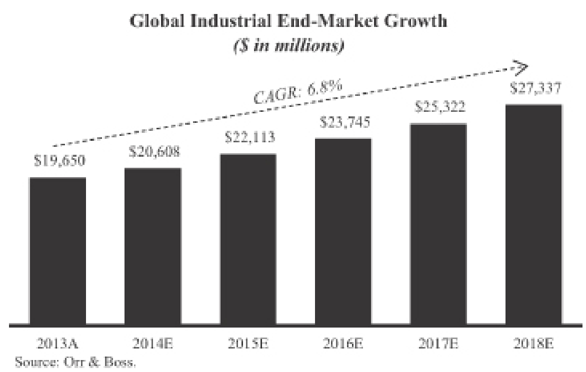
Although refinish coatings typically represent only a small portion of the overall vehicle repair cost, they are critical to the vehicle owner's satisfaction given their impact on appearance. As a result, body shop operators are most focused on coatings brands with a strong track record of performance and reliability. Body shops look for suppliers and brands with productivity enhancements, regulatory compliance, consistent quality, the presence of ongoing technical support and exact color match technologies. Color matching is a critical component of coatings supplier selection, since inexact matching adversely impacts vehicle appearance and can significantly impact the speed and volume of repairs at a given shop.

We develop, market and supply a complete portfolio of innovative coatings systems and color matching technologies to facilitate faster automotive collision repairs relative to competing technologies. Our color matching technology provides Axalta-specific formulations that enable body shops to accurately match thousands of vehicle colors, regardless of vehicle brand, color, age or supplier of the original paint during production. It would be time consuming and costly for a new entrant to create such an extensive color inventory. We believe that our global footprint, strong customer value proposition and portfolio of advanced coatings technologies position us to maintain and grow our market-leading position in refinish.

Industrial:

The industrial end-market represented an estimated $19.7 billion in 2013 global sales, growing at a CAGR of approximately 5.6% from 2008 to 2013, and is forecasted to grow at a CAGR of approximately 6.8% from 2013 to 2018, according to Orr & Boss.





The industrial end-market is comprised of liquid and powder coatings used in a broad array of end-market applications. Within the industrial end-market, we focus on the following:

- *General Industrial*: coatings for a wide and diverse array of applications, including HVAC, shelving, appliances and electrical storage components, as well as specialized coatings used for coating the interior of metal drums and packaging.
- *Electrical Insulation*: coatings to insulate copper wire used in motors and transformers and coatings to insulate sheets forming magnetic circuits of motors and transformers.
- *Architectural*: exterior powder coatings typically used in the construction of commercial structures, residential windows and doors, as well as liquid interior and exterior house paint.
- *Transportation*: coatings for automotive components, chassis and wheels to protect against corrosion, provide increased durability and impart appropriate aesthetics.
- *Oil & Gas*: powder products to coat tanks, pipelines, valves and fittings protecting against chemicals, corrosion and extreme temperatures in the oil & gas industry.

Demand in this end-market is driven by a wide variety of macroeconomic factors, such as growth in GDP and industrial production. There has also been an increase in demand for products that enhance environmental sustainability, corrosion resistance and productivity. These global trends are bolstered by regional and industry specific trends, such as the high level of current investment in the North and South American oil & gas industries. Customers select industrial coatings based on protection, durability and appearance.

Performance Coatings Products and Brands

We offer a comprehensive range of specially-formulated waterborne and solventborne products and systems used by the global automotive repair industry to refinish damaged vehicles. Our refinish products and systems include a range of coatings layers required to match the vehicle's color and appearance, producing an indistinguishable repair. These layers include:

- *Primer*: designed to inhibit corrosion while providing a smooth sub-surface for the basecoat.
- *Basecoat*: contains colored, metallic and effect pigments to match the vehicle's color and aesthetics.
- *Clearcoat*: final coat that protects the colored basecoat from the environment and provides a glossy finish.
- *Thinners & Reducers*: used in all stages of the process for managing rheology, flow and drying rates.

We provide a system that allows body shops to match 54,000 active color variations in the global market. Our color science is manifested in our tints, one of the most technologically advanced parts of the refinish coatings system, which makes up the majority of our products in a body shop. We have a large color library composed of over 4.2 million colors and a number of well-known, long-standing brands, including Cromax, Standox and Spies Hecker. Spies Hecker and Standox are two of our oldest brands, first introduced in 1882 and 1955, respectively.

Our color matching and retrieval systems allow customers to quickly match any color, preventing body shop technicians from having to repeat the color matching process multiple times, saving time and materials. The color matching process begins with a technician scanning a damaged vehicle with one of our advanced color matching tools, such as our AcquireRx hand-held spectrophotometer. AcquireRx will determine the unique flake and color characteristics for the specific vehicle. These characteristics may vary significantly, even for vehicles of the same make, model and original color, based on a variety of factors, including a vehicle's age, plant at which it was assembled, weather conditions and operating history. AcquireRx electronically connects with our ColorNet database, which indicates to the technician the precise mix of tints and colors needed to recreate that specific color instance. In addition to AcquireRx, we offer our customers several other color matching tools, including our VINdicator database, which identifies vehicle color based on its vehicle identification number, and traditional color matching wheels.

We are also a leading global developer, manufacturer and supplier of functional and decorative liquid and powder coatings for a large number of diversified applications in the industrial end-market. We provide a full portfolio of products for applications including architectural cladding and fittings, automotive coatings, general industrial, job coaters, electrical insulation coatings, HVAC, appliances, rebar and oil & gas pipelines. Our liquid systems are used to provide insulation and corrosion protection for electrical conductors and components, provide chemical resistance for the interiors of metal packaging drums, protect automotive parts and serve as basecoats for alloy and steel wheels. Powder coatings products, where we hold the #2 global market position, are often an environmentally responsible, lower cost alternative to liquid coatings. These coatings are typically electrostatically sprayed using a specialized spray gun and cured to create a uniform, high-quality finish. In the oil & gas industry our powder products are used to protect components from corrosion and severe conditions such as extreme temperatures.

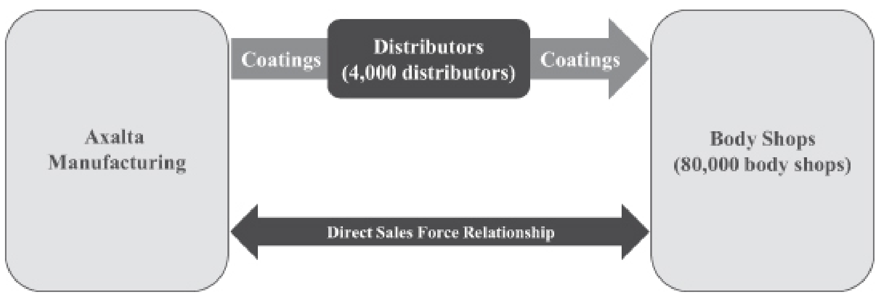
Our industrial brands include Voltatex, Voltron, Aqua EC, CorMax, Chemophan, Lutophen, Stollaquid and Syntopal for liquid coatings and Alesta, Nap-Gard and Abcite for powder.

Performance Coatings Sales, Marketing and Distribution

We leverage a large global refinish sales and technical support team to effectively serve our broad refinish customer base of approximately 80,000 body shops. The majority of our products are supplied by our network of over 4,000 independent local distributors. In select regions, such as in parts of Europe, we also sell directly to customers. Distributors maintain an inventory of our products to fill orders from body shops in their market and assume credit risk and responsibility for logistics, delivery and billing. In certain countries, we utilize importers that buy directly from us and actively market our products to body shops. Our relationships with our top ten distributors are longstanding, with an average relationship length of over 30 years.

Our large sales force manages relationships directly with our customers to drive demand for our products, which in turn are purchased through our distributor network. Due to the local nature of the refinish industry, our sales force operates on a regional/country basis to provide clients with responsive customer service and local insight. As part of their coverage efforts, salespeople introduce new products to body shops and provide technical support and ongoing training. We have established 45 customer training centers, which helps to deepen our customer relationships.

Axalta's Refinish Sales, Marketing and Distribution Process



Our sales force also helps to drive shop productivity improvements and to install or upgrade body shop color matching and mixing equipment to improve shop profitability. Once a coating and color system is installed, a body shop almost exclusively uses its specific supplier's products. The proprietary nature of a coatings supplier's color systems, the substantial inventory needed to support a body shop and the body shop's familiarity with an established brand lead to high levels of customer retention. Historically, our customer retention rate has been around 95%.

To effectively reach our customers in the industrial end-market we generally ship directly and leverage a dedicated sales force and technical service team that operates on a regional basis. We are one of only three truly global powder coatings producers that can satisfy the needs and specifications of a customer in multiple regions of the world, while maximizing productivity from the broad scale and scope of our operations.

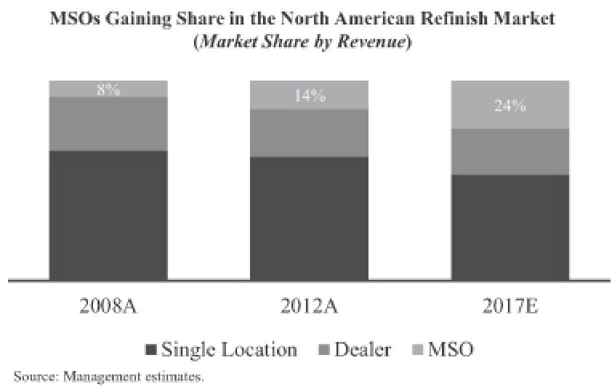
Performance Coatings Customers

Within our Performance Coatings segment, we sell coatings to customers in more than 130 countries. No single customer represented more than 3.6% of our Performance Coatings net sales and our top ten customers accounted for only 12.7% of our Performance Coatings net sales during the LTM Period.

We serve a broad, fragmented customer base of approximately 80,000 body shops, including:

- *Independent Body Shops:* Single location body shops that utilize premium, mainstream, or economy brands based on the local market.
- *Multi-Shop Operators:* Body shops with more than one location focused on providing premium paint jobs with industry leading efficiency. MSOs use premium/mainstream coatings and state-of-the-art painting technology to increase shop productivity, allowing them to repair more vehicles faster.
- *OEM Dealership Body Shops*: High-productivity body shops, located in OEM car dealerships, that operate like MSOs and provide premium services to customers using premium/mainstream coatings.

Within North America, we believe MSOs are the fastest growing customer segment, gaining influence and share relative to other body shop segments. Underlying this trend is the MSOs' ability to reduce repair costs for insurers, while also increasing operational consistency. As a result of this productivity and consistency, insurers have used Direct Repair Programs (DRPs) to direct traffic to MSOs, increasing their growth. We believe, based on management estimates, that we hold the #1 market position with MSOs in North America and are well positioned to grow with these customers in the future.

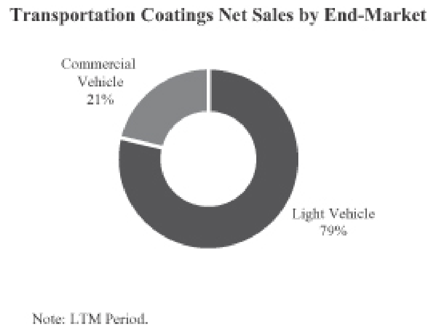


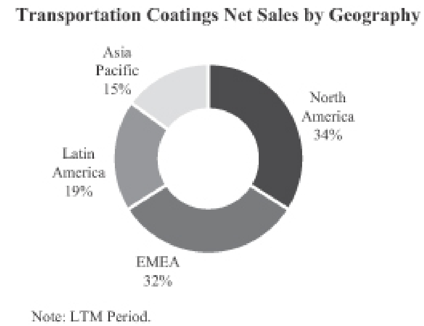
Performance Coatings Competition

Our primary competitors in the refinish end-market include PPG, BASF and Akzo Nobel, but we also compete against regional players in local markets. Similarly, in industrial coatings, we compete against multi-national suppliers, such as Akzo Nobel, PPG, Valspar and BASF, and regional players in local markets. We are one of the few performance coatings players that can provide the customer service, technology, color design capability and product performance necessary to deliver exceptional value to our customers.

Transportation Coatings

Through our Transportation Coatings segment, we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed.

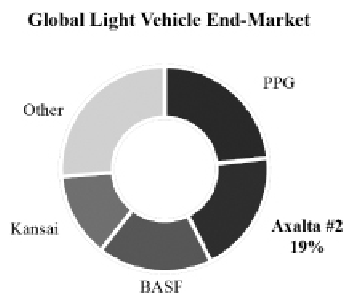




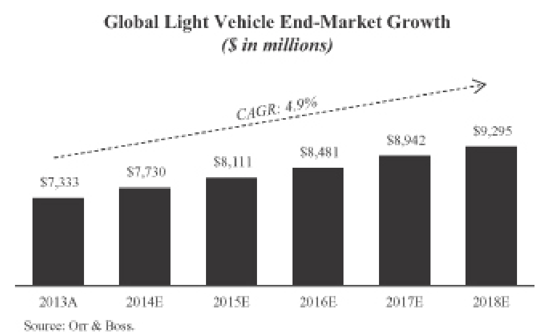
Our Served End-Markets

Light Vehicle:

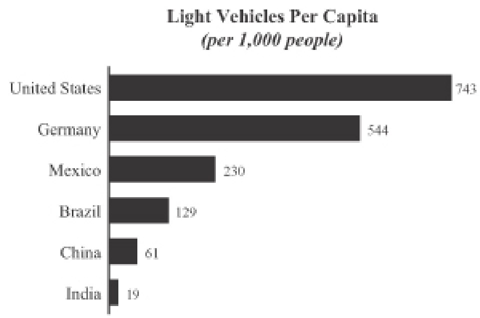
The light vehicle end-market represented an estimated $7.3 billion in 2013 global sales, according to Orr & Boss. We hold the #2 global market position in this end-market with an estimated 19% share, based on our 2013 net sales of $1.4 billion. Sales in this end-market are driven by new vehicle production. The global light vehicle end-market grew at a CAGR of approximately 4.6% from 2008 to 2013 and is expected to grow at a CAGR of approximately 4.9% from 2013 to 2018, according to Orr & Boss, as new vehicle production is expected to grow 4.5% from 2013 to 2018, according to LMC Automotive.



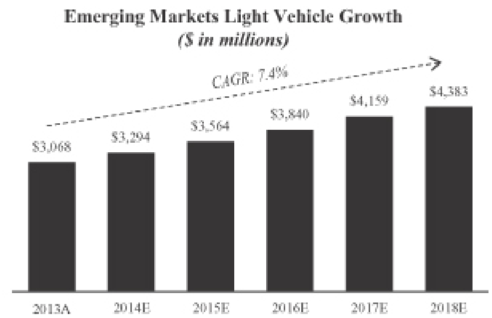
Source: Orr & Boss and management estimates (2013).



Demand for light vehicle products is driven by the production of light vehicles in a particular region. Light vehicle production growth is expected to be highest in emerging markets where OEMs plan to open 67 new plants between 2014 and 2017, resulting in a light vehicle coatings CAGR of approximately 7.4% from 2013 to 2018, according to Orr & Boss.



Source: LMC Automotive and World Bank (2013).

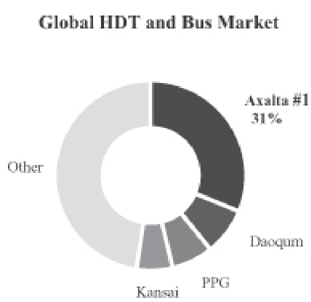


Source: Orr & Boss.

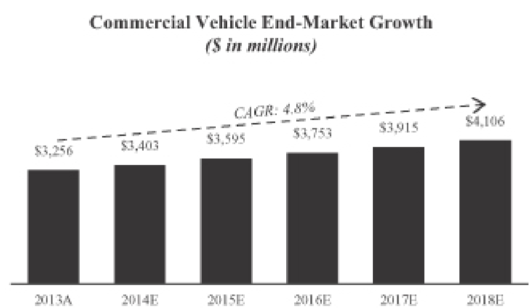
Light vehicle OEMs select coatings providers on the basis of their global ability to deliver advanced technological solutions that improve exterior appearance and durability and provide long-term corrosion protection. Customers also look for suppliers that can enhance process efficiency to reduce overall manufacturing costs and provide on-site technical support. Rigorous environmental and durability testing as well as obtaining engineering approvals are also key criteria used by global light vehicle OEMs when selecting coatings providers. Globally integrated suppliers are important because they offer products with consistent standards across regions and are able to deliver high-quality products in sufficient quantity while meeting OEM service requirements. Our global scale, differentiated technology platform and customer focus, including on-site support, position us to be a global partner and solutions provider to the most discerning and demanding light vehicle OEMs. We are one of the few coatings producers that can provide OEMs with global product specifications, standardized color development, compatibility with an ever-increasing number of substrates, increasingly complex colors and environmentally responsible coatings while continuing to simplify and reduce steps in the coatings application process.

Commercial Vehicle:

The commercial vehicle end-market represented an estimated $3.3 billion in 2013 global sales, according to Orr & Boss. The commercial vehicle end-market grew at a CAGR of approximately 1.5% from 2008 to 2013 and is expected to grow at a CAGR of approximately 4.8% from 2013 to 2018, according to Orr & Boss.



Source: Orr & Boss and management estimates (2013).



Source: Orr & Boss.

Sales in this end-market are generated from a variety of applications including non-automotive transportation (*e.g.*, HDT, bus and rail) and ACE, as well as related markets such as trailers, recreational vehicles and personal sport vehicles. This end-market is primarily driven by global commercial vehicle production, which is influenced by overall economic activity, government infrastructure spending, equipment replacement cycles and evolving environmental standards.

We hold the #1 market position in the global HDT and bus market with a 31% share. We have a particularly strong presence in the North American HDT market as a result of our leading Imron brand, extensive color library and dedication to service. Since the Acquisition, we have increased our focus on globalizing our HDT business, particularly in China where commercial vehicle OEMs produce nearly four times the number of trucks produced in North America. In 2014, we began serving Foton Daimler, one of the largest truck manufacturers in the region with our high-performance waterborne coatings. We believe our broad portfolio of products, advanced technology and significant manufacturing capabilities will enable us to build upon this success and further penetrate the market.

Commercial vehicle OEMs select coatings providers on the basis of their ability to consistently deliver advanced technological solutions that improve exterior appearance, protection and durability and provide extensive color libraries and matching capabilities at the lowest total cost-in-use, while meeting stringent environmental requirements. Particularly for HDT applications, truck owners demand a greater variety of custom colors and advanced product technologies to enable custom designs. Our strong market position and growth are driven by our ability to provide customers with our market-leading brand, Imron, as well as leveraging our global product lines, regional knowledge and service. Additionally, to capture further growth we are launching a new suite of products to meet our customers' evolving needs.

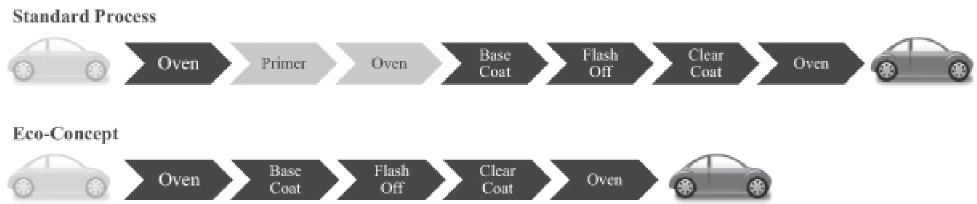
Transportation Products and Brands

We develop and supply a complete coatings product line for light vehicle OEMs for the original coating of new vehicles. Products are designed to enhance the styling and appearance of a vehicle's exterior while providing protection from the elements, extending the life of the vehicle. Widely recognized in the industry for our advanced and patented technologies, our products not only increase productivity and profitability for OEMs but also produce attractive and durable finishes. Our light vehicle coatings portfolio is one of the broadest in the industry.

The coatings operation is a critical component of the vehicle assembly process, requiring a high degree of precision and speed. The paint shop process typically includes a dip process, three application zones and three high-temperature ovens that cure each coating layer at temperatures ranging from 320°F to 400°F (*i.e.*, "high bake"). Our key products consist of the four main coatings layers:

- *Electrocoat*: We offer a complete line of electrocoats including lead-, tin- and HAP-free and high throw-power coatings systems.
- *Primer*: We manufacture advanced technology primers to meet any OEM requirement including high solids solventborne, waterborne and wet-on-wet consolidated process primers.
- *Basecoat:* We are a global leader in wet-on-wet applications for consolidated processes in both solventborne and waterborne basecoats and offer a complete color palette in solventborne and waterborne basecoats in both conventional and consolidated processes.
- *Clearcoat*: We provide a full line of clearcoat technology that can be specifically adapted to OEM requirements and plant application conditions. We pioneered silane-based, one-component etch resistant clearcoats and superior appearance and durability two-component urethane clearcoats.

The coatings process accounts for a majority of the total energy consumed during the vehicle manufacturing process. As a result, we have developed consolidated systems that help our OEM customers lower costs by reducing energy consumption while increasing productivity. For example, our Eco-Concept and 3-Wet systems eliminate an energy-intensive baking step in the coating process, as shown in the graphic below.



OEMs are also increasingly looking to reduce the weight of vehicles in response to increasing vehicle emissions and fuel consumption regulations. As a result, OEMs are constructing vehicle platforms using a variety of new materials in addition to steel and plastic, including aluminum, carbon fiber and other substrates, each of which requires specialized coatings formulations to create a uniform color and finish. We continue to innovate with our OEM customers in driving this trend, as evidenced by use of our coatings on their flagship vehicle platforms.

We also develop and supply a wide array of coatings systems for a broad range of commercial applications including HDT, bus, rail and ACE. The products simultaneously enhance aesthetic appearance and provide protection from the elements. We meet the demands of commercial vehicle customers with our extensive offering of over 70,000 different colors. In the HDT market, because the metal and composite components are painted simultaneously in an automatic process, most truck OEMs use low bake coatings to ensure that the plastic composite parts on a truck's exterior do not deform during the process. Truck owners demand a wide variety of custom colors that are formulated using a combination of on-site mixing machines at the OEM or direct shipments of premixed high volume colors from us. Our commercial vehicle brands include Imron, CorMax, Centari, ExcelPro, Rival, Imron Elite, Corlar epoxy primers, Aqua EC, Stollaqua and Chemolit.

Transportation Sales, Marketing and Distribution

We have full-time technical representatives stationed at OEM facilities around the world. These on-site representatives provide customer support, monitor the painting process and track paint demand at each assembly plant. Monitoring OEM line performance in real-time allows our technical support teams to help improve paint department operating efficiency and provide performance feedback to our formulating chemists and paint manufacturing teams. Our customer technical support representatives also help OEMs manage their physical inventory by forecasting facility coatings demand based on the customer's build schedule.

We sell and ship products directly to light vehicle OEM customers in each of our four regions coordinated via a global point of contact for each customer, and assist OEMs with on-site customer support. Located in 13 countries, our manufacturing facilities provide a local presence that enables us to cultivate strong relationships, gain intimate customer knowledge, provide superior technical support to our key customers and maintain "just-in-time" product delivery capabilities critical to OEMs. Our local presence also allows us to quickly react to changing local dynamics, offer high-quality products and provide excellent customer service.

Since the Acquisition, we have re-aligned our light vehicle organization to better reflect the global nature of our customer base. This realignment has included recruiting a global head of light vehicle with extensive automotive experience as well as the development of global account teams to serve as primary points of contact for our OEM customers. These changes have had a significant impact on our business, contributing to new business awards in 26 OEM plants globally since the beginning of 2013.

In the commercial vehicle end-market, we employ a dedicated sales and technical service team to support our diverse customer base, including a direct sales force supporting the HDT market. We ship our coatings directly to commercial vehicle OEMs and provide on-site technical service representatives that play an important role by helping optimize the painting process and by providing responsive customer support.

Transportation Customers

We provide our products to light and commercial vehicle customers at over 200 assembly plants worldwide, including nine of the top ten global automotive manufacturers. We have a stable customer base with several relationships dating back approximately 90 years and believe we are well positioned with the fastest growing OEMs in both the developed and emerging markets.

Within our Transportation Coatings segment, we sell coatings to approximately 1,400 customers in more than 55 countries. No single customer represented more than 18.5% of our Transportation Coatings net sales, and our top ten customers accounted for 72.5% of our Transportation Coatings net sales during the LTM Period.

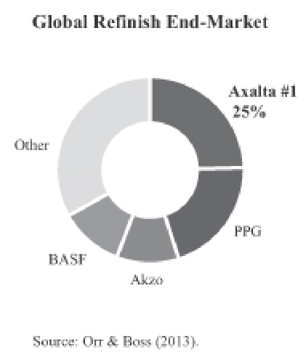
Transportation Competition

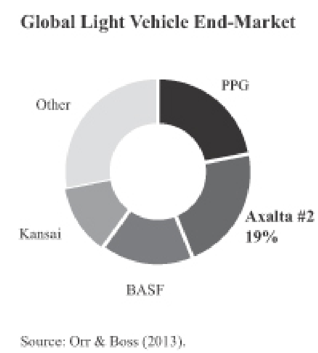
We primarily compete against large multi-national suppliers such as PPG and BASF in the light and commercial vehicle end-markets. Additionally, we compete against certain regional players in Asia Pacific. With our state-of-the-art coatings solutions and local presence in key OEM markets, we are one of the few competitors in the industry that offers global manufacturers the combination of high-quality products, personalized, top-rate technical service and short lead-times for product delivery.

Our Competitive Strengths

Leading positions in attractive end-markets

We are a global leader in manufacturing, marketing and distributing advanced coatings systems with approximately 90% of our revenue generated in markets where we hold the #1 or #2 global market position. We are one of only a small number of global coatings suppliers in each of our end-markets, which positions us favorably in an industry where global scale is a competitive advantage.





Market-leading refinish business driven by recurring aftermarket sales: We are the leading coatings supplier to the global automotive refinish end-market where we hold an estimated 25% share and the top four global suppliers hold an estimated 67% share. This end-market has consistently grown across economic cycles as the overall rate of collisions and repairs are not highly cyclical. Our refinish products offer quality, durability and superior color technology supported by a large color formula library that enables customers to precisely match colors. We supply our fragmented customer base of approximately 80,000 body shops through a global network of over 4,000 independent local distributors. Furthermore, body shops utilize our color matching system, inventory replacement process and training capabilities, which foster brand loyalty and have historically resulted in a high customer retention rate.

Well positioned in light vehicle end-market poised for growth: We are the second largest coatings provider to the global light vehicle end-market, which is expected to grow at a CAGR of approximately 4.9% from 2013 to 2018, according to Orr & Boss. In this end-market, the top four suppliers hold an estimated 74% share. We have developed a full complement of unique consolidated coating systems. These integrated solutions include our "Eco-Concept," "3-Wet" and "2-Wet Monocoat" products that provide our customers with advanced, environmentally responsible systems that eliminate either a coatings layer or steps in the coatings process, thereby increasing productivity and reducing energy costs. In addition, we offer our customers on-site technical services as well as "just-in-time" product delivery. We are an integrated part of our customers' assembly lines, which allows our technical support teams to improve operating efficiency and provide real-time performance feedback to our formulating chemists and manufacturing teams. We have been awarded new business in 26 OEM plants globally since the beginning of 2013, demonstrating the strength of our competitive positioning. We expect to recognize sales from the majority of these new contracts in 2015.

Sustainable competitive advantages driven by global scale, established brands and technology

We believe that we are one of only a few coatings providers that have the scale, manufacturing capabilities, brand reputation and technology to meet the purchasing criteria that are most critical to our customers on a global basis.

Our extensive manufacturing and distribution networks as well as our high-caliber technical capabilities enable us to meet customers' volume and service requirements without interruption. Our global footprint also enables us to react quickly to changing local dynamics while leveraging our overall scale to cost-effectively develop and deliver leading edge technologies and solutions. In refinish, our scale gives us the ability to convert a large number of body shops to our systems in a short period of time, which has been a key competitive advantage in the growing North American MSO segment. Additionally, our scale and technical abilities enable us to meet the needs of our multi-national light vehicle customers, who increasingly require dedicated global account teams and high-quality, advanced coatings systems that can be applied consistently to global vehicle platforms.

Branding is another key factor that customers consider when choosing a coatings provider. Customers typically look to established brands when making their purchase decisions in our refinish, industrial and commercial vehicle end-markets. We have an extensive portfolio of established brands that leverage our advanced technology and a nearly 150 year heritage including our flagship global brand families of Cromax, Standox, Spies Hecker and Imron liquid products, our Alesta and Nap-Gard powder products and our Voltatex electrical insulation coatings.

Our technology is also a key competitive advantage. Our technology portfolio includes over 1,800 patents issued or pending and includes key assets such as our extensive color database and color matching technology, advanced multi-substrate formulations, process technology and VOC-compliant products. Our technology is developed and supported by our extensive research, development and technical resources, including over 1,300 employees. In addition to developing new and innovative products, we also provide significant technical assistance to our customers in the initial integration of our systems and technologies into their operations as well as ongoing assistance to support their operations. We also benefit from technology synergies across our end-markets. The colors, coatings properties and multi-substrate formulations we develop as a light vehicle coatings manufacturer help us sustain our leading refinish market position as we leverage insights from new light vehicle coatings to help develop innovative refinish coatings in the future.

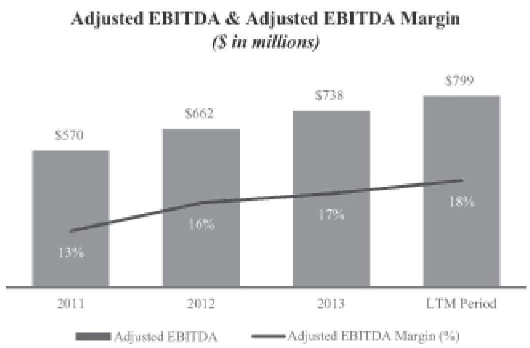
Diverse revenue base

We generate our revenue from diverse end-markets, customers and geographies, which has historically reduced the financial impact of any single end-market, customer or region and limited the impact of economic cycles. Net sales in our end-markets of refinish, light vehicle, industrial and commercial vehicle represented 42%, 32%, 17% and 9% of net sales during the LTM Period, respectively. We also serve a globally diverse and highly fragmented customer base, with no single customer representing more than 7.6% of our net sales, and our top ten customers representing approximately 31% of our net sales during the LTM Period. Additionally, we generated approximately 39% of our net sales in EMEA, 30% in North America, 16% in Asia Pacific and 15% in Latin America during the LTM Period. Our global reach positions us to benefit from emerging market growth in Asia, Latin America and Eastern Europe as well as the continued economic recovery in Western Europe and United States.

Strong financial performance and cash flow characteristics

We have an attractive financial profile with gross margins of 34.3% and Adjusted EBITDA margins of 18.4% for the LTM Period.

The refinish end-market serves as the foundation of our financial profile, representing 42% of our consolidated net sales for the LTM Period. Our track record of consistent price increases driving strong Adjusted EBITDA performance and low levels of maintenance capital expenditures has allowed us to consistently generate strong cash flows that we are re-investing in the business to position us for future earnings growth.



We have generated year-over-year net sales and Adjusted EBITDA growth for each of the five full quarters since the Acquisition, driven in part by the initial impact of our transformational growth initiatives. In addition, we have implemented numerous initiatives intended to reduce our fixed and variable costs and improve working capital productivity. Examples include transitioning our IT systems to more cost-effective solutions that better meet our needs as an independent company, developing a global procurement team to reduce procurement costs, and investing in a European manufacturing re-alignment to position the region for profitable growth. We believe that these initiatives will continue to generate significant cost savings in the future. Many are in their early stages of implementation and have only recently begun to contribute to our financial results.

Experienced management team

We have augmented our management team with world-class talent and meaningful end-market expertise, with 12 of our 17 most senior managers joining since the Acquisition. We have also recruited key regional and local managers with both operational and commercial leadership experience. This team has added new and diverse perspectives to the business from a range of industries. Our management team is led by our CEO, Charlie Shaver, who has over 34 years of chemical and global operating experience, including most recently President and CEO of TPC Group. He is supported by a senior management team comprised of global, regional and country focused leaders with diverse backgrounds and skill sets. The management team has extensive international experience with a strong track record of improving operations and executing strategic growth initiatives, including mergers and acquisitions.

Our Business Strategy

Pursue and execute new business wins in high-growth areas of our end-markets

We have aligned our resources to better serve the high-growth areas of our refinish and light vehicle end-markets. In the North American refinish end-market, we have created dedicated sales, conversion and service teams to serve MSOs, which are gaining share in the North American collision repair market by reducing insurance company costs and providing consistently high customer satisfaction. Through new business wins with MSO customers, we have become a leading coatings provider to the North American MSO market, which we expect to grow from 14% of the North American collision repair market in 2012 to 24% by 2017. We are targeting growth opportunities with both existing MSO and new MSO accounts and believe that we are well positioned to gain additional share as result of our dedicated account teams, high productivity offerings and broad distribution network.

We have been awarded new business in 26 OEM plants globally since the beginning of 2013, with 16 of these plants located in China, where OEMs are rapidly expanding production to meet increasing demand for new vehicles. We expect that many of these new contracts will begin generating sales in 2015. Our success in this end-market has been driven by a new leadership team that has restructured our organization to mirror the increasingly global focus of OEMs. We will continue to pursue business in new plants in emerging markets such as China, Mexico and Eastern Europe, by leveraging our proprietary manufacturing processes, our broad range of VOC-compliant coatings and our substantial sales and technical support organizations.

Accelerate growth in emerging markets

We have a strong presence in emerging markets, which generated 30% of our sales during the LTM Period. These markets are characterized by increasing levels of vehicle production, a growing car parc, an expanding middle class and GDP growth above the global average, all of which drive greater demand for coatings. We believe that we are well positioned to capitalize on this increasing demand with local manufacturing facilities and extensive sales and technical service teams dedicated to these markets. In China, where we have operated a wholly owned business for 30 years, we are expanding our sales force and investing in new plant capacity, including a $50 million waterborne capacity expansion at our Jiading facility, which we expect to come on line in early 2015. We are also in the process of expanding our production capacity in Mexico and Brazil to drive future earnings growth.

Globalize existing product lines

Since the Acquisition, we have identified significant opportunities to leverage our existing products across geographies. For example, we are the market leader in the North American HDT market, but only recently began serving the Chinese market, which produces nearly four times the number of heavy duty trucks produced in the United States. This initiative has generated early positive results; for example, in 2014 we began serving Foton Daimler, one of the largest truck manufacturers in the region, with our high performance waterborne coatings. As government regulations in China will require more environmentally responsible products in new production lines, we are well positioned to capture growth in the HDT end-market. In refinish, we are leveraging legacy formulations from developed markets to satisfy growing mainstream demand in emerging markets. We also intend to pursue similar geographic opportunities with several of our other industrial and commercial product offerings.

Invest in high-return projects to drive earnings growth

We are in the early stages of implementing several initiatives that we believe will continue to generate significant earnings growth, including establishing a global procurement organization, realigning our European manufacturing operations and investing capital in growth projects with high expected returns. Since the Acquisition, we have built a global procurement organization, which is executing several programs to reduce costs by streamlining inputs, reducing the number of sole-sourced raw materials, and partnering with new, high-quality suppliers to meet our purchasing needs. These programs are in their early stages and we believe they will continue to generate significant earnings growth over the next several years. In Europe, we are investing to upgrade, automate and re-align disparate manufacturing operations to bring the region's cost structure in line with the rest of the world and better position us to meet increasing local demand. We believe that these European investments, which we began in 2014, will generate approximately $100 million of incremental Adjusted EBITDA by 2017. Finally, we believe we have significant opportunities to pursue high return projects identified since the Acquisition. These include capacity expansion projects in China, Germany, Mexico and Brazil and productivity initiatives from which we expect to benefit over the next several years.

Maintain and further develop technology leadership

We will continue to build on our nearly 150-year heritage of developing market-leading technology. We leverage our intimate customer relationship and network of customer training centers to align product innovation with customer needs. For example, in the North American refinish end-market we have recently launched Cromax Mosaic, a new VOC-compliant solventborne coatings line, to complement our broad waterborne coatings portfolio. Body shops have embraced this product, which enables them to meet environmental regulations while using existing application equipment and techniques. We have a robust pipeline of over 80 new product innovations, the majority of which we intend to launch over the next two years, including several products focused on emerging markets. Similarly in the light vehicle end-market, our proprietary 3-Wet, Eco-Concept, 2-Wet monocoat systems and high throw electrocoat systems have generated new customer wins as OEMs seek to increase efficiency and reduce costs. We believe this commitment to new product development will help us maintain our technology leadership and strong market position.

Research and Development

Our focus on technology has allowed us to proactively provide customers with next-generation offerings that enhance productivity and satisfy increasingly strict environmental regulations. Since our entry into the coatings industry nearly 150 years ago, we believe we have consistently been at the forefront of coatings technology innovation. These innovations have played a fundamental role in our ability to maintain and grow our global market share as well as deliver substantial financial returns.

We believe that we are a technology leader well positioned to benefit from a continued industry shift to more productive, environmentally responsible products. Our technology development is led by a highly experienced and educated workforce that is focused on new product development, color development, technical customer support and improving our manufacturing processes. As such, our technology development covers two critical interrelated aspects for us, Research & Development as well as Technical Support & Development. In total, as of June 30, 2014, we have more than 1,300 employees dedicated to technology development. For the years ended December 31, 2013 and 2012, our research and development expenses were $40.5 million and $41.5 million, respectively. We operate seven technology centers throughout the world where we develop and align our technology investments with regional business needs.

Intellectual Property

Our technology innovation efforts and industry expertise have built a strong intellectual property base of patents and trademarks. As of June 30, 2014, we had a portfolio of over 1,300 issued patents and over 500 pending patent applications, as well as more than 250 trademarks, and we actively apply for patents and trademarks on new products and process innovations. In addition to protecting our technology with patents, we have a rich portfolio of proprietary technical knowledge, giving us a valuable competitive advantage in the industry.

Raw Materials

We use thousands of different raw materials, which fall into five broad categories: resins; pigments; solvents; monomers and additives. For the LTM Period, our total raw material spend was approximately $1.4 billion, representing approximately 50% of our cost of sales. Approximately 78% of these raw materials are derived from crude oil and natural gas. While prices for these raw materials typically fluctuate with energy prices, such fluctuations are mitigated by the fact that our raw materials are downstream from crude oil and natural gas. The remaining raw material inputs are composed primarily of minerals (pigments) or natural products (*e.g.*, fats and oils).

Since the Acquisition, we have created a global procurement department to help us control raw material spend. We have strong, long-standing relationships with our top suppliers and maintain multiple supplier relationships for most major raw materials in order to protect against potential work stoppages and/or significant price increases. However, we have also been focused on locating and qualifying new suppliers in developing countries to help with cost savings and localized supply, as well as to limit the number of sole sourced inputs. We purchase from a diverse group of suppliers of raw materials, with our top ten suppliers representing approximately 42% of our 2013 spending on raw materials.

Historically, we have been able to manage raw material volatility through a combination of price increases and, in limited circumstances, contractual raw material recovery mechanisms. Furthermore, since 2001, despite significant increases and unprecedented volatility in oil prices, our variable cost of sales have remained stable, between 39% to 42% of net sales. Additionally, since the economic downturn, we have worked with our light vehicle customers to better manage fluctuations in raw material prices through the addition to agreements of “opener” clauses that stipulate the renegotiation of pricing if raw material costs fluctuate significantly above or below expectations.

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Real Property

Our extensive geographic footprint is comprised of 35 manufacturing facilities (including nine manufacturing sites operated by our joint ventures), 7 major technology centers and 45 customer training centers supporting our global operations. The table below presents summary information regarding our facilities as of June 30, 2014.

Type of Facility/Country	Location	Segment
Manufacturing Facilities		
North America		
Canada	Ajax	Transportation
United States of America	Front Royal, VA	Performance; Transportation
	Ft. Madison, IA	Performance; Transportation
	Houston, TX	Performance
	Hilliard, OH	Performance
	Mt. Clemens, MI	Performance; Transportation
	Toledo, OH	Performance; Transportation
Latin America		
Brazil	Guarulhos	Performance; Transportation
Mexico	Monterrey	Performance
	Ocoyoacac	Performance; Transportation
	Tlalnepantla	Performance; Transportation
Venezuela	Valencia	Performance; Transportation
EMEA		
Austria	Guntramsdorf	Performance; Transportation
Belgium	Mechelen	Performance; Transportation
France	Montbrison	Performance
Germany	Wuppertal	Performance; Transportation
	Landshut	Performance
Sweden	Vastervik	Performance
Switzerland	Bulle	Performance
Turkey	Gebze	Performance; Transportation
United Kingdom	Darlington	Performance
Asia Pacific		
Australia	Riverstone	Performance; Transportation
China	Changchun	Performance; Transportation
	Jiading	Performance; Transportation
India	Savli	Performance; Transportation
Malaysia	Kuala Lumpur	Performance
Joint Venture Owned Manufacturing Facilities		
China	Chengdu	Performance
	Dongguan	Performance
	Huangshan	Performance
	Qingpu	Performance
	Shangdong	Performance
Colombia	Cartagena de Indias	Performance
Indonesia	Cikarang	Performance
Taiwan	Taipei	Transportation
Guatemala	Amatitlan	Performance

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Type of Facility/Country	Location	Segment
Joint Venture Partner-Owned Manufacturing Facilities		
China	Wuhan	Performance
Japan	Amagasaki	Transportation
	Chiba	Transportation
South Africa	Durban	Transportation
	Port Elizabeth	Transportation
Russia	Moscow	Transportation
Technology Centers		
Belgium	Mechelen	Performance; Transportation
China	Shanghai	Performance; Transportation
France	Montbrison	Performance
Germany	Wuppertal	Performance; Transportation
Mexico	Mexico City	Performance; Transportation
United States of America	Mt. Clemens, MI	Performance; Transportation
	Wilmington, DE	Performance; Transportation
Customer Training Centers	**Location by Region**	**Number of Facilities**
	North America	10
	Latin America	7
	EMEA	15
	Asia Pacific	13

Joint Ventures

We are party to 10 joint ventures, five of which are focused on the industrial end-market. We are the majority shareholder in all but three of our joint ventures. Our fully consolidated joint venture-related net sales were $221.9 million and $219.3 million for 2013 and for the LTM Period, respectively. See "Risk Factors—Risks Related to our Business—Risks Related to Other Aspects of our Business—Our joint ventures may not operate according to our business strategy if our joint venture partners fail to fulfill their obligations."

Employees

As of June 30, 2014, we had approximately 12,650 employees located throughout the world consisting of sales, technical, manufacturing operations, supply chain and customer service personnel. This figure does not include joint venture employees and contractors.

As of June 30, 2014, approximately 64% of our employees globally were covered by organized labor agreements, including works councils, with fewer than 50 employees in the United States covered by organized labor agreements. We consider our employee relations to be excellent.

Health, Safety and Environmental

We are subject to various laws and regulations around the world governing the protection of the environment and health and safety, including the discharge of pollutants to air and water and the management and disposal of hazardous substances. We have an excellent safety record. Our enhanced focus on health, safety and environmental improvements has resulted in a 54% reduction in our Total Recordable Safety Incident rate from year-end 2003 to year-end 2013, which is seven times better than the 2012 U.S. coatings industry average (0.35 versus a U.S. industry average of 2.44). Furthermore, all of our manufacturing facilities are ISO14001 certified.

We believe that all of our manufacturing and distribution facilities are operated in compliance in all material respects, with existing environmental requirements, including the operating permits required thereunder at our facilities. From time to time, we may be subject to notices of violation from environmental regulatory agencies or other claims regarding our compliance with environmental requirements. For example, in April 2014, the U.S. Environmental Protection Agency (the "EPA") issued a notice of violation regarding certain hazardous waste management requirements relating to our Front Royal, Virginia facility, and has proposed a penalty of $552,700 in connection with such notice. We have responded to the EPA, dispute the basis upon which the EPA has alleged a violation and continue to discuss the resolution of this matter with the EPA. In addition, the EPA has informed us that it may issue a notice of violation in connection with the alleged failure by our Front Royal facility prior to the Acquisition to report certain chemical emissions data in 2009, 2010 and 2011 required to be reported to the EPA under federal law. We believe that we are currently in compliance with such reporting requirements and will work with the EPA to resolve any alleged past violations. We do not expect that either of these compliance issues will have a material impact on us.

In addition, many of our manufacturing sites have a long history of industrial operations, and cleanup is or may be required at a number of these locations. Although we are indemnified by DuPont for certain environmental liabilities and we do not expect outstanding cleanup obligations to have a material impact on our financial position, the ultimate cost of cleanup is subject to a number of variables and difficult to accurately predict. We also may incur significant additional costs as a result of contamination that is discovered and/or cleanup obligations that are imposed at these or other properties in the future.

Legal Proceedings

We are from time to time party to legal proceedings that arise in the ordinary course of business. We are not involved in any litigation other than that which has arisen in the ordinary course of business. We do not expect that any currently pending lawsuits will have a material effect on us. See "Risk Factors—Risks Related to our Business—Risks Related to Legal and Regulatory Compliance and Litigation—Our results of operations could be adversely affected by litigation" and "Risk Factors—Risks Related to our Business—Risks Related to Other Aspects of our Business—DuPont's breach of its obligations in connection with the Acquisition, including failure to comply with its indemnification obligations, may materially affect our business and operating results."

MANAGEMENT

The following table provides information regarding our executive officers and our Board of Directors:

Name	Age	Position
Charles W. Shaver	55	Chairman and Chief Executive Officer
Robert W. Bryant	46	Executive Vice President and Chief Financial Officer
Steven R. Markevich	54	Senior Vice President and President, OEM
Joseph F. McDougall	44	Senior Vice President and Chief Human Resources Officer
Michael F. Finn	48	Senior Vice President and General Counsel
Michael A. Cash	53	Senior Vice President and President, Industrial Coatings
Orlando A. Bustos	51	Director
Robert M. McLaughlin	57	Director
Andreas C. Kramvis	62	Director
Gregory S. Ledford	57	Director
Martin W. Sumner	40	Director
Wesley T. Bieligk	35	Director
Gregor P. Böhm	50	Director
Allan M. Holt	62	Director

Charles W. Shaver

Mr. Shaver has been our Chairman of the Board and Chief Executive Officer since February 2013. With over 34 years of leadership roles in the global petrochemical, oil and gas industry, he was most recently the Chief Executive Officer and President of the TPC Group from 2004 to April 2011. Mr. Shaver also served as Vice President and General Manager for General Chemical, a division of Gentek, from 2001 through 2004 and as a Vice President and General Manager for Arch Chemicals from 1999 through 2001. Mr. Shaver began his career with The Dow Chemical Company serving in a series of operational, engineering and business positions from 1980 through 1996. He has an extensive background of leadership roles in a variety of industry organizations, including serving on the American Chemistry Council Board of Directors, the American Chemistry Council Finance Committee and the National Petrochemical and Refiners Association Board and Executive Committee. Mr. Shaver currently serves as a member of the Board of Directors for U.S. Silica and Taminco, Inc. Mr. Shaver earned his B.S. in Chemical Engineering from Texas A&M University. The Board of Directors has concluded that Mr. Shaver should serve as a director because of his leadership role with our company, his experience in the chemical industry and his significant directorship experience.

Robert W. Bryant

Mr. Bryant became our Executive Vice President and Chief Financial Officer in February 2013. Previously, Mr. Bryant served as the Senior Vice President and Chief Financial Officer of Roll Global LLC. Before joining Roll Global in 2007, he was the Executive Vice President of Strategy, New Business Development, and Information Technology at Grupo Industrial Saltillo, S.A.B. de C.V. Prior to joining Grupo Industrial Saltillo in 2004, Mr. Bryant was President of Bryant & Company, which he founded in 2001. Prior positions included serving as Managing Principal with Texas Pacific Group's Newbridge Latin America, L.P., a Senior Associate with Booz Allen & Hamilton Inc. and an Assistant Investment Officer with the International Finance Corporation (IFC). Mr. Bryant began his career at Credit Suisse First Boston. Mr. Bryant graduated summa cum laude and Phi Beta Kappa with a B.A. in Economics from the University of Florida and received his M.B.A. from the Harvard Business School.

Steven R. Markevich

Mr. Markevich became our Senior Vice President and President, OEM in June 2013. Previously, Mr. Markevich was Chief Executive Officer of GKN Driveline. Prior to that role, from July 2010 to August 2012, he was

President, GKN Sinter Metals, responsible for global operations. From October 2007 to July 2010, Mr. Markevich was President, North American Operations for GKN Sinter Metals, and began his tenure with GKN in 2007 as Vice President, Sales & Marketing. At Siegel-Robert Automotive, he led the company's commercial strategy, sales, account and program management initiatives. While at Guardian Automotive, Mr. Markevich served in numerous leadership roles and was responsible for all senior level customer relationships. His career began at Deloitte & Touche consulting and the National Steel Corporation. Mr. Markevich holds a finance degree from University of Michigan's Ross School of Business and is a Certified Public Accountant as well as being certified in Production & Inventory Management (CPIM). He has completed the Global Senior Leadership Program at UCLA and holds memberships in the Society of Automotive Engineers (SAE), Original Equipment Suppliers Association (OESA) and American Powder Metallurgy Institute International (APMI).

Joseph F. McDougall

Mr. McDougall became our Senior Vice President and Chief Human Resources Officer in May 2013. Previously, Mr. McDougall was Vice President, Human Resources, Communications and Six Sigma for Honeywell Performance Materials and Technologies. He served in a number of positions in Honeywell prior to this most recent position including Vice President, Human Resources for their Air Transport Division, Director of Human Resources for Honeywell Corporate from 2004-2007, Director of Compensation, Benefits and HRIS for Honeywell's Specialty Materials Group from 2003-2004. Prior to joining Honeywell, Mr. McDougall served in human resources leadership roles at the Goodson Newspaper Group and Robert Wood Johnson University Hospital at Hamilton. He started his career as a human resources and benefits consultant. Mr. McDougall holds a B.A. from Rider University and graduated Beta Gamma Sigma with an M.B.A. from The Pennsylvania State University.

Michael F. Finn

Mr. Finn became our Senior Vice President and General Counsel as well as Chief Compliance Officer in April 2013. Mr. Finn also leads Axalta's Corporate Secretary function. Previously, Mr. Finn was Vice President and General Counsel of General Dynamics' Advanced Information Systems subsidiary. Before that, he was Vice President, General Counsel and Director of Ethics and Export Compliance at General Dynamics United Kingdom. From 2002 to 2005, Mr. Finn served as Senior Counsel for General Dynamics Corporation. Between 1999 and 2002 he was General Counsel and Vice President at Sideware Inc. and Associate General Counsel and Senior Director of Business Affairs at Teligent Inc. Prior to those roles, Mr. Finn worked in several positions most notably as an Associate at Willkie, Farr & Gallagher and as an Attorney at the Office of the General Counsel at the FCC. Mr. Finn graduated from Indiana University with a degree in Finance and graduated cum laude from New York University's School of Law.

Michael A. Cash

Mr. Cash became our Senior Vice President and President, Industrial Coatings in August 2013. Prior to joining Axalta, Mr. Cash was Managing Director, Powder Coatings—Asia Pacific Region at AkzoNobel Coatings and previously in charge of AkzoNobel's powder business throughout the Americas. Mr. Cash also held a number of positions at The Sherwin-Williams Company including Vice President, Automotive International, Vice President of Automotive Marketing and Vice President and Chief Financial Officer of its joint venture with Herberts GmbH, which was then a Hoechst company. Earlier in his career, Mr. Cash was Vice President and Chief Financial Officer of Carstar Automotive, a U.S. autobody repair franchise. Mr. Cash received his B.A. in Business Administration from Miami University (Ohio).

Orlando A. Bustos

Mr. Bustos became a member of our Board of Directors following the Acquisition and has over 25 years of experience in the automotive industry and has held numerous senior executive positions. Mr. Bustos has extensive experience managing global operations, executing complex restructurings and forging new business development in emerging markets, with specific emphasis on China. He is the Chairman and Chief Executive Officer of OHorizons Global, an international management consulting firm focused on the automotive and industrial sectors. Mr. Bustos previously served as Business Leader for Electronics and Controls, OE Powertrain, Hybrid Systems, and Driveline at General Motors Global Powertrain Group and was the Executive Director of Global Purchasing. During his tenure at General Motors, his responsibilities included leading corporate wide initiatives in the areas of globalization, powertrain, operations, and global purchasing and supply chain throughout Europe, South America and Asia. Mr. Bustos is currently on the Board of Directors of the Michigan Science Center, and serves on its executive committee, and of the OHorizons Foundation. Previously, he has been on the Board of Directors of Cooper-Standard, and served on its compensation committee, GMI Diesel Engineering in Japan, Isuzu Motors Polska in Poland, and DMAX in the United States. Mr. Bustos earned a B.S. in Electrical Engineering from the Georgia Institute of Technology and an M.B.A. as a Sloan Fellow from the Massachusetts Institute of Technology. The Board of Directors has concluded that Mr. Bustos should serve as a director because he has significant directorship experience and has significant core business skills, including financial and strategic planning.

Robert M. McLaughlin

Mr. McLaughlin became a member of our Board of Directors in April 2014. Mr. McLaughlin is Senior Vice President and Chief Financial Officer of Airgas, Inc. and a member of the company’s Management Committee. Airgas is a leading U.S. supplier of industrial, medical and specialty gases, and hardgoods, such as personal protective equipment, welding equipment and other related products. Prior to assuming his current position on October 3, 2006, Mr. McLaughlin served as Vice President and Controller since joining Airgas in 2001. From 1999 to 2001 he served as Vice President of Finance for Asbury Automotive Group. From 1992 to 1999, Mr. McLaughlin was Vice President of Finance and held other senior financial positions at Unisource Worldwide, Inc. He began his career at Ernst & Young in 1979. He was a Certified Public Accountant and earned his Bachelor’s degree in accounting from the University of Dayton. The Board of Directors has concluded that Mr. McLaughlin should serve as a director because he has significant and diverse business experience and has significant experience on all aspects of financial management and strategic planning in a public company environment.

Andreas C. Kramvis

Mr. Kramvis became a member of our Board of Directors in July 2014. Mr. Kramvis is a Vice Chairman of Honeywell focused on enabling the global deployment of HOS Gold, advancing the company’s software initiative through improved software development processes, and driving expansion in High Growth Regions, which are all critical components of Honeywell’s 5-year plan. Prior to this role, Mr. Kramvis served as the President and Chief Executive Officer of Honeywell Performance Materials and Technologies, a global leader in process technology for the oil and gas industry as well as the development and production of high-purity, high-quality performance chemicals and materials. Mr. Kramvis has also served as the President of Honeywell’s Environmental and Combustion Controls business. Intimately familiar with key markets and economies around the world, Mr. Kramvis has managed companies with global scope across five different industries. He is the author of a book titled “Transforming the Corporation: Running a Business in the 21st Century,” which demonstrates how to systematically transform a business for high performance. Andreas is a graduate of Cambridge University, where he studied engineering specializing in electronics and he holds an M.B.A. from Manchester Business School. The Board of Directors has concluded that Mr. Kramvis should serve as a director because he brings extensive experience regarding the management of public and private companies, and the financial services industry.

Gregory S. Ledford

Mr. Ledford became a member of our Board of Directors following the Acquisition. Mr. Ledford is a Managing Director at Carlyle and is head of the firm’s Industrial & Transportation team. He joined Carlyle in 1988 and, prior to his appointment as Managing Director, held the positions of Vice President and Principal, responsible for leading Carlyle's Investments in numerous companies. From 1991 to 1997, he was Chairman and CEO of the Reilly Corp., a former Carlyle portfolio company. In addition, he was Director of Capital Leasing for MCI Telecommunications. Mr. Ledford is a member of the Board of Directors of Allison Transmission, Greater China Intermodal, HD Supply and Veyance Technologies. Mr. Ledford is a graduate of the University of Virginia's McIntire School of Commerce. He received an M.B.A. from Loyola College. The Board of Directors has concluded that Mr. Ledford should serve as a director because he brings extensive experience regarding the management of public and private companies, and the financial services industry.

Martin W. Sumner

Mr. Sumner became a member of our Board of Directors in August 2012. Mr. Sumner is a Managing Director at Carlyle focused on U.S. buyout opportunities in the industrial and transportation sectors. Mr. Sumner has led, or been a key contributor in, Carlyle's current investments in Allison Transmission and Veyance Technologies where he serves on the Board and is chairman of the audit committee. He previously served on the Board of AxleTech International Holdings prior to its sale to General Dynamics and the Board of United Components prior to its sale to the Rank Group. Mr. Sumner received his M.B.A. from Stanford University, where he was an Arjay Miller Scholar. He received a B.S. in economics, magna cum laude, from the Wharton School of the University of Pennsylvania. The Board of Directors has concluded that Mr. Sumner should serve as a director because he has significant directorship experience and has significant core business skills, including financial and strategic planning.

Wesley T. Bieligk

Mr. Bieligk became a member of our Board of Directors following the Acquisition. Mr. Bieligk is a Vice President at Carlyle focused on buyout opportunities in the industrial and transportation sectors. Mr. Bieligk is a member of the Board of Directors of Signode Industrial Group and Greater China Intermodal. In addition, he has been actively involved in Carlyle's investments in Allison Transmission and the Hertz Corporation. Mr. Bieligk received an M.B.A. with honors from The Wharton School at the University of Pennsylvania and a B.S. in commerce with distinction from The McIntire School of Commerce at the University of Virginia. The Board of Directors has concluded that Mr. Bieligk should serve as a director because he has significant directorship experience and has significant core business skills, including financial and strategic planning.

Gregor P. Böhm

Mr. Böhm became a member of our Board of Directors following the Acquisition. Mr. Böhm is a Managing Director at Carlyle and Co-head of the firm's Europe Buyout group. He is based in London. Mr. Böhm is a member of the Board of HC Starck, Puccini, Ameos and Alloheim. He has previously served on the Boards of Andritz, Messer Cutting and Welding, Beru, Honsel Edscha, and HT Troplast. Prior to joining Carlyle, Mr. Böhm was a Manager at I.M.M., one of Germany's leading buyout groups. Prior to that he was an Analyst with Morgan Stanley's Mergers and Acquisitions department in London. Mr. Böhm is a graduate of Cologne University and earned his M.B.A. from Harvard Business School. The Board of Directors has concluded that Mr. Böhm should serve as a director because he has significant directorship experience and has significant core business skills, including financial and strategic planning.

Allan M. Holt

Mr. Holt became a member of our Board of Directors following the Acquisition. Mr. Holt is a Managing Director at Carlyle and is co-head of the firm's U.S. Buyout group. He previously was head of Carlyle's Global Aerospace, Defense, Technology and Business/Government Services team where he led many of Carlyle's most successful investments. Mr. Holt joined Carlyle in 1992, initially with primary responsibilities as Senior Vice President and Chief Financial Officer of one of Carlyle's portfolio companies, where he was involved in the negotiation and sale of the business. Mr. Holt is a member of the Boards of Directors of Booz Allen Hamilton Holding Corp., HCR ManorCare Inc., NBTY, Inc., Ortho-Clinical Diagnostics Bermuda Co. Ltd. and SS&C Technologies, Inc. Mr. Holt is a graduate of Rutgers University and received his M.B.A. from the University of California, Berkeley. The Board of Directors has concluded that Mr. Holt should serve as a director because he brings extensive experience regarding the management of public and private companies, and the financial services industry.

Controlled Company

For purposes of the rules of the NYSE, we expect to be a "controlled company." Under NYSE rules, controlled companies are companies of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. We expect that Carlyle will continue to own more than 50% of the combined voting power of our common shares upon completion of this offering and will continue to have the right to designate a majority of the members of our Board of Directors for nomination for election and the voting power to elect such directors following this offering. Accordingly, we expect to be eligible to, and we intend to, take advantage of certain exemptions from corporate governance requirements provided in the rules of the NYSE. Specifically, as a controlled company we would not be required to have (i) a majority of independent directors, (ii) a nominating and corporate governance committee composed entirely of independent directors or (iii) a compensation committee composed entirely of independent directors. Therefore, following this offering we will not have a majority of independent directors, and our nominating and corporate governance and compensation committees will not consist entirely of independent directors. Accordingly, you will not have the same protections afforded to shareholders of companies that are subject to all of the NYSE rules. The controlled company exemption does not modify the independence requirements for the audit committee, and we intend to comply with the requirements of the Sarbanes-Oxley Act and the NYSE rules, which require that our audit committee be composed of at least three members, one of whom will be independent upon the listing of our common shares on the NYSE, a majority of whom will be independent within 90 days of the date of this prospectus, and each of whom will be independent within one year of the date of this prospectus.

Board of Directors Composition

Our Board of Directors currently consists of nine members. Mr. Shaver is our Chairman of the Board of Directors. The exact number of members on our Board of Directors may be modified from time to time by the Board of Directors and the Board of Directors may fill any vacancies subject to the terms of our principal stockholders agreement. Following this offering, our Board of Directors will be divided into three classes whose members serve three-year terms expiring in successive years. Directors hold office until their successors have been duly elected and qualified or until the earlier of their respective death, resignation or removal.

At each annual meeting of shareholders, the successors to the directors whose terms will then expire will be elected to serve from the time of election and qualification until the third annual meeting of shareholders following such election. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors.

In connection with the Acquisition, on February 1, 2013, we entered into a stockholders agreement, which we amended and restated on July 31, 2013 and to which Carlyle and members of management who hold common shares are party. Upon the effectiveness of the registration statement of which this prospectus forms a part, we will also enter into a new principal stockholders agreement. See "Certain Relationships and Related Person Transactions—Stockholders Agreements."

When considering whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, to enable the Board of Directors to satisfy their oversight responsibilities effectively in light of our business and structure, the Board of Directors focused primarily on each person's background and experience as reflected in the information discussed in each of the directors' individual biographies set forth immediately above. We believe that our directors provide an appropriate diversity of experience and skills relevant to the size and nature of our business.

Board of Directors Committees

Our Board of Directors directs the management of our business and affairs and conducts its business through meetings of the Board of Directors and three standing committees: the executive committee, the audit committee and the compensation committee. Effective upon completion of this offering, we expect that our Board of Directors will also have a nominating and corporate governance committee. In addition, from time to time, other committees may be established under the direction of our Board of Directors when necessary or advisable to address specific issues.

Each of the executive committee, the audit committee and the compensation committee operates, and the nominating and corporate governance committee will operate, under a charter that has been or will be approved by our Board of Directors. A copy of each of the audit committee, compensation committee and nominating and corporate governance committee charters will be available on our website upon completion of this offering.

In addition, the principal stockholders agreement that we expect to enter into upon effectiveness of the registration statement of which this prospectus forms a part will provide that each committee of the Board of Directors will include a proportional number of directors designated by Carlyle that is no less than the proportion of directors designated by Carlyle then serving on our Board of Directors, subject to Company's obligation to comply with any applicable independence requirements.

Executive Committee

Our executive committee, which following this offering will consist of Messrs. Shaver (Chairman), Ledford and Böhm, is responsible for, among its other duties and responsibilities, assisting the board in its decision-marking processes, reviewing certain transactions consummated by the Company or any of its subsidiaries and considering matters concerning the Company that may arise from time to time.

Audit Committee

Our audit committee, which following this offering will consist of Messrs. McLaughlin (Chairman), Kramvis, Sumner and Bieligk, is responsible for, among its other duties and responsibilities, assisting our Board of Directors in overseeing: our accounting and financial reporting processes and other internal control processes, the audits and integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm, and the performance of our internal audit function and independent registered public accounting firm. Our audit committee is directly responsible for the appointment, compensation, retention and oversight of our independent registered public accounting firm.

Our Board of Directors has determined that Messrs. McLaughlin and Kramvis are each an "audit committee financial expert" as such term is defined under the applicable regulations of the SEC and have the requisite accounting or related financial management expertise and financial sophistication under the applicable rules and regulations of the NYSE. Our Board of Directors has also determined that Messrs. McLaughlin and Kramvis are independent under Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the NYSE standard, for purposes of the audit committee. Rule 10A-3 under the Exchange Act requires us to have (i) a majority of independent audit committee members within 90 days of the effectiveness of the registration statement of which this prospectus forms a part and (ii) all independent audit committee members (within the meaning of Rule 10A-3 under the Exchange Act and the NYSE standard) within one year of the effectiveness of the registration statement of which this prospectus forms a part.

We intend to comply with these independence requirements within the appropriate time periods. All members of our audit committee are able to read and understand fundamental financial statements, are familiar with finance and accounting practices and principles and are financially literate.

Compensation Committee

Our compensation committee, which following this offering will consist of Messrs. Sumner (Chairman), Ledford and Bustos, is responsible for, among its other duties and responsibilities, reviewing and approving the compensation philosophy for our Chief Executive Officer, reviewing and approving all forms of compensation and benefits to be provided to our other executive officers and reviewing and overseeing the administration of our equity incentive plans.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee, which following this offering we expect will consist of Messrs. Sumner (Chairman) and Ledford, is responsible for, among its other duties and responsibilities, identifying and recommending candidates to our Board of Directors for election to our Board of Directors, reviewing the composition of members of our Board of Directors and its committees, developing and recommending to the Board of Directors corporate governance guidelines that are applicable to us, and overseeing our Board of Directors and its committees evaluations.

Compensation Committee Interlocks and Insider Participation

During the year ended December 31, 2013, our compensation committee consisted of Messrs. Sumner (Chairman), Ledford and Bustos. None of the members of our compensation committee is currently one of our officers or employees. During the year ended December 31, 2013, none of our executive officers served as a member of the Board of Directors or compensation committee, or other committee serving an equivalent function, of any entity that has one or more executive officers who serve as members of our Board of Directors or our compensation committee.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors and employees, including our executive officers. A copy of the Code of Business Conduct and Ethics will be available on our website and will also be provided to any person without charge. Requests should be made in writing to the Senior Vice President and General Counsel at Axalta Coating Systems Ltd., Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, PA, 19103 or by telephone at (855) 547-1461.

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

This Compensation Discussion and Analysis provides an overview and analysis of (i) the elements of our compensation program for our named executive officers identified below, (ii) the material compensation decisions made under that program and reflected in the executive compensation tables that follow this Compensation Discussion and Analysis and (iii) the material factors considered in making those decisions. As a company dedicated to a pay-for-performance culture, we intend to provide our named executive officers with compensation that is significantly performance based. Our executive compensation program is designed to align executive pay with our performance on both short and long-term bases, link executive pay to specific, measurable results intended to create value for shareholders, and utilize compensation as a tool to assist us in attracting and retaining the high-caliber executives that we believe are critical to our long-term success.

Compensation for our named executive officers consists primarily of the elements, and their corresponding objectives, identified in the following table.

Compensation Element	Primary Objective
Base salary	To recognize performance of job responsibilities and to attract and retain individuals with superior talent.
Axalta Bonus Plan (annual performance-based compensation, "ABP")	To promote our near-term performance objectives across the entire workforce and reward individual contributions to the achievement of those objectives. ABP awards for 2013 are shown in the Summary Compensation Table below under the heading "Non-equity Incentive Plan Compensation."
Discretionary long-term equity incentive awards	To emphasize our long-term performance objectives, encourage the maximization of shareholder value and retain key executives by providing an opportunity to participate in the ownership of our common shares.
Retirement savings (401(k)) and nonqualified deferred compensation	To provide an opportunity for tax-efficient savings and long-term financial security.
Severance and change in control benefits	To encourage the continued attention and dedication of key individuals when considering strategic alternatives.
Other elements of compensation and perquisites	To attract and retain talented executives in a cost-efficient manner by providing benefits with high perceived values at relatively low cost to us.

To serve the foregoing objectives, our overall compensation program is generally designed to be adaptive rather than purely formulaic. Our compensation committee, which was formed in January 2014, has primary authority to determine and approve compensation decisions with respect to our named executive officers. Prior to the formation of our compensation committee, compensation decisions were carried out by our Board of Directors. For 2013, compensation for our named executive officers reflected the dynamics of the markets in which we compete for executive talent, as each of our named executive officers commenced service with us upon, or in some cases shortly following, our becoming a standalone company as a result of the Acquisition. As a result, compensation levels, which included base salaries, bonuses and target non-equity incentive based compensation, and stock option award levels, were determined in significant part based on arm's-length negotiations with the named executive officers prior to their commencement of service with us.

For the year ended December 31, 2013, our named executive officers (our "NEOs") are:

- Charles W. Shaver, Chairman and Chief Executive Officer,

- Robert W. Bryant, Executive Vice President, Chief Financial Officer,
- Steven R. Markevich, Senior Vice President and President, OEM,
- Joseph F. McDougall, Senior Vice President, Chief Human Resources Officer, and
- Michael F. Finn, Senior Vice President, General Counsel.

Our compensation decisions for the NEOs in 2013 are discussed below in relation to each of the above-described elements of our compensation program. The below discussion is intended to be read in conjunction with the executive compensation tables and related disclosures that follow this Compensation Discussion and Analysis.

Compensation Overview

Our overall compensation program is structured to attract, motivate and retain highly qualified executives by paying them competitively, consistent with our success and their contribution to that success. We believe compensation should be structured to ensure that a significant portion of an executive's compensation opportunity will be related to factors that directly and indirectly influence shareholder value. Accordingly, we set goals designed to link each NEO's compensation to our performance and the NEO's own performance. Consistent with our performance-based philosophy, we provide a base salary to our NEOs and include a significant incentive-based component of their compensation, which includes variable ABP awards based on our financial and operational performance, as well as stock option awards, including a significant amount of premium priced options, granted to our NEOs in connection with our becoming a standalone company as a result of the Acquisition or, if later, upon commencement of employment with us, which option awards are meant to align our NEOs' interests with our long-term performance.

Total compensation for our NEOs has been allocated between cash and equity compensation, taking into consideration the balance between providing short-term incentives and long-term investment in our financial performance, to align the interests of management with the interests of shareholders. The variable ABP awards and the equity awards are designed to ensure that total compensation reflects our overall success or failure and to motivate the NEOs to meet appropriate performance measures, thereby maximizing total return to shareholders. In connection with this offering, we intend to adopt a new equity incentive plan (the "2014 Equity Incentive Plan" or the "2014 Plan") and which will be effective prior to the consummation of this offering. The 2014 Plan is discussed in more detail under "—Executive Compensation Plans—2014 Equity Incentive Plan" below.

Determination of Compensation Awards

The compensation committee is provided with the primary authority to determine and approve the compensation paid to our NEOs. The compensation committee is charged with, among other things, reviewing compensation policies and practices to ensure (i) adherence to our compensation philosophies and (ii) that the total compensation paid to our NEOs is fair, reasonable and competitive, taking into account our position within our industry, including our comparative performance, and our NEOs' level of expertise and experience in their respective positions. Prior to the formation of our compensation committee in January 2014, compensation decisions were carried out by our Board of Directors. In furtherance of the considerations described above, the compensation committee will be primarily responsible for (i) determining any future adjustments to base salary and target bonus levels (representing the bonus that may be awarded expressed as a percentage of base salary or as a dollar amount for the year), (ii) assessing the performance of the Chief Executive Officer and other NEOs for each applicable performance period and (iii) determining the awards to be paid to our Chief Executive Officer and other NEOs under the ABP for each year. To aid the compensation committee in making its determinations, the Chief Executive Officer is expected to (and for 2013 did) provide recommendations to the compensation committee regarding the compensation of all NEOs, excluding himself. The performance of our senior executive management team is expected to be reviewed at least annually by the compensation committee, and we anticipate that the compensation committee will determine any adjustments to each NEO's compensation at least annually.

In determining compensation levels for our NEOs, we considered each NEO's particular position and responsibility and relied upon the judgment and industry experience of the members of our Board of Directors, including their knowledge of competitive compensation levels in our industry. We believe that base salaries should be competitive with salaries for executive officers in similar positions and with similar responsibilities in our marketplace. However, in making compensation determinations for 2013, we did not rely on benchmarking or compensation consultants, did not directly compare compensation levels with any other companies, and did not refer to any specific compensation survey or other data. Rather, in alignment with the considerations described above, we determined the total amount of compensation for our NEOs, and the allocation of total compensation among each of our three main components of compensation, in reliance upon the judgment and general industry knowledge of the members of our Board of Directors obtained through years of service with comparably-sized companies in our industry and other similar industries to ensure we attract, develop and retain superior talent.

Stock Ownership Requirements

To directly align the interests of our NEOs with us and our shareholders, our compensation committee has adopted stock ownership guidelines. The guidelines require that, within five years after this offering, the Chief Executive Officer must directly or indirectly own an amount of our common shares equal to five times the Chief Executive Officer's base salary, and the Chief Executive Officer's executive and senior vice president direct reports must directly or indirectly own an amount of our common shares equal to two times their respective base salaries. If executives do not comply with the ownership requirement, they must retain 50% of our common shares acquired upon stock option exercises and 75% of our common shares issued upon the vesting of restricted stock, restricted stock unit and performance share grants, in each case, net of applicable taxes. The compensation committee expects to annually review each NEO's compliance with the stock ownership guidelines based on the NEO's current base salary and the price of our common shares as of the end of the prior year.

Base Compensation for 2013

Base Salaries

We set base salaries for our NEOs upon their commencement of employment with us in 2013, generally at a level we deemed necessary to attract and retain individuals with superior talent and based on our individual negotiations with our NEOs, each of whom commenced service with us in 2013. Each year we expect to determine base salary adjustments after evaluating the job responsibilities and demonstrated proficiency of the NEOs as assessed by the compensation committee, and for NEOs other than the Chief Executive Officer, in conjunction with recommendations to be made by the Chief Executive Officer. No formulaic base salary increases are provided to the NEOs, and no NEOs have received base salary increases since their commencement of service with us in 2013.

The base salaries for our NEOs are set forth in the following table:

Name and Principal Position	Base Salary ($)
Charles W. Shaver Chairman & Chief Executive Officer	750,000
Robert W. Bryant Executive Vice President, Chief Financial Officer	525,000
Steven R. Markevich Senior Vice President & President, OEM	500,000
Joseph F. McDougall Senior Vice President & Chief Human Resources Officer	385,000
Michael F. Finn Senior Vice President & General Counsel	350,000

Sign-on and Retention Bonuses

In 2013, in connection with the commencement of employment with us of certain of our NEOs, we entered into special sign-on and retention bonus arrangements, as follows:

- *Mr. Bryant:* Mr. Bryant's employment agreement provided for a single lump sum sign-on bonus payment of $221,000, provided that he remained employed with us through June 15, 2013.
- *Mr. Markevich:* Mr. Markevich received an initial sign-on bonus payment of $250,000 upon his commencement of employment with us in April 2013. Mr. Markevich's employment agreement also provided for an additional retention bonus payment of $300,000, provided that he remained continuously employed with us through April 15, 2014.
- *Mr. McDougall:* Mr. McDougall received an initial sign-on bonus payment of $250,000. Mr. McDougall's employment agreement also provided for an additional retention bonus payment of $210,000, provided that he remained continuously employed with us through December 31, 2013.

The retention and sign-on bonuses were determined based on individual negotiations with these NEOs and were awarded as an inducement for such NEOs to join and remain with the Company for designated time periods. These payments were also intended to compensate the NEOs for relinquishing unvested equity compensation or other incentive opportunities from their prior employers. The retention and sign-on bonuses were intended as one-time special payments, and we do not presently have any intent to provide our NEOs with any new rights to payments of this type.

Annual Performance-Based Compensation for 2013

We structure our compensation programs to reward NEOs based on our performance and the individual executive's relative contribution to that performance. This allows NEOs to receive ABP awards in the event certain specified corporate performance measures are achieved. The annual ABP pool is determined by the compensation committee based upon a formula with reference to the extent of achievement of corporate-level performance goals established annually by the compensation committee. The ABP is designed to reward NEOs for contributions made to help us meet our annual performance goals. The amount actually received by NEOs will depend on our performance and individual performance during the year. The compensation committee may make discretionary adjustments to the formulaic ABP awards to reflect its subjective determination of an individual's impact and contribution to overall corporate performance, as discussed below.

Under the terms of the ABP, the NEOs' formulaic ABP awards are based on a percentage of their base salaries and currently range from 60% to 100% for target-level performance achievement. Maximum formulaic ABP awards vary according to each executive and are set at levels that we determine are necessary to maintain competitive compensation practices and properly motivate our NEOs by rewarding them for our short-term performance and their contributions to that performance. With the exception of Messrs. Markevich and McDougall, whose employment agreements provided for 2013 only that they would receive an ABP award at least equal to their target level, none of our NEOs were entitled to receive a guaranteed ABP award for 2013. We do not presently intend to provide for any guaranteed ABP amounts for our current NEOs in future years and each of our NEOs ultimately earned ABP amounts for 2013 in excess of target, as described in more detail below.

Once the extent of achievement of corporate ABP performance targets and the formulaic ABP calculations have been determined, the compensation committee may adjust the amount of ABP awards paid upward or downward based upon its overall subjective assessment of each NEO's performance, business impact, contributions, leadership and attainment of individual objectives established periodically throughout the year, as well as other related factors. In addition, ABP funding amounts may be adjusted by the compensation committee to account for unusual events such as extraordinary transactions, asset dispositions and purchases, and mergers and acquisitions if, and to the extent, the compensation committee does not consider the effect of such events indicative of our performance.

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The following chart sets forth the formulaic ABP awards for threshold and target-level performance and the maximum ABP awards for our NEOs:

Name and Principal Position	Formulaic ABP at threshold performance (% of base salary)	Formulaic ABP at target-level performance (% of base salary)	Maximum ABP award (% of base salary)
Charles W. Shaver Chairman & Chief Executive Officer	60%	100%	200%
Robert W. Bryant Executive Vice President, Chief Financial Officer	45%	75%	150%
Steven R. Markevich Senior Vice President & President, OEM	45%	75%	150%
Joseph F. McDougall Senior Vice President & Chief Human Resources Officer	36%	60%	120%
Michael F. Finn Senior Vice President & General Counsel	36%	60%	120%

For the year ended December 31, 2013, ABP performance goals were based upon Adjusted EBIT (as defined below), Gross Adjusted Free Cash Flow (as defined below) and individual performance metrics. For this purpose, "Adjusted EBIT" was defined as our consolidated earnings before interest expense or income, income tax expense or income, and other adjustments as defined in the credit agreement governing our Senior Secured Credit Facilities. "Adjusted Free Cash Flow" was defined as net cash flow before debt repayments and repurchases, cash interest expense or income, government price reduction payments and hedging collateral change. Individual performance is generally based on personal contributions, as described in more detail below.

For each performance year, the compensation committee assigns a target, threshold and maximum value to each performance metric. ABP award amounts for performance between the threshold and maximum levels are determined at the beginning of the applicable performance period and depend on the level of achievement for each metric relative to its assigned performance target, in accordance with a predetermined payout matrix. The minimum ABP award under the payout matrix (*i.e.*, 60% of the target ABP award) is payable only upon achievement of the threshold performance goals for each performance metric (*i.e.*, 80% of each performance target). The maximum ABP award under the payout matrix (*i.e.*, 200% of the target ABP award) is payable only upon achievement of maximum-level performance goals for each performance metric (*i.e.*, approximately 133% of each performance target). ABP award amounts increase linearly between threshold and target-level performance and linearly between target and maximum-level performance. The following chart sets forth the weighting of each performance metric, the threshold, target and maximum performance goals, and the actual performance achieved under our ABP program for the year ended December 31, 2013:

Performance Metric	Weighting (%)	Threshold ($ MM)	Target ($ MM)	Maximum ($ MM)	Achieved ($ MM)
Adjusted EBIT(1)	50	635.0	793.7	1031.8	840.1
Adjusted Free Cash Flow(1)	25	430.0	537.4	698.7	— (2)
Individual Performance(3)	25	—	—	—	—

(1) Excluding one-time costs and expenses related to the Acquisition.
(2) As a result of the impact of certain Acquisition-related matters on our free cash flow for 2013, the compensation committee made certain adjustments to our 2013 Adjusted Free Cash Flow targets. This resulted in an achievement level at 3.7% above target and a resulting payout level for this component of 111.1%.
(3) Individual performance payouts vary by participant, as described below.

For the individual performance component of the ABP, the compensation committee provides each NEO with a discretionary ABP individual performance factor reflecting the committee's subjective assessments of each NEO's performance, business impact, contributions and leadership, among other factors. For 2013, the compensation committee considered the following key achievements in determining the ABP individual performance component for each of our NEOs:

- *Mr. Shaver*: Mr. Shaver's individual performance factor reflected several elements, including his overall leadership after the Acquisition. Under Mr. Shaver's leadership we outperformed financial targets set by the Board of Directors, had a strong operating record on safety and exceeded our Board of Directors' expectations regarding transition-related items. Mr. Shaver personally recruited a number of senior executives who contributed significantly to our performance.
- *Mr. Bryant*: Mr. Bryant's individual performance factor reflected his leadership of the financial transition after the Acquisition, our overall corporate performance and the quality and experience of the new finance leadership team that was hired in 2013. Mr. Bryant has been instrumental in leading the effort to quickly and effectively make us a standalone company.
- *Mr. Markevich*: Mr. Markevich's individual performance factor reflected his ability to quickly create a strategy for our light vehicle OEM market, including a global plan on retaining and winning key accounts. We believe that Mr. Markevich's leadership has been a driving force in shaping our light vehicle coatings business into a customer-facing, metric-driven, global business.
- *Mr. McDougall*: Mr. McDougall's individual performance factor reflected the rapid development and deployment of contemporary human resources practices across the Company. In addition, Mr. McDougall led the ongoing initiative to recruit key executives and directors. Mr. McDougall has played an important role in the formation and ongoing operation of our leadership team.
- *Mr. Finn*: Mr. Finn's individual performance factor reflected his significant contributions to the Company, including his legal contributions. Mr. Finn has led the transformation of the General Counsel role while ensuring that all commercial and operational legal matters are appropriately resolved. Mr. Finn has been a key contributor in our overall leadership after the Acquisition.

Based on the considerations described above and our level of performance in relation to the corporate ABP performance targets, the ABP awards earned by Messrs. Shaver, Bryant, McDougall and Finn equaled 136.6% of their respective target ABP awards (or 136.6% of base salary for Mr. Shaver, 102.4% of base salary for Mr. Bryant, and 82.0% of base salary for Mr. McDougall and Mr. Finn). The total ABP award for Mr. Markevich equaled 121.6% of his target ABP award (or 91.2% of his base salary). Based on our overall strong performance, the compensation committee also elected to disregard provisions in Messrs. Shaver's, Bryant's and McDougall's employment agreements providing that their 2013 ABP awards would be prorated to reflect their partial year of service during their first year of employment in 2013.

Discretionary Long-Term Equity Incentive Awards

Our NEOs, along with other key employees, were granted stock options to purchase our common shares in connection with our becoming a separate company as a result of the Acquisition or, if later, at the commencement of their employment with us, and are eligible to receive additional awards of stock options or other equity or equity-based awards under our equity incentive plan at the discretion of the compensation committee. However, we have not historically made annual or regular equity grants to our NEOs or other key employees.

Equity award grants are tied to time-based vesting requirements and the creation of shareholder value. They are designed not only to compensate but also to motivate and retain the recipients by providing an opportunity for the recipients to participate in the ownership of our common shares. The equity award grants to members of the senior management team also promote our long-term compensation objectives by aligning the interests of the executives with the interests of our shareholders.

Generally, stock options granted under our equity incentive plan have vesting schedules that are designed to encourage an optionee's continued employment and exercise prices that are designed to reward an optionee for our performance. Stock options generally expire ten years from the date of the grant and vest in five equal annual installments, subject to the optionee's continued employment on each applicable vesting date. For stock options awarded to our NEOs in 2013, the first 20% of their options vested on January 1, 2014, and the remaining shares vest in 20% allotments on each anniversary of January 1, 2014. The stock options are also subject to vesting acceleration in certain circumstances. For more information about vesting acceleration of the stock options, see the discussion below under the heading "—Potential Payments Upon Termination or Change-in-Control." Vesting of the stock options will not be accelerated upon the completion of this offering.

We have historically granted to key employees options with staggered exercise prices, such that the exercise price of a portion of the option is substantially greater than (in increments of 1.5 times and 2 times) the fair market value of the shares underlying the option on the date of grant, thereby creating incentives for our NEOs and other key employees to seek to generate increased shareholder value.

The number of the stock options awarded to our NEOs during the year ended December 31, 2013 is listed below.

Name	Number of Options Granted
Charles W. Shaver	4,463,805
Robert W. Bryant	1,517,692
Steven R. Markevich	1,031,635
Joseph F. McDougall	545,575
Michael F. Finn	495,977

In determining these individual stock option awards for each of our NEOs, we generally took into account their relative levels of responsibility and authority within our organizational structure and their anticipated contributions to our success in driving stockholder value over the long term. Award amounts were also subject to individual negotiations with each NEO in connection with their commencement of employment with us.

Defined Contribution Plans

401(k) Plan

We maintain a defined contribution plan that is tax-qualified under Section 401(k) of the Code (the "401(k) Plan"). The 401(k) Plan permits our eligible salaried employees to defer receipt of portions of their eligible salaries, subject to certain limitations imposed by the Code, by making contributions to the 401(k) Plan, including flexible compensation contributions, Roth contributions, catch-up contributions and after-tax contributions.

We provide matching contributions to the 401(k) Plan in an amount equal to 100% of each participant's pre-tax contribution up to a maximum of 6% of the participant's annual eligible salary, subject to certain other limits. In 2013, we made a company contribution to the 401(k) Plan in an amount equal to 3% of eligible salary, subject to other limits. In 2014, the 401(k) Plan was amended to provide matching contributions in an amount equal to 100% of each participant's pre-tax contribution up to a maximum of 4% of the participant's annual eligible salary, subject to certain other limits, and a company contribution of up to 2% of the participant's annual eligible salary, subject to our performance.

Participants are 100% vested in all contributions, including company contributions. The 401(k) Plan is offered on a nondiscriminatory basis to all of our salaried employees, including NEOs.

Deferred Compensation Plan

In addition to the 401(k) Plan, we maintain a retirement savings restoration plan (the "Restoration Plan"), which is a nonqualified deferred compensation plan that for 2013 permitted a select group of our management, including NEOs and other key employees, to defer up to 6% of their compensation in excess of the Code compensation limits. We provided matching contributions to the Restoration Plan in an amount equal to 100% of the participant's deferral election. We also provided nonelective contributions in an amount equal to 3% of the participant's compensation in excess of the Code compensation limits. A participant's deferrals and matching contributions are 100% fully vested and nonelective contributions are fully vested after three years of credited service.

The compensation committee believes that matching and company contributions assist us in attracting and retaining talented employees and executives. The 401(k) Plan and the Restoration Plan provide an opportunity for participants to save money for retirement on a tax-deferred basis and to achieve financial security, thereby promoting retention.

Employment and Severance Arrangements

The compensation committee considers the maintenance of a sound management team to be essential to protecting and enhancing our best interests. To that end, we recognize that the uncertainty that may exist among management with respect to their "at-will" employment with us may result in the departure or distraction of management personnel to our detriment. Accordingly, the compensation committee has determined that severance arrangements are appropriate to encourage the continued attention and dedication of certain members of our management and to allow them to focus on the value to shareholders of strategic alternatives without concern for the impact on their continued employment. Each of the NEOs has an employment agreement that provides for severance benefits upon termination of employment.

Mr. Shaver's employment agreement has a term beginning on the date of the completion of the Acquisition, which was February 1, 2013, and ending on the third anniversary thereof. The agreement is extended automatically for successive 18 month periods thereafter unless either party delivers notice of non-renewal to the other no later than 45 days before the end of the applicable term. Upon our termination of Mr. Shaver's employment without cause (which includes our non-extension of the term) or by Mr. Shaver for good reason, subject to his timely execution of a general release of claims against us, Mr. Shaver would be entitled to receive a payment equal to 3.0 times his annual base salary, payable in regular installments over an 18-month period in accordance with our regular payroll practices, and his ABP award earned in the year preceding his termination to the extent unpaid. In addition, if such a termination occurs within one year following a change in control, subject to Mr. Shaver's timely execution of a general release of claims against us, Mr. Shaver would be entitled to receive a lump-sum payment equal to 4.0 times his annual base salary, instead of installment payments equal to 3.0 times his annual base salary, and an additional lump-sum payment of $60,000. During his employment and for 18 months following termination (or for 24 months following termination if he is entitled to change-in-control payments), Mr. Shaver's employment agreement prohibits him from competing with our business and from soliciting our employees, customers or distributors to terminate their employment or arrangements with us. "Cause" is defined in Mr. Shaver's employment agreement to mean (i) his failure to substantially perform his duties (other than a failure resulting from disability) or materially comply with any of our policies, (ii) a determination by our Board of Directors that he has failed to carry out or comply with any lawful and reasonable directive of our Board of Directors, (iii) his breach of a material provision of his employment agreement, (iv) his conviction, plea of no contest, or imposition of unadjudicated probation for any felony or crime involving moral turpitude, (v) his unlawful use (including being under the influence) or possession of illegal drugs on our premises or while performing his duties and responsibilities or (vi) his commission of an act of fraud, embezzlement, misappropriation, willful misconduct or breach of fiduciary duty against us. "Good reason" is defined in Mr. Shaver's employment agreement to mean: (i) a decrease in Mr. Shaver's annual base salary, other than a decrease of less than 10% in connection with a contemporaneous decrease in annual base salaries for other senior executives, (ii) a material reduction in authority or responsibilities or (iii) a relocation of Mr. Shaver's primary office by more than 35 miles from our headquarters.

Mr. Bryant’s employment agreement has a term beginning on the date of completion of the Acquisition, which was February 1, 2013, and ending on the third anniversary thereof. The agreement is extended automatically for successive 18 month periods thereafter unless either party delivers notice of non-renewal to the other no later than 45 days before the end of the applicable term. Upon our termination of Mr. Bryant’s employment without cause (which includes our non-extension of the term) or by Mr. Bryant for good reason, subject to his timely execution of a general release of claims against us, Mr. Bryant would be entitled to receive: (i) a payment equal to 1.0 times his annual base salary, payable in regular installments over a 12-month period in accordance with our regular payroll practices, (ii) his ABP award earned in the year preceding his termination to the extent unpaid and (iii) a prorated portion of his ABP award for the year in which termination occurs with the amount of the award based on actual performance, as determined by our Board of Directors. In addition, if such a termination occurs within one year following a change in control, subject to Mr. Bryant’s timely execution of a general release of claims against us, Mr. Bryant would be entitled to receive a payment equal to 2.0 times his annual base salary, instead of 1.0 times, payable over a 24-month period, instead of a 12-month period. During his employment and for 12 months following termination (or for 18 months following termination if he is entitled to change-in-control payments), Mr. Bryant’s employment agreement prohibits him from competing with our business and from soliciting our employees, customers or distributors to terminate their employment or arrangements with us. “Cause” is defined in Mr. Bryant’s employment agreement to mean (i) his substantial, repeated and willful failure to perform duties as reasonably directed by our Board of Directors, (ii) his material failure to carry out or comply with any lawful and reasonable directive of our Board of Directors or Chief Executive Officer that is not inconsistent with his employment agreement, (iii) his breach of a material provision of his employment agreement or material company policy, (iv) his conviction, plea of no contest or imposition of unadjudicated probation for any felony or crime involving moral turpitude,(v) his unlawful use (including being under the influence) or possession of illegal drugs on our premises or while performing his duties and responsibilities, (vi) his willful or prolonged and unexcused absence from work (other than by reason of disability due to physical or mental illness) or (vii) his commission of an act of fraud, embezzlement, misappropriation, willful misconduct or material breach of fiduciary duty against us. For purposes of Mr. Bryant’s employment agreement, “good reason” has the same meaning as in Mr. Shaver’s employment agreement.

Mr. Markevich’s employment agreement has a term beginning on May 2, 2013 and ending on the third anniversary thereof. The agreement is extended automatically for successive 12 month periods thereafter unless either party delivers notice of non-renewal to the other no later than 60 days before the end of the applicable term. Upon our termination of Mr. Markevich’s employment without cause (which includes our non-extension of the term) or by Mr. Markevich for good reason, subject to his timely execution of a general release of claims against us, Mr. Markevich would be entitled to receive: (i) a payment equal to 1.5 times his annual base salary, payable in regular installments over an 18-month period in accordance with our regular payroll practices, (ii) his sign-on or retention bonus payments to the extent unpaid and (iii) his ABP award earned in the year preceding his termination to the extent unpaid. In addition, if such a termination occurs within 60 days prior to or one year following a change in control, subject to Mr. Markevich’s timely execution of a general release of claims against us, Mr. Markevich would be entitled to receive a payment equal to 2.0 times his annual base salary, instead of 1.5 times, payable over a 24-month period, instead of an 18-month period. During his employment and for 12 months following termination, Mr. Markevich’s employment agreement prohibits him from competing with our business and, for 18 months following termination, from soliciting our employees, customers or distributors to terminate their employment or arrangements with us. For purposes of Mr. Markevich’s employment agreement, “cause” and “good reason” have the same meanings as in Mr. Shaver’s employment agreement.

Mr. McDougall’s employment agreement has a term beginning on May 1, 2013 and ending on the third anniversary thereof. The agreement is extended automatically for successive 12 month periods thereafter unless either party delivers a notice of non-renewal to the other no later than 60 days before the end of the applicable term. Upon our termination of Mr. McDougall’s employment without cause (which includes our non-extension of the term) or by Mr. McDougall for good reason, subject to his timely execution of a general release of claims against us, Mr. McDougall would be entitled to receive: (i) a payment equal to 1.0 times his annual base salary, payable in regular installments over a 12-month period in accordance with our regular payroll practices, and (ii) his ABP award earned in the year preceding his termination to the extent unpaid. In addition, if such termination occurs within one year following a change in control, subject to Mr. McDougall's timely execution of a general release of claims against us, Mr. McDougall would be entitled to receive a payment equal to 2.0 times his annual base salary, instead of 1.0 times, payable over a 24-month period, instead of an 12-month period. During his employment and for 12 months following termination, Mr. McDougall's employment agreement prohibits him from competing with our business and, for 18 months following termination, from soliciting our employees, customers or distributors to terminate their employment or arrangements with us. For purposes of Mr. McDougall's employment agreement, "cause" has substantially the same meaning as in Mr. Shaver's employment agreement, except that failing to substantially perform his duty or materially comply with our policies does not constitute "cause;" instead, "cause" includes the Board of Directors' determination of gross of willful misconduct and mismanagement by Mr. McDougall that is injurious to us or that results in his inability to substantially perform his duties. "Good reason" has the same meaning as in Mr. Shaver's employment agreement.

Mr. Finn's employment agreement has a term beginning on March 26, 2013 and ending on the second anniversary thereof. The agreement is extended automatically for successive 12 month periods thereafter unless either party delivers a notice of non-renewal to the other no later than 60 days before the end of the applicable term. Upon our termination of Mr. Finn's employment without cause (which includes our non-extension of the term) or by Mr. Finn for good reason, subject to his timely execution of a general release of claims against us, Mr. Finn would be entitled to receive: (i) a payment equal to 1.0 times his annual base salary, payable in regular installments over a 12-month period in accordance with our regular payroll practices, (ii) a prorated portion of his ABP award for the year in which termination occurs in a sum no less than his target percentage and (iii) his ABP award earned in the year preceding his termination, to the extent unpaid, in a sum no less than his target percentage (except, if members of senior management generally receive less than target bonus payouts for the applicable year, then Mr. Finn is entitled to receive the average bonus payout levels provided generally to members of senior management). In addition, if such termination occurs within one year following a change in control, subject to Mr. Finn's timely execution of a general release of claims against us, Mr. Finn would be entitled to receive payments equal to 2.0 times his target ABP award (instead of a prorated portion of his target ABP award), and payments equal to 2.0 times his annual base salary payable over a 24-month period (instead of 1.0 times his annual base salary payable over a 12-month period). During his employment and for 12 months following termination, Mr. Finn's employment agreement prohibits him from competing with our business and, for 18 months following termination, from soliciting our employees, customers or distributors to terminate their employment or arrangements with us. For purposes of Mr. Finn's employment agreement, "cause" and "good reason" have the same meanings as in Mr. Shaver's employment agreement.

"Change in control" is defined in all of our NEOs' employment agreements to mean: (i) the sale, in one transaction or a series of related transactions (including one or more stock sales, mergers, business combinations, recapitalizations, consolidations, reorganizations, restructurings or similar transactions) of all or substantially all of our consolidated assets to any person (other than Carlyle) or (ii) any transaction or series of related transactions resulting in any person (other than Carlyle) acquiring at least 50% of the aggregate voting power of all of our outstanding voting securities.

Other Elements of Compensation and Perquisites

We provide NEOs with certain personal benefits and perquisites, which we do not consider to be a significant component of executive compensation but which we recognize are an important factor in attracting and retaining talented executives. NEOs are eligible under the same plans as all other employees for medical, dental, vision and short-term disability insurance, and may participate to the same extent as all other employees in our tuition reimbursement program. To induce the NEOs to join the Company after the Acquisition, we agreed to reimburse them for certain relocation and temporary living and commuting expenses. All of our NEOs' employment agreements stipulate that these were one-time reimbursements for expenses incurred in connection with their

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commencing employment with us in 2013. In addition, beginning in 2014, we have determined to provide the following additional perquisites to our NEOs and certain other senior management personnel: executive physical, umbrella liability insurance and global travel insurance benefits. The value of personal benefits and perquisites we provided to each of our NEOs in 2013 is set forth below in our Summary Compensation Table.

Summary Compensation Table for 2013

The following table sets forth certain information with respect to the compensation paid to our NEOs for the year ended December 31, 2013.

Name and Principal Position	Year	Salary ($)	Bonus(1) ($)	Option Awards(2) ($)	Non-equity Incentive Plan Compensation(3) ($)	All Other Compensation(4) ($)	Total ($)
Charles W. Shaver Chairman & CEO	2013	687,500	—	6,163,263	1,024,500	124,863	8,000,126
Robert W. Bryant EVP & CFO	2013	481,250	221,000	2,095,508	537,800	204,859	3,540,417
Steven R. Markevich SVP & President, OEM	2013	260,417	250,000	1,424,399	456,000	15,712	2,406,528
Joseph F. McDougall SVP & Chief Human Resources Officer	2013	252,482	460,000	753,288	315,500	19,836	1,801,106
Michael F. Finn SVP & General Counsel	2013	235,985	—	684,807	286,800	257,990	1,465,582

(1) Amounts represent the sign-on and retention bonuses paid to our NEOs in connection with their commencement of service with us in 2013. For additional information, see "—Base Compensation for 2013—Sign-on and Retention Bonuses."

(2) Amounts represent the aggregate grant date fair value of stock option awards determined in accordance with FASB ASC Topic 718. Refer to Note 10 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for information regarding the assumptions used to value these awards.

(3) Amount represents awards earned under our ABP for 2013. For additional information, see "—Annual Performance-Based Compensation for 2013."

(4) Other compensation includes relocation and temporary commuting expenses, and our contributions to the NEOs' 401(k) and deferred compensation plan accounts as set forth in the following table.

Name	Relocation(1) ($)	Temporary Commute ($)	Employer Contribution to 401(k) ($)	Employer Contribution to NQDC Plan ($)	Total ($)
Charles W. Shaver	36,962	38,776	10,200	38,925	124,863
Robert W. Bryant	161,546	—	22,950	20,363	204,859
Steven R. Markevich	1,161	—	14,063	488	15,712
Joseph F. McDougall	—	—	19,836	—	19,836
Michael F. Finn	236,751	—	21,239	—	257,990

(1) Amounts shown include tax reimbursement payments of $22,607 for Mr. Bryant and $74,953 for Mr. Finn.

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Grants of Plan-Based Awards for 2013

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards: Thres-hold ($)	Target ($)	Maxi-mum ($)	All Other Option Awards: Number of Securities Underlying Options (#)(6)	Exercise or Base Price of Option Awards ($/sh)	Grant Date Fair Value of Option Awards ($)(7)
Charles W. Shaver							
2013 ABP		450,000	750,000(1)	1,500,000			
2013 Stock options	7/31/2013				1,785,522	11.84	1,690,246
					1,562,332	8.88	2,227,431
					1,115,951	5.92	2,245,585
Robert W. Bryant							
2013 ABP		236,250	393,750(2)	787,500			
2013 Stock options	7/31/2013				607,076	11.84	574,683
					531,192	8.88	757,326
					379,424	5.92	763,499
Steven R. Markevich							
2013 ABP		225,000	375,000(3)	750,000			
2013 Stock options	7/31/2013				412,654	11.84	390,635
					361,071	8.88	514,783
					257,910	5.92	518,981
Joseph F. McDougall							
2013 ABP		138,600	231,000(4)	462,000			
2013 Stock options	7/31/2013				218,229	11.84	206,585
					190,951	8.88	272,241
					136,395	5.92	274,462
Michael F. Finn							
2013 ABP		126,000	210,000(5)	420,000			
2013 Stock options	7/31/2013				198,390	11.84	187,805
					173,591	8.88	247,491
					123,996	5.92	249,511

(1) Actual award earned under our annual ABP program for 2013 was $1,024,500. See "—Annual Performance-Based Compensation for 2013" above for a discussion of the calculation of this amount.

(2) Actual award earned under our annual ABP program for 2013 was $537,800. See "—Annual Performance-Based Compensation for 2013" above for a discussion of the calculation of this amount.

(3) Actual award earned under our annual ABP program for 2013 was $456,000. See "—Annual Performance-Based Compensation for 2013" above for a discussion of the calculation of this amount.

(4) Actual award earned under our annual ABP program for 2013 was $315,500. See "—Annual Performance-Based Compensation for 2013" above for a discussion of the calculation of this amount.

(5) Actual award earned under our annual ABP program for 2013 was $286,500. See "—Annual Performance-Based Compensation for 2013" above for a discussion of the calculation of this amount.

(6) These options became or will become exercisable with respect to 20% of the underlying shares on each of January 1, 2014, January 1, 2015, January 1, 2016, January 1, 2017 and January 1, 2018.

(7) Amounts represent the aggregate grant date fair value of stock option awards determined in accordance with FASB ASC Topic 718. Refer to Note 10 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for information regarding the assumptions used to value these awards.

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Outstanding Equity Awards at December 31, 2013

The following table provides information regarding the stock options held by the NEOs as of December 31, 2013.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable (1)	Number of Securities Underlying Unexercised Options (#) Unexercisable (2)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Charles W. Shaver	—	1,785,522	—	11.84	7/31/2023
	—	1,562,332	—	8.88	7/31/2023
	—	1,115,951	—	5.92	7/31/2023
Robert W. Bryant	—	607,076	—	11.84	7/31/2023
	—	531,192	—	8.88	7/31/2023
	—	379,424	—	5.92	7/31/2023
Steven R. Markevich	—	412,654	—	11.84	7/31/2023
	—	361,071	—	8.88	7/31/2023
	—	257,910	—	5.92	7/31/2023
Joseph F. McDougall	—	218,229	—	11.84	7/31/2023
	—	190,951	—	8.88	7/31/2023
	—	136,395	—	5.92	7/31/2023
Michael F. Finn	—	198,390	—	11.84	7/31/2023
	—	173,591	—	8.88	7/31/2023
	—	123,996	—	5.92	7/31/2023

(1) No options were exercisable as of December 31, 2013.

(2) These options became or will become exercisable with respect to 20% of the underlying shares on each of January 1, 2014, January 1, 2015, January 1, 2016, January 1, 2017 and January 1, 2018.

Options Exercised and Shares Vested

None of our NEOs exercised options or became vested in our common shares during the year ended December 31, 2013.

Pension Benefits for 2013

Our NEOs do not participate in any pension plans and received no pension benefits during the year ended December 31, 2013.

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Nonqualified Deferred Compensation

Our NEOs participate in a nonqualified deferred compensation plan and received nonqualified deferred compensation during the year ended December 31, 2013 to the extent their eligible compensation exceeded the limit established by the IRS for tax-qualified defined contribution plans. For additional information, see the discussion above under the heading "—Defined Contribution Plans—Deferred Compensation Plan."

Name	Executive Contributions in Last FY ($)	Company Contributions in Last FY ($)	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)
Charles W. Shaver	25,950	38,925	—	—	64,875
Robert W. Bryant	13,575	20,363	—	—	33,938
Steven R. Markevich	325	488	—	—	813
Joseph F. McDougall	—	—	—	—	—
Michael F. Finn	—	—	—	—	—

Potential Payments Upon Termination or Change-in-Control

Each of our NEOs has an employment agreement that provides for severance benefits upon termination of employment. See "—Employment and Severance Arrangements" above for a description of the employment and severance arrangements with our NEOs. Assuming a termination of employment effective as of December 31, 2013 (i) by us without cause, (ii) by the executive for good reason or (iii) by us without cause or the executive for good reason within one year following a change in control (or, for Mr. Markevich, within 60 days prior to or one year following a change in control), each of our NEOs would have received the following severance payments and benefits:

Name	Payment Type	Termination Without Cause (Including Non-Extension of Term) ($)	Resignation for Good Reason ($)	Termination Without Cause or Resignation for Good Reason Following a Change in Control ($)
Charles W. Shaver	Salary	2,250,000	2,250,000	3,000,000
	Other			60,000
	Total	**2,250,000**	**2,250,000**	**3,060,000**
Robert W. Bryant	Salary	525,000	525,000	1,050,000
	Bonus(1)			
	Total	**525,000**	**525,000**	**1,050,000**
Steven R. Markevich	Salary	750,000	750,000	1,000,000
	Retention Bonus(2)	300,000	300,000	300,000
	Total	**1,050,000**	**1,050,000**	**1,300,000**
Joseph F. McDougall	Salary	385,000	385,000	770,000
	Total	**385,000**	**385,000**	**770,000**
Michael F. Finn	Salary	350,000	350,000	700,000
	Bonus(3)	210,000	210,000	420,000
	Total	**560,000**	**560,000**	**1,120,000**

(1) Mr. Bryant would have remained eligible to receive his 2013 ABP award, in an amount determined in the discretion of the compensation committee based on performance. The amount actually paid to Mr. Bryant with respect to his 2013 ABP award is set forth in the Summary Compensation Table above under the heading "Non-equity Incentive Plan Compensation."

(2) Mr. Markevich would receive his $300,000 retention bonus (otherwise payable for remaining continuously employed through April 15, 2014).

(3) Mr. Finn would have remained eligible to receive his 2013 ABP award in an amount no less than his target ABP amount of $210,000, or, if within one year following a change in control, 2.0 times that amount. The amount actually paid to Mr. Finn with respect to his 2013 ABP award is set forth in the Summary Compensation Table above under the heading "Non-equity Incentive Plan Compensation."

In addition, pursuant to our NEOs' stock option agreements, their stock options are subject to vesting acceleration in the following circumstances.

- *Liquidity Event*. A liquidity event generally would occur if Carlyle sold at least 50% of its equity investment in us, or if we sold substantially all of our assets (other than to Carlyle). A liquidity event could include a change in control, which is described below. Each NEO's options vest and become exercisable immediately prior to a liquidity event if the NEO remains continuously employed from the option grant date through the liquidity event, or if the NEO is terminated by us without cause or by the NEO for good reason within six months prior to the liquidity event.
- *Change in Control*. A change in control generally would occur if Carlyle sold at least 50% of our voting securities, or we sold substantially all of our assets (other than to Carlyle). The options vest and become exercisable immediately prior to a change in control if the options do not remain outstanding, or if the successor entity does not assume the options or substitute an equivalent award. The options also vest and become exercisable if the NEO is terminated by us without cause or by the NEO for good reason in connection with a change in control. If such termination occurs within six months prior to a change in control, then the options vest and become exercisable immediately prior to the change in control. If such termination occurs following a change in control (and the options remain outstanding, or the successor entity assumes the options or substitutes an equivalent award), then the options vest and become exercisable immediately prior to the NEO's termination.
- *Exchange of Shares*. An exchange of shares generally would occur if our shares are exchanged for securities listed on a national securities exchange (other than in connection with an initial public offering). The options vest and become exercisable upon the earliest of: (i) six months after such transaction's effective date; (ii) the date the NEO is terminated by us without cause or due to disability, or by the NEO for good reason, following such transaction or (iii) the date of the NEO's death following such transaction.

As of December 31, 2013, due to our limited operating history as a standalone company as of such time, it was estimated that the fair market value of our shares did not exceed the exercise price for any of our NEOs' stock options. As a result, it is believed that no value would have accrued to the NEOs upon the occurrence of a hypothetical vesting acceleration event on December 31, 2013.

Compensation Risk

The compensation committee has analyzed the potential risks arising from our compensation policies and practices, and has determined that there are no such risks that are reasonably likely to have a material adverse effect on us.

Director Compensation for 2013

Directors, who are our employees or who are representatives of Carlyle, receive no additional compensation for serving on our Board of Directors or its committees. Pursuant to our director compensation program as in effect prior to the consummation of this offering, we pay each of our other directors, which we refer to as our non-employee directors, $75,000 per year in cash for service on our Board of Directors, payable quarterly in arrears. Our non-employee directors are also eligible to receive awards under our equity incentive plans to the same extent as other service providers, except with regard to incentive stock options. Each of our non-employee directors received an option award to purchase up to 55,048 of our common shares in 2014. The option awards were intended as one-time grants tied to the commencement of the director's service with us. They were granted with an exercise price not less than fair market value on the date of grant and have escalating exercise prices similar to the options granted to our NEOs in 2013. The options vest in annual installments over five years beginning on the date of grant, except that for Mr. Bustos, the options were 20% vested as of the date of grant in recognition of his service with us during 2013.

In 2013, we provided the following compensation to Mr. Bustos, who was the only non-employee director providing services to us in 2013.

Name	Fees Earned or Paid in Cash ($)(1)	Option Awards ($)(2)	Total ($)
Orlando Bustos	75,000	486,211	561,211

(1) Represents cash compensation for Mr. Bustos's service on our Board of Directors in 2013. These amounts were paid in early 2014. Mr. Bustos is also the Chairman and Chief Executive Officer of OHorizons Global, an international management consulting firm. In connection with the Acquisition, prior to Mr. Bustos's service on our Board of Directors, we also paid consulting fees and expenses to OHorizons. For additional information, please see discussion under the heading "Certain Relationships and Related Person Transactions—OHorizons Consulting Agreement."

(2) Amount represents an option award to purchase up to 352,143 of our common shares granted to OHorizons Global as part of the consulting services. The options vest in five equal annual installments with the first installment vesting on January 1, 2014. For additional information, please see discussion under the heading "Certain Relationships and Related Person Transactions—OHorizons Consulting Agreement." The amount shown is the aggregate grant date fair value of the stock option award determined in accordance with FASB ASC Topic 718. Refer to Note 10 to our Audited Consolidated Financial Statements included elsewhere in this prospectus for information regarding the assumptions used to value these awards. The stock option awards described in the narrative above this director compensation table are not included in this table because they were granted in 2014.

Executive Compensation Plans

2014 Equity Incentive Plan

In connection with this offering, we will adopt the 2014 Plan. We are currently in the process of determining the terms and conditions of the 2014 Plan and will update this disclosure to provide a description of the 2014 Plan prior to the effectiveness of the registration statement of which this prospectus is a part.

Prior Equity Plan

In addition to the 2014 Plan, we also maintain a 2013 Equity Incentive Plan (the "2013 Plan"). Following the adoption of the 2014 Plan, we will not grant any future awards under the 2013 Plan. Our compensation committee administers the 2013 Plan.

Our Board of Directors and shareholders adopted and approved the 2013 Plan. The 2013 Plan authorized us to grant to our and our subsidiaries' employees, officers, directors and consultants options to purchase our common shares, restricted stock, restricted stock units and other stock-based awards. As of June 30, 2014, 17,098,022 options were outstanding under the 2013 Plan, and no other equity awards are outstanding under the 2013 Plan.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Our Board of Directors has adopted a written statement of policy for the evaluation of and the approval, disapproval and monitoring of transactions involving us and “related persons.” For the purposes of the policy, “related persons” will include our executive officers, directors, director nominees and shareholders owning five percent or more of our outstanding common shares, and each of their respective immediate family members.

The policy covers any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, the amount involved exceeds $100,000 and a related person had or will have a direct or indirect material interest. Pursuant to this policy, our management will present to our nominating and corporate governance committee each proposed related person transaction, including all relevant facts and circumstances relating thereto. Our nominating and corporate governance committee will then:

- review the relevant facts and circumstances of each related person transaction, including the financial terms of such transaction, the benefits to us, the availability of other sources for comparable products or services, if the transaction is on terms no less favorable to us than those that could be obtained in arm’s-length dealings with an unrelated third party or employees generally and the extent of the related person’s interest in the transaction; and
- take into account the impact on the independence of any independent director and the actual or apparent conflicts of interest.

All related person transactions may only be consummated if our nominating and corporate governance has approved or ratified such transaction in accordance with the guidelines set forth in the policy. Certain types of transactions have been pre-approved by our nominating and corporate governance under the policy. These pre-approved transactions include:

- the purchase of Axalta’s products and resolution of warranty claims relating to Axalta products on an arm’s length basis in the ordinary course of business on terms and conditions generally available to other similarly situated customers;
- transactions in the ordinary course of business where the interest of the related person arises solely from the ownership of a class of equity securities in our company where all holders of such class of equity securities will receive the same benefit on a pro rata basis;
- certain employment and compensation arrangements;
- transactions in the ordinary course of business where the related person’s interest arises only from: (i) his or her position as a director of another entity that is party to the transaction; (ii) an equity interest of less than 10% in another entity that is party to the transaction; or (iii) a limited partnership interest of less than 10%, subject to certain limitations; and
- transactions related to the provision of certain investment advisory and other services related to the Company’s employee benefit plan where the related person was not a related person at the time the Company engaged the related person for such services.

No director may participate in the approval of a related person transaction for which he or she, or his or her immediate family members, is a related person. In the event that no members of the nominating and corporate governance committee are disinterested with regard to a specific transaction, such transaction will be considered by the audit committee.

Consulting Agreement

On February 1, 2013, in connection with the Acquisition, we entered into a consulting agreement with Carlyle, pursuant to which we pay Carlyle a fee for consulting and oversight services provided to us and our subsidiaries. Pursuant to this agreement, subject to certain conditions, we pay an annual management fee to Carlyle of

$3 million plus expenses. Further, under this agreement Carlyle was entitled to additional reasonable fees and compensation agreed upon by the parties for advisory and other services provided by Carlyle to us from time to time, including additional advisory and other services associated with acquisitions and divestitures or sales of equity or debt instruments. Carlyle also received a one-time transaction fee of $35 million upon consummation of the Acquisition for transactional advisory and other services. Except for this one-time transaction fee, Carlyle did not provide any additional services beyond consulting and oversight services for the years ended December 31, 2013 and 2012. We will pay Carlyle a fee of approximately $13.4 million to terminate the consulting agreement in connection with the consummation of this offering.

Stockholders Agreements

In connection with the Acquisition we entered into a stockholders agreement, which we amended and restated on July 31, 2013, and to which Carlyle, members of management who hold our common shares and certain other of our shareholders are party. Certain of the operative provisions of that stockholders agreement will terminate upon the consummation of this initial public offering; however, the management stockholders party to that agreement will continue to be restricted thereunder from transferring any of their shares for 180 days after the initial public offering. Upon the effectiveness of the registration statement of which this prospectus forms a part, we expect to enter into a new stockholders agreement with Carlyle (the "principal stockholders agreement"). Pursuant to the principal stockholders agreement, we expect our Board of Directors will initially consist of nine members, with Carlyle having the right to designate eight of the board members and, in addition, our principal executive officer shall have the right to serve as a board member, who, for so long as he serves as our Chief Executive Officer, will be Mr. Shaver. We expect that the size of our Board of Directors will be increased to consist of 11 directors, of which Carlyle, pursuant to the terms of the principal stockholders agreement, will have the right to designate ten directors. The number of board members that Carlyle (or such permitted transferee or affiliate) is entitled to designate is subject to maintaining certain ownership thresholds. If Carlyle (or such permitted transferee or affiliate) loses its right to designate any directors pursuant to the terms of the principal stockholders agreement, these positions will be filled by our stockholders in accordance with our memorandum of association and our amended and restated bye-laws. See "Description of Share Capital" for more information regarding our memorandum of association and our amended and restated bye-laws. In addition, the principal stockholders agreement will provide that each committee of the Board of Directors will include a proportional number of directors designated by Carlyle (or such permitted transferee or affiliate) that is no less than the proportion of directors designated by Carlyle then serving on our Board of Directors designated by Carlyle as is then serving on the Board of Directors), subject to Company's obligation to comply with any applicable independence requirements.

The principal stockholders agreement will also include provisions pursuant to which we will grant Carlyle (or such permitted transferee or affiliate) the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of our common shares held by Carlyle (or such permitted transferee or affiliate) or to piggyback on such registration statements in certain circumstances. These shares will represent approximately 79.6% of our common shares after this offering, or 76.6% if the underwriters exercise their option to purchase additional shares in full. These shares also may be sold under Rule 144 under the Securities Act, depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates. The principal stockholders agreement will also require us to indemnify Carlyle (or such permitted transferee or affiliate) and its affiliates in connection with any registrations of our securities.

Indemnification Agreements

In connection with the completion of this offering, we expect to enter into indemnification agreements with each of our directors and certain of our officers. We expect that these indemnification agreements will provide the directors and officers with contractual rights to indemnification and expense advancement that are, in some cases, broader than the specific indemnification provisions contained under Bermuda law. We believe that these indemnification agreements will be, in form and substance, substantially similar to those commonly entered into in transactions of like size and complexity sponsored by private equity firms.

Employment Agreements

See “Compensation Discussion and Analysis—Employment, Severance and Change in Control Arrangements” for information regarding the employment agreements that we have entered into with certain of our executive officers.

OHorizons Consulting Agreement

In connection with the Acquisition, we paid consulting fees and expenses to OHorizons, an international management consulting network, of approximately $2.1 million, of which $0.1 million was incurred in the Successor year ended December 31, 2013 and the remainder was incurred in the Successor period from August 24, 2012 through December 31, 2012. One of our directors, Orlando Bustos, is the Chairman and Chief Executive Officer of OHorizons Global. As part of the compensation for the consulting services, we granted OHorizons Global an option award to purchase up to 352,143 of our common shares that had a fair value of approximately $0.5 million.

Service King Collision Repair

Service King Collision Repair, an affiliate of Carlyle, has purchased products from our distributors in the past and may continue to do so in the future. In August 2013, we entered into a new long-term sales agreement with Service King to be their exclusive provider of coatings. Terms of the agreement are consistent with industry standards. Related party sales for the Successor year ended December 31, 2013 were $2.0 million.

Common Share Purchases by Officers and Directors

Since August 24, 2012, certain of our officers and directors have purchased an aggregate 1,604,384 of our common shares at fair market value with an aggregate purchase price of approximately $10 million.

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PRINCIPAL AND SELLING SHAREHOLDERS

We had 229,069,356 common shares outstanding as of June 30, 2014 after giving effect to the 1.69-for-1 stock split described elsewhere in this prospectus, which were owned by 20 shareholders. As of June 30, 2014, certain investment funds affiliated with Carlyle owned approximately 99.5% of our common shares, while the remainder is owned by our Chairman and Chief Executive Officer and certain of our current employees.

The following table sets forth information with respect to the beneficial ownership of our common shares as of June 30, 2014, and as adjusted to reflect the common shares offered hereby, by:

- each person known to own beneficially more than 5% of the capital stock, including each of our selling shareholders;
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

The amounts and percentages of shares beneficially owned are reported on the basis of SEC regulations governing the determination of beneficial ownership of securities. Under SEC rules, a person is deemed to be a "beneficial" owner of a security if that person has or shares voting power or investment power, which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days. Securities that can be so acquired are deemed to be outstanding for purposes of computing any other person's percentage. Under these rules, more than one person may be deemed to be a beneficial owner of securities as to which such person has no economic interest.

The following table gives effect to the 1.69-for-1 stock split described elsewhere in this prospectus. Except as otherwise indicated in these footnotes, each of the beneficial owners listed has, to our knowledge, sole voting and investment power with respect to the shares of capital stock and the business address of each such beneficial owner is c/o Axalta Coating Systems Ltd., Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, Pennsylvania 19103.

	Shares Beneficially Owned Prior to the Offering		Shares Beneficially Owned After the Offering			
			Excluding Exercise of Option to Purchase Additional Shares		Including Exercise of Option to Purchase Additional Shares	
Name of Beneficial Owner	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Principal Shareholders						
Investments funds affiliated with The Carlyle Group(1)	227,811,996	98.00%	182,811,996	78.65%	176,061,996	75.74%
Executive Officers and Directors						
Charles W. Shaver(2)	2,123,522	*	2,123,522	*	2,123,522	*
Robert W. Bryant(3)	691,577	*	691,577	*	691,577	*
Stephen K. Markevich(4)	557,186	*	557,186	*	557,186	*
Joseph F. McDougall(5)	256,255	*	256,255	*	256,255	*
Michael F. Finn(6)	308,149	*	308,149	*	308,149	*
Orlando A. Bustos(7)	151,867	*	151,867	*	151,867	*
Robert M. McLaughlin	69,290	*	69,290	*	69,290	*
Andreas C. Kramvis	277,732	*	277,732	*	277,732	*
Martin W. Sumner	—	—	—	—	—	—
Wesley T. Bieligk	—	—	—	—	—	—
Gregor P. Böhm	—	—	—	—	—	—
Allan M. Holt	—	—	—	—	—	—
Gregory S. Ledford	—	—	—	—	—	—
All executive officers and directors as a group (14 persons)	4,139,156	1.78	4,139,156	1.78	4,139,156	1.78

* Denotes less than 1.0% of beneficial ownership.

(1) Includes 49,388,381 shares held by Carlyle Partners V SA1 Cayman, L.P. ("CPV SA1"), 43,171,969 shares held by Carlyle Partners V SA2 Cayman, L.P. ("CPV SA2"), 44,513,933 shares held by Carlyle Partners V SA3 Cayman, L.P. ("CPV SA3"), 2,773,866 shares held by Carlyle Partners V-A Cayman, L.P. ("CPV-A"), 5,324,317 shares held by CP V Coinvestment A Cayman, L.P. ("CPV Coinvest A"), 639,204 shares held by CP V Coinvestment B Cayman, L.P. ("CPV Coinvest B"), 28,969,654 shares held by Carlyle Coatings Partners, L.P. ("CCP" and, together with CPV SA1, CPV SA2, CPV SA3, CPV-A, CPV Coinvest A and CPV Coinvest B, the "Carlyle Cayman Shareholders") and 53,030,672 shares held by CEP III Participations, S.à r.l. SICAR ("CEP III" and, together with the Carlyle Cayman Shareholders, the "Carlyle Shareholders").

Carlyle Group Management L.L.C. is the general partner of The Carlyle Group L.P., which is a publicly traded entity listed on NASDAQ. The Carlyle Group L.P. is the managing member of Carlyle Holdings II GP L.L.C., which is the general partner of Carlyle Holdings II L.P., which is the general partner of TC Group Cayman Investment Holdings, L.P., which is the general partner of TC Group Cayman Investment Holdings Sub L.P., which is the sole member of CP V General Partner, L.L.C. and the sole shareholder of CEP III Managing GP Holdings, Ltd. CP V General Partner, L.L.C. is the general partner of TC Group V Cayman, L.P., which is the general partner of each of the Carlyle Cayman Shareholders. CEP III Managing GP Holdings, Ltd. is the general partner of CEP III Managing GP, L.P., which is the general partner of Carlyle Europe Partners III, L.P., which is the sole shareholder of CEP III.

Voting and investment determinations with respect to the shares held by the Carlyle Cayman Shareholders are made by an investment committee of TC Group V, L.P. comprised of Daniel D'Aniello, William Conway, David Rubenstein, Louis Gerstner, Allan Holt, Peter Clare, Gregor Böhm, Kewsong Lee and Thomas Mayrhofer. Voting and investment determinations with respect to the shares held by the CEP III are made by an investment committee of CEP III Managing GP, L.P. comprised of Daniel D'Aniello, William Conway, David Rubenstein, Louis Gerstner, Allan Holt, Kewsong Lee and Thomas Mayrhofer. Each member of the investment committees disclaims beneficial ownership of such shares.

The address for each of TC Group Cayman Investment Holdings, L.P., TC Group Cayman Investment Holdings Sub L.P., TC Group V Cayman, L.P. and the Carlyle Cayman Shareholders is c/o Intertrust Corporate Services, 190 Elgin Avenue, George Town, Grand Cayman, E9 KY1-9005, Cayman Islands. The address for CEP III is c/o The Carlyle Group, 2, avenue Charles de Gaulle, L -1653 Luxembourg, Luxembourg. The address of each of the other persons or entities named in this footnote is c/o The Carlyle Group, 1001 Pennsylvania Ave. NW, Suite 220 South, Washington, D.C. 20004-2505.

(2) Includes 338,000 common shares and 1,785,522 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus.

(3) Includes 84,500 common shares and 607,077 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus.

(4) Includes 144,532 common shares and 412,654 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus.

(5) Includes 38,025 common shares and 218,230 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus.

(6) Includes 109,758 common shares and 198,391 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus.

(7) Includes 11,010 common shares which may be acquired upon the exercise of stock options which have vested and are held directly by the reporting person. Also includes 140,857 common shares which may be acquired upon the exercise of stock options which have vested or will vest within 60 days of the filing of this prospectus held by OHorizons Global, a firm of which Mr. Bustos is the Chairman and Chief Executive Officer.

DESCRIPTION OF SHARE CAPITAL

The following description of our share capital summarizes certain provisions of our amended memorandum of association and our amended and restated bye-laws that will become effective as of the closing of this offering. Such summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of our amended memorandum of association and amended and restated bye-laws, copies of which have been filed as exhibits to the registration statement of which this prospectus forms a part. Prospective investors are urged to read the exhibits for a complete understanding of our amended memorandum of association and amended and restated bye-laws.

General

We are an exempted company incorporated under the laws of Bermuda. We are registered with the Registrar of Companies in Bermuda under registration number 46832. We were incorporated on August 24, 2012 under the name Flash Bermuda Co. Ltd. Our registered office is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The objects of our business are unrestricted, and the Company has the capacity of a natural person. We can therefore undertake activities without restriction on our capacity.

Prior to the closing of this offering our shareholders will approve certain amendments to our bye-laws that will become effective upon closing of this offering. The following description assumes that such amendments have become effective.

Since our incorporation, other than an increase in our authorized share capital to 1,000,000,000 shares, there have been no material changes to our share capital, mergers, amalgamations or consolidations of us or any of our subsidiaries, no material changes in the mode of conducting our business, no material changes in the types of products produced or services rendered. On May 9, 2013, we changed our name from Flash Bermuda Co. Ltd. to Axalta Coating Systems Bermuda Co., Ltd., and on August 8, 2014, we changed our name from Axalta Coating Systems Bermuda Co., Ltd. to Axalta Coating Systems Ltd. There have been no bankruptcy, receivership or similar proceedings with respect to us or our subsidiaries.

There have been no public takeover offers by third parties for our shares nor any public takeover offers by us for the shares of another company that have occurred during the last or current financial years.

We have applied for listing of our common shares on the NYSE under the symbol “AXTA”.

Initial settlement of our common shares will take place on the closing date of this offering through The Depository Trust Company (“DTC”) in accordance with its customary settlement procedures for equity securities registered through DTC’s book-entry transfer system. Each person beneficially owning common shares registered through DTC must rely on the procedures thereof and on institutions that have accounts therewith to exercise any rights of a holder of the common shares.

Share Capital

Immediately following the completion of this offering, our authorized share capital will consist of issued common shares, par value $1.00 per share, and undesignated shares, par value $1.00 per share that our Board of Directors is authorized to designate from time to time as common shares or as preference shares. Upon completion of this offering, there will be 229,069,356 common shares issued and outstanding, excluding 710,270 common shares issuable upon exercise of options granted as of June 30, 2014, and no preference shares issued and outstanding. All of our issued and outstanding common shares prior to completion of this offering are and will be fully paid.

Pursuant to our amended and restated bye-laws, subject to the requirements of the NYSE and to any resolution of the shareholders to the contrary, our Board of Directors is authorized to issue any of our authorized but unissued shares. There are no limitations on the right of non-Bermudians or non-residents of Bermuda to hold or vote our shares.

Common Shares

Holders of common shares have no pre-emptive, redemption, conversion or sinking fund rights. Holders of common shares are entitled to one vote per share on all matters submitted to a vote of holders of common shares. Unless a different majority is required by law or by our amended and restated bye-laws, resolutions to be approved by holders of common shares require approval by a simple majority of votes cast at a meeting at which a quorum is present.

In the event of our liquidation, dissolution or winding up, the holders of common shares are entitled to share equally and ratably in our assets, if any, remaining after the payment of all of our debts and liabilities, subject to any liquidation preference on any issued and outstanding preference shares.

Preference Shares

Pursuant to Bermuda law and our amended and restated bye-laws, our Board of Directors may, by resolution, establish one or more series of preference shares having such number of shares, designations, dividend rates, relative voting rights, conversion or exchange rights, redemption rights, liquidation rights and other relative participation, optional or other special rights, qualifications, limitations or restrictions as may be fixed by the Board of Directors without any further shareholder approval. Such rights, preferences, powers and limitations, as may be established, could have the effect of discouraging an attempt to obtain control of the company.

Dividend Rights

Under Bermuda law, a company may not declare or pay dividends if there are reasonable grounds for believing that: (i) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) that the realizable value of its assets would thereby be less than its liabilities. Under our amended and restated bye-laws, each common share is entitled to dividends if, as and when dividends are declared by our Board of Directors, subject to any preferred dividend right of the holders of any preference shares.

Any cash dividends payable to holders of our common shares listed on the NYSE will be paid to American Stock Transfer & Trust Company, LLC, our paying agent in the United States for disbursement to those holders.

Variation of Rights

If at any time we have more than one class of shares, the rights attaching to any class, unless otherwise provided for by the terms of issue of the relevant class, may be varied either: (i) with the consent in writing of the holders of 75% of the issued shares of that class; or (ii) with the sanction of a resolution passed by a majority of the votes cast at a general meeting of the relevant class of shareholders at which a quorum consisting of at least two persons holding or representing one-third of the issued shares of the relevant class is present. Our amended and restated bye-laws specify that the creation or issue of shares ranking equally with existing shares will not, unless expressly provided by the terms of issue of existing shares, vary the rights attached to existing shares. In addition, the creation or issue of preference shares ranking prior to common shares will not be deemed to vary the rights attached to common shares or, subject to the terms of any other class or series of preference shares, to vary the rights attached to any other class or series of preference shares.

Transfer of Shares

Our Board of Directors may, in its absolute discretion and without assigning any reason, refuse to register the transfer of a share on the basis that it is not fully paid. Our Board of Directors may also refuse to recognize an instrument of transfer of a share unless it is accompanied by the relevant share certificate and such other evidence of the transferor's right to make the transfer as our Board of Directors shall reasonably require. Subject to these restrictions, a holder of common shares may transfer the title to all or any of his common shares by completing a form of transfer in the form set out in our amended and restated bye-laws (or as near thereto as circumstances admit) or in such other common form as our Board of Directors may accept. The instrument of transfer must be signed by the transferor and transferee, although in the case of a fully paid share our Board of Directors may accept the instrument signed only by the transferor.

Where our shares are listed or admitted to trading on any appointed stock exchange, such as the NYSE, they will be transferred in accordance with the rules and regulations of such exchange.

Meetings of Shareholders

Under Bermuda law, a company is required to convene at least one general meeting of shareholders each calendar year, which we refer to as the annual general meeting. However, the shareholders may by resolution waive this requirement, either for a specific year or period of time, or indefinitely. When the requirement has been so waived, any shareholder may, on notice to the company, terminate the waiver, in which case an annual general meeting must be called. We have chosen not to waive the convening of an annual general meeting.

Bermuda law provides that a special general meeting of shareholders may be called by the Board of Directors of a company and must be called upon the request of shareholders holding not less than 10% of the paid-up capital of the company carrying the right to vote at general meetings. Bermuda law also requires that shareholders be given at least five days' advance notice of a general meeting, but the accidental omission to give notice to any person does not invalidate the proceedings at a meeting. Our amended and restated bye-laws provide that our Board of Directors may convene an annual general meeting and the chairman or a majority of our directors then in office may convene a special general meeting. Under our amended and restated bye-laws, at least 14 days' notice of an annual general meeting or ten days' notice of a special general meeting must be given to each shareholder entitled to vote at such meeting. This notice requirement is subject to the ability to hold such meetings on shorter notice if such notice is agreed: (i) in the case of an annual general meeting by all of the shareholders entitled to attend and vote at such meeting; or (ii) in the case of a special general meeting by a majority in number of the shareholders entitled to attend and vote at the meeting holding not less than 95% in nominal value of the shares entitled to vote at such meeting. Subject to the rules of the NYSE, the quorum required for a general meeting of shareholders is two or more persons present in person at the start of the meeting and representing in person or by proxy in excess of 50% of all issued and outstanding common shares.

Access to Books and Records and Dissemination of Information

Members of the general public have a right to inspect the public documents of a company available at the office of the Registrar of Companies in Bermuda. These documents include a company's amended and restated memorandum of association, including its objects and powers, and certain alterations to the amended and restated memorandum of association. The shareholders have the additional right to inspect the bye-laws of the company, minutes of general meetings and the company's audited financial statements, which must be presented in the annual general meeting. The register of members of a company is also open to inspection by shareholders and by members of the general public without charge. The register of members is required to be open for inspection for not less than two hours in any business day (subject to the ability of a company to close the register of members for not more than thirty days in a year). A company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act establish a branch register outside of Bermuda. A company is required to keep at its registered office a register of directors and officers that is open for inspection for not less than two hours in any business day by members of the public without charge. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

Election and Removal of Directors

Our amended and restated bye-laws provide that our Board of Directors shall consist of such number of directors as the Board of Directors may determine. After this offering, our Board of Directors will consist of nine directors. Our Board of Directors is divided into three classes that are, as nearly as possible, of equal size. Each class of directors is elected for a three-year term of office, but the terms are staggered so that the term of only one class of directors expires at each annual general meeting. The initial terms of the Class I, Class II and Class III directors will expire in 2015, 2016 and 2017, respectively. At each succeeding annual general meeting, successors to the class of directors whose term expires at the annual general meeting will be elected for a three-year term.

A shareholder holding not less than 10% in nominal value of the common shares in issue may propose for election as a director someone who is not an existing director or is not proposed by our Board of Directors. Where a Director is to be elected at an annual general meeting, notice of any such proposal for election must be given not less than 90 days nor more than 120 days before the anniversary of the last annual general meeting prior to the giving of the notice or, in the event the annual general meeting is called for a date that is not less than 30 days before or after such anniversary the notice must be given not later than ten days following the earlier of the date on which notice of the annual general meeting was posted to shareholders or the date on which public disclosure of the date of the annual general meeting was made. Where a Director is to be elected at a special general meeting, that notice must be given not later than 7 days following the earlier of the date on which notice of the special general meeting was posted to shareholders or the date on which public disclosure of the date of the special general meeting was made.

For so long as investment funds affiliated with Carlyle own more than 50% of the common shares in issue, a director may be removed with or without cause by the shareholders, provided notice of the shareholders meeting convened to remove the director is given to the director. The notice must contain a statement of the intention to remove the director and a summary of the facts justifying the removal and must be served on the director not less than 14 days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

Once investment funds affiliated with Carlyle cease to own more than 50% of the common shares in issue, a director may be removed, only with cause, by the shareholders, provided notice of the shareholders meeting convened to remove the director is given to the director. The notice must contain a statement of the intention to remove the director and a summary of the facts justifying the removal and must be served on the director not less than 14 days before the meeting. The director is entitled to attend the meeting and be heard on the motion for his removal.

Proceedings of Board of Directors

Our amended and restated bye-laws provide that our business is to be managed and conducted by our Board of Directors. Bermuda law permits individual and corporate directors and there is no requirement in our bye-laws or Bermuda law that directors hold any of our shares. There is also no requirement in our amended and restated bye-laws or Bermuda law that our directors must retire at a certain age.

The compensation of our directors is determined by the Board of Directors, and there is no requirement that a specified number or percentage of “independent” directors must approve any such determination. Our directors may also be paid all travel, hotel and other reasonable out-of-pocket expenses properly incurred by them in connection with our business or their duties as directors.

A director who discloses a direct or indirect interest in any contract or arrangement with us as required by Bermuda law is not entitled to vote in respect of any such contract or arrangement in which he or she is interested unless the chairman of the relevant meeting of the Board of Directors determines that such director is not disqualified from voting.

Indemnification of Directors and Officers

Section 98 of the Companies Act provides generally that a Bermuda company may indemnify its directors, officers and auditors against any liability which by virtue of any rule of law would otherwise be imposed on them in respect of any negligence, default, breach of duty or breach of trust, except in cases where such liability arises from fraud or dishonesty of which such director, officer or auditor may be guilty in relation to the company. Section 98 further provides that a Bermuda company may indemnify its directors, officers and auditors against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is awarded in their favor or in which they are acquitted or granted relief by the Supreme Court of Bermuda pursuant to Section 281 of the Companies Act.

Our amended and restated bye-laws provide that we shall indemnify our officers and directors in respect of their actions and omissions, except in respect of their fraud or dishonesty, and that we shall advance funds to our officers and directors for expenses incurred in their defense upon receipt of an undertaking to repay the funds if any allegation of fraud or dishonesty is proved. Our amended and restated bye-laws provide that the shareholders waive all claims or rights of action that they might have, individually or in right of the company, against any of the company's directors or officers for any act or failure to act in the performance of such director's or officer's duties, except in respect of any fraud or dishonesty of such director or officer. Section 98A of the Companies Act permits us to purchase and maintain insurance for the benefit of any officer or director in respect of any loss or liability attaching to him in respect of any negligence, default, breach of duty or breach of trust, whether or not we may otherwise indemnify such officer or director. We have purchased and maintain a directors' and officers' liability policy for such purpose.

Amendment of Memorandum of Association and Bye-laws

Bermuda law provides that the memorandum of association of a company may be amended by a resolution passed at a general meeting of shareholders. Our amended and restated bye-laws provide that no bye-law shall be rescinded, altered or amended, and no new bye-law shall be made, unless it shall have been approved by a resolution of our Board of Directors and by a resolution of our shareholders including the affirmative vote of a majority of all votes entitled to be cast on the resolution.

Under Bermuda law, the holders of an aggregate of not less than 20% in par value of a company's issued share capital or any class thereof have the right to apply to the Supreme Court of Bermuda for an annulment of any amendment of the memorandum of association adopted by shareholders at any general meeting, other than an amendment that alters or reduces a company's share capital as provided in the Companies Act. Where such an application is made, the amendment becomes effective only to the extent that it is confirmed by the Supreme Court of Bermuda. An application for an annulment of an amendment of the memorandum of association must be made within 21 days after the date on which the resolution altering the company's memorandum of association is passed and may be made on behalf of persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. No application may be made by shareholders voting in favor of the amendment.

Amalgamations and Mergers

The amalgamation or merger of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the amalgamation or merger agreement to be approved by the company's Board of Directors and by its shareholders. Unless the company's bye-laws provide otherwise, the approval of 75% of the shareholders voting at such meeting is required to approve the amalgamation or merger agreement, and the quorum for such meeting must be two or more persons holding or representing more than one-third of the issued shares of the company.

Under Bermuda law, in the event of an amalgamation or merger of a Bermuda company with another company or corporation, a shareholder of the Bermuda company who did not vote in favor of the amalgamation or merger and who is not satisfied that fair value has been offered for such shareholder's shares may, within one month of notice of the shareholders meeting, apply to the Supreme Court of Bermuda to appraise the fair value of those shares.

Shareholder Suits

Class actions and derivative actions are generally not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.

When the affairs of a company are being conducted in a manner that is oppressive or prejudicial to the interests of some part of the shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company.

Our amended and restated bye-laws contain a provision by virtue of which our shareholders waive any claim or right of action that they have, both individually and on our behalf, against any director or officer in relation to any action or failure to take action by such director or officer, except in respect of any fraud or dishonesty of such director or officer. We have been advised by the SEC that in the opinion of the SEC, the operation of this provision as a waiver of the right to sue for violations of federal securities laws would likely be unenforceable in U.S. courts.

Capitalization of Profits and Reserves

Pursuant to our amended and restated bye-laws, our Board of Directors may (i) capitalize any part of the amount of our share premium or other reserve accounts or any amount credited to our profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata (except in connection with the conversion of shares) to the shareholders; or (ii) capitalize any sum standing to the credit of a reserve account or sums otherwise available for dividend or distribution by paying up in full, partly paid or nil paid shares of those shareholders who would have been entitled to such sums if they were distributed by way of dividend or distribution.

Registrar or Transfer Agent

A register of holders of the common shares will be maintained by Codan Services Limited in Bermuda, and a branch register will be maintained in the United States by American Stock Transfer & Trust Company, LLC, which will serve as branch registrar and transfer agent.

Untraced Shareholders

Our amended and restated bye-laws provide that our Board of Directors may forfeit any dividend or other monies payable in respect of any shares that remain unclaimed for six years from the date when such monies became due for payment. In addition, we are entitled to cease sending dividend warrants and checks by post or otherwise to a shareholder if such instruments have been returned undelivered to, or left uncashed by, such shareholder on at least two consecutive occasions or, following one such occasion, reasonable enquires have failed to establish the shareholder's new address. This entitlement ceases if the shareholder claims a dividend or cashes a dividend check or a warrant.

Certain Provisions of Bermuda Law

We have been designated by the Bermuda Monetary Authority as a non-resident for Bermuda exchange control purposes. This designation allows us to engage in transactions in currencies other than the Bermuda dollar, and there are no restrictions on our ability to transfer funds (other than funds denominated in Bermuda dollars) in and out of Bermuda or to pay dividends to U.S. residents who are holders of our common shares.

The Bermuda Monetary Authority has given its consent for the issue and free transferability of all of the common shares that are the subject of this offering to and between residents and non-residents of Bermuda for exchange control purposes, provided our shares remain listed on an appointed stock exchange, which includes the NYSE. Approvals or permissions given by the Bermuda Monetary Authority do not constitute a guarantee by the Bermuda Monetary Authority as to our performance or our creditworthiness. Accordingly, in giving such consent or permissions, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda shall be liable for the financial soundness, performance or default of our business or for the correctness of any opinions or statements expressed in this prospectus. Certain issues and transfers of common shares involving persons deemed resident in Bermuda for exchange control purposes require the specific consent of the Bermuda Monetary Authority.

In accordance with Bermuda law, share certificates are only issued in the names of companies, partnerships or individuals. In the case of a shareholder acting in a special capacity (for example as a trustee), certificates may, at the request of the shareholder, record the capacity in which the shareholder is acting. Notwithstanding such recording of any special capacity, we are not bound to investigate or see to the execution of any such trust.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common shares, and no predictions can be made about the effect, if any, that market sales of our common shares or the availability of such shares for sale will have on the market price prevailing from time to time. Nevertheless, the actual sale of, or the perceived potential for the sale of, our common shares in the public market may have an adverse effect on the market price for our common shares and could impair our ability to raise capital through future sales of our securities. See "Risk Factors—Risks Related to this Offering and Ownership of our Common Shares—Future sales of our common shares in the public market could lower our share price, and any additional capital raised by us through the sale of equity or convertible debt securities may dilute your ownership in us and may adversely affect the market price of our common shares." Upon the completion of this offering, we will have 229,069,356 outstanding common shares. Of these shares, 827,246 common shares will be freely transferable without restriction or further registration under the Securities Act by persons other than "affiliates," as that term is defined in Rule 144 under the Securities Act. Generally, the balance of our outstanding common shares are "restricted securities" within the meaning of Rule 144 under the Securities Act, subject to the limitations and restrictions that are described below. Common shares purchased by our affiliates will be "restricted securities" under Rule 144. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rules 144 or 701 promulgated under the Securities Act.

Lock-Up Agreements

In connection with this offering, we, our executive officers and directors and Carlyle have agreed, subject to certain exceptions, not to sell or transfer any common shares or securities convertible into, exchangeable for, exercisable for, or repayable with our common shares, for 180 days after the date of this prospectus without first obtaining the written consent of the representatives of the underwriters. Requests for the consent of the representatives of the underwriters to the sale of shares by us, our executive officers or our directors or by Carlyle prior to the expiration of these lock-up agreements will be considered on a case-by-case basis by the representatives. When determining whether or not to grant their consent, the representatives may consider, among other factors, the reasons given by us or the relevant shareholder, as applicable, for requesting the consent, the number of shares for which the consent is being requested and market conditions at such time. See "Underwriting."

Rule 144

In general, under Rule 144 as in effect on the date of this prospectus, beginning 90 days after the consummation of this offering, a person (or persons whose common shares are required to be aggregated) who is an affiliate and who has beneficially owned our common shares for at least six months is entitled to sell in any three-month period a number of shares that does not exceed the greater of:

- 1% of the number of shares then outstanding, which will equal approximately 2.3 million shares immediately after consummation of this offering; or
- the average weekly trading volume in our shares on the NYSE during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such a sale.

Sales by our affiliates under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us. An "affiliate" is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with an issuer.

Under Rule 144, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the 90 days preceding a sale, and who has beneficially owned the shares proposed to be sold for at least six months (including the holding period of any prior owner other than an affiliate), would be entitled to sell those shares subject only to availability of current public information about us, and after beneficially owning such shares for at least 12 months (including the holding period of any prior owner other than an affiliate), would be entitled to sell an unlimited number of shares without restriction. To the extent that our affiliates sell their common shares, other than pursuant to Rule 144 or a registration statement, the purchaser's holding period for the purpose of effecting a sale under Rule 144 commences on the date of transfer from the affiliate.

Rule 701

In general, under Rule 701 as in effect on the date of this prospectus, any of our employees, directors, officers, consultants or advisors who purchased shares from us in reliance on Rule 701 in connection with a compensatory stock or option plan or other written agreement before the effective date of this offering, or who purchased shares from us after that date upon the exercise of options granted before that date, are eligible to resell such shares 90 days after the effective date of this offering in reliance upon Rule 144. If such person is not an affiliate, such sale may be made subject only to the manner of sale provisions of Rule 144. If such a person is an affiliate, such sale may be made under Rule 144 without compliance with the holding period requirement, but subject to the other Rule 144 restrictions described above.

S-8 Registration Statement

In conjunction with this offering, we expect to file a registration statement on Form S-8 under the Securities Act, which will register up to 28,971,593 common shares available for issuance under our equity incentive plans. That registration statement will become effective upon filing, and 827,246 common shares covered by such registration statement are eligible for sale in the public market immediately after the effective date of such registration statement, subject to Rule 144 volume limitations applicable to affiliates, vesting restrictions with us and the lock-up agreements described above.

Registration Rights

We intend to enter into a principal stockholders agreement in connection with the completion of this offering, pursuant to which we will grant Carlyle (or such permitted transferee or affiliate) the right to cause us, in certain instances, at our expense, to file registration statements under the Securities Act covering resales of our common shares held by Carlyle (or such permitted transferee or affiliate) or to piggyback on such registration statements in certain circumstances. These shares will represent approximately 79.6% of our common shares after this offering, or 76.6% if the underwriters exercise their option to purchase additional shares in full. These shares also may be sold under Rule 144 under the Securities Act, depending on their holding period and subject to restrictions in the case of shares held by persons deemed to be our affiliates. The principal stockholders agreement will also require us to indemnify certain of our shareholders and their affiliates in connection with any registrations of our securities. We do not anticipate that the principal stockholders agreement will contain any prescribed cash penalties or additional penalties as a result of delays in registering our common shares.

BERMUDA COMPANY CONSIDERATIONS

Our corporate affairs are governed by our memorandum of association and bye-laws and by the corporate law of Bermuda. The provisions of the Companies Act, which applies to us, differ in certain material respects from laws generally applicable to U.S. companies incorporated in the State of Delaware and their stockholders. The following is a summary of significant differences between the Companies Act (including modifications adopted pursuant to our bye-laws) and Bermuda common law applicable to us and our shareholders and the provisions of the Delaware General Corporation Law applicable to U.S. companies organized under the laws of Delaware and their stockholders.

Bermuda	Delaware
Shareholder meetings	
– May be called by the board of directors and must be called upon the request of shareholders holding not less than 10% of the paid-up capital of the company carrying the right to vote at general meetings.	– May be held at such time or place as designated in the certificate of incorporation or the bylaws, or if not so designated, as determined by the board of directors.
– May be held in or outside Bermuda.	– May be held in or outside of Delaware.
– Notice:	– Notice:
– Shareholders must be given at least five days' advance notice of a general meeting, but the unintentional failure to give notice to any person does not invalidate the proceedings at a meeting.	– Written notice shall be given not less than ten nor more than 60 days before the meeting.
– Notice of general meetings must specify the place, the day and hour of the meeting and in the case of special general meetings, the general nature of the business to be considered.	– Whenever stockholders are required to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, and the means of remote communication, if any.
Shareholder's voting rights	
– Shareholders may act by written consent to elect directors. Shareholders may not act by written consent to remove a director or auditor.	– With limited exceptions, stockholders may act by written consent to elect directors unless prohibited by the certificate of incorporation.
– Generally, except as otherwise provided in the bye-laws, or the Companies Act, any action or resolution requiring approval of the shareholders may be passed by a simple majority of votes cast. Any person authorized to vote may authorize another person or persons to act for him or her by proxy.	– Any person authorized to vote may authorize another person or persons to act for him or her by proxy.
– The voting rights of shareholders are regulated by a company's bye-laws and, in certain circumstances, by the Companies Act. The bye-laws may specify the number to constitute a quorum and if the bye-laws permit, a general	– For stock corporations, the certificate of incorporation or bylaws may specify the number to constitute a quorum, but in no event shall a quorum consist of less than one-third of shares entitled to vote at a meeting. In the absence of

Bermuda	Delaware
meeting of the shareholders of a company may be held with only one individual present if the requirement for a quorum is satisfied.	such specifications, a majority of shares entitled to vote shall constitute a quorum.
– Our bye-laws provide that when a quorum is once present in general meeting it is not broken by the subsequent withdrawal of any shareholders.	– When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any stockholders.
– The bye-laws may provide for cumulative voting, although our bye-laws do not.	– The certificate of incorporation may provide for cumulative voting.
– The amalgamation or merger of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the amalgamation or merger agreement to be approved by the company's board of directors and by its shareholders. Unless the company's bye-laws provide otherwise, the approval of 75% of the shareholders voting at such meeting is required to approve the amalgamation or merger agreement, and the quorum for such meeting must be two or more persons holding or representing more than one-third of the issued shares of the company.	– Any two or more corporations existing under the laws of the state may merge into a single corporation pursuant to a board resolution and upon the majority vote by stockholders of each constituent corporation at an annual or special meeting.
– Every company may at any meeting of its board of directors sell, lease or exchange all or substantially all of its property and assets as its board of directors deems expedient and in the best interests of the company to do so when authorized by a resolution adopted by the holders of a majority of issued and outstanding shares of a company entitled to vote.	– Every corporation may at any meeting of the board sell, lease or exchange all or substantially all of its property and assets as its board deems expedient and for the best interests of the corporation when so authorized by a resolution adopted by the holders of a majority of the outstanding stock of a corporation entitled to vote.
– Any company that is the wholly owned subsidiary of a holding company, or one or more companies which are wholly owned subsidiaries of the same holding company, may amalgamate or merge without the vote or consent of shareholders provided that the approval of the board of directors is obtained and that a director or officer of each such company signs a statutory solvency declaration in respect of the relevant company.	– Any corporation owning at least 90% of the outstanding shares of each class of another corporation may merge the other corporation into itself and assume all of its obligations without the vote or consent of stockholders; however, in case the parent corporation is not the surviving corporation, the proposed merger shall be approved by a majority of the outstanding stock of the parent corporation entitled to vote at a duly called stockholder meeting.
– Any mortgage, charge or pledge of a company's property and assets may be authorized without the consent of shareholders subject to any restrictions under the bye-laws.	– Any mortgage or pledge of a corporation's property and assets may be authorized without the vote or consent of stockholders, except to the extent that the certificate of incorporation otherwise provides.

Bermuda	Delaware
Directors	
– The board of directors must consist of at least one director.	– The board of directors must consist of at least one member.
– The number of directors is fixed by the bye-laws, and any changes to such number must be approved by the board of directors and/or the shareholders in accordance with the company's bye-laws.	– Number of board members shall be fixed by the bylaws, unless the certificate of incorporation fixes the number of directors, in which case a change in the number shall be made only by amendment of the certificate of incorporation.
– Removal: – Under our bye-laws, as long as investment funds affiliated with Carlyle hold a majority of the common shares in issue, any or all directors may be removed, with or without cause by the holders of a majority of the shares entitled to vote at a special meeting convened and held in accordance with the bye-laws for the purpose of such removal. Once investment funds affiliated with Carlyle cease to own a majority of our common shares in issue, any or all directors may be removed only with cause by the holders of a majority of the shares entitled to vote at a special meeting convened and held in accordance with the bye-laws for the purpose of such removal.	– Removal: – Any or all of the directors may be removed, with or without cause, by the holders of a majority of the shares entitled to vote unless the certificate of incorporation otherwise provides. – In the case of a classified board, stockholders may effect removal of any or all directors only for cause.
Duties of directors	
– The Companies Act authorizes the directors of a company, subject to its bye-laws, to exercise all powers of the company except those that are required by the Companies Act or the company's bye-laws to be exercised by the shareholders of the company. Our bye-laws provide that our business is to be managed and conducted by our Board of Directors. At common law, members of a board of directors owe a fiduciary duty to the company to act in good faith in their dealings with or on behalf of the company and exercise their powers and fulfill the duties of their office honestly. This duty includes the following essential elements: – a duty to act in good faith in the best interests of the company; – a duty not to make a personal profit from opportunities that arise from the office of director; – a duty to avoid conflicts of interest; and – a duty to exercise powers for the purpose for which such powers were intended.	– Under Delaware law, the business and affairs of a corporation are managed by or under the direction of its board of directors. In exercising their powers, directors are charged with a fiduciary duty of care to protect the interests of the corporation and a fiduciary duty of loyalty to act in the best interests of its stockholders. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to stockholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its stockholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the stockholders generally.

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– The Companies Act imposes a duty on directors and officers of a Bermuda company: – to act honestly and in good faith with a view to the best interests of the company; and – to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. – The Companies Act also imposes various duties on directors and officers of a company with respect to certain matters of management and administration of the company. Under Bermuda law, directors and officers generally owe fiduciary duties to the company itself, not to the company's individual shareholders, creditors or any class thereof. Our shareholders may not have a direct cause of action against our directors.	– In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.
Takeovers	
– An acquiring party is generally able to acquire compulsorily the common shares of minority holders of a company in the following ways: – By a procedure under the Companies Act known as a "scheme of arrangement." A scheme of arrangement could be effected by obtaining the agreement of the company and of holders of common shares, representing in the aggregate a majority in number and at least 75% in value of the common shareholders present and voting at a court ordered meeting held to consider the scheme of arrangement. The scheme of arrangement must then be sanctioned by the Bermuda Supreme Court. If a scheme of arrangement receives all necessary agreements and sanctions, upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme of arrangement. – By acquiring pursuant to a tender offer 90% of the shares or class of shares not already owned by, or by a nominee for, the acquiring party (the offeror), or any of its subsidiaries. If an offeror has, within four months after the making of an offer for all the shares or class of shares not owned by, or by a nominee for, the offeror, or any of its subsidiaries, obtained the approval of the holders of 90% or more of all	– Delaware law provides that a parent corporation, by resolution of its board of directors and without any stockholder vote, may merge with any subsidiary of which it owns at least 90% of each class of its capital stock. Upon any such merger, and in the event the parent corporate does not own all of the stock of the subsidiary, dissenting stockholders of the subsidiary are entitled to certain appraisal rights. – Delaware law also provides, subject to certain exceptions, that if a person acquires 15% of voting stock of a company, the person is an "interested stockholder" and may not engage in "business combinations" with the company for a period of three years from the time the person acquired 15% or more of voting stock.

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the shares to which the offer relates, the offeror may, at any time within two months beginning with the date on which the approval was obtained, by notice compulsorily acquire the shares of any nontendering shareholder on the same terms as the original offer unless the Supreme Court of Bermuda (on application made within a one-month period from the date of the offeror's notice of its intention to acquire such shares) orders otherwise. – Where the acquiring party or parties hold not less than 95% of the shares or a class of shares of the company, by acquiring, pursuant to a notice given to the remaining shareholders or class of shareholders, the shares of such remaining shareholders or class of shareholders. When this notice is given, the acquiring party is entitled and bound to acquire the shares of the remaining shareholders on the terms set out in the notice, unless a remaining shareholder, within one month of receiving such notice, applies to the Supreme Court of Bermuda for an appraisal of the value of their shares. This provision only applies where the acquiring party offers the same terms to all holders of shares whose shares are being acquired.	
Dissenter's rights of appraisal	
– A dissenting shareholder (that did not vote in favor of the amalgamation or merger) of a Bermuda exempted company is entitled to be paid the fair value of his or her shares in an amalgamation or merger.	– With limited exceptions, appraisal rights shall be available for the shares of any class or series of stock of a corporation in a merger or consolidation. – The certificate of incorporation may provide that appraisal rights are available for shares as a result of an amendment to the certificate of incorporation, any merger or consolidation or the sale of all or substantially all of the assets.
Dissolution	
– Under Bermuda law, a solvent company may be wound up by way of a shareholders' voluntary liquidation. Prior to the company entering liquidation, a majority of the directors shall each make a statutory declaration, which states that the directors have made a full enquiry into the affairs of the company and have formed the opinion that the company will be able to pay its debts within a period of 12 months of the commencement of the	– Under Delaware law, a corporation may voluntarily dissolve (i) if a majority of the board of directors adopts a resolution to that effect and the holders of a majority of the issued and outstanding shares entitled to vote thereon vote for such dissolution; or (ii) if all stockholders entitled to vote thereon consent in writing to such dissolution.

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winding up and must file the statutory declaration with the Registrar of Companies in Bermuda. The general meeting will be convened primarily for the purposes of passing a resolution that the company be wound up voluntarily and appointing a liquidator. The winding up of the company is deemed to commence at the time of the passing of the resolution.	
Shareholder's derivative actions	
– Class actions and derivative actions are generally not available to shareholders under Bermuda law. Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.	– In any derivative suit instituted by a stockholder of a corporation, it shall be averred in the complaint that the plaintiff was a stockholder of the corporation at the time of the transaction of which he complains or that such stockholder's stock thereafter devolved upon such stockholder by operation of law.

TAXATION

The following sets forth material Bermuda and U.S. federal income tax consequences of an investment in our common shares. It is based upon laws and relevant interpretations thereof as of the date of this prospectus, all of which are subject to change. This discussion does not address all possible tax consequences relating to an investment in our common shares, such as the tax consequences under U.S. state, local and other tax laws.

Bermuda Tax Considerations

At the present time, there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by us or by our shareholders in respect of our shares. We have obtained an assurance from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 that, in the event that any legislation is enacted in Bermuda imposing any tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not, until March 31, 2035, be applicable to us or to any of our operations or to our shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by us in respect of real property owned or leased by us in Bermuda.

U.S. Federal Income Tax Considerations

The following discussion describes the material U.S. federal income tax consequences to U.S. Holders (defined below) (and solely to the extent described below under "—FATCA," to non-U.S. persons) under present law of an investment in our common shares. The discussion below applies only to U.S. Holders that acquire our common shares in this offering, hold our common shares as capital assets and that have the U.S. dollar as their functional currency. The discussion below is based on the Code, existing and, in some cases, proposed U.S. Treasury regulations, as well as judicial and administrative interpretations thereof, all as of date of this prospectus. All of the foregoing authorities are subject to change or differing interpretation, which change or differing interpretation could apply retroactively and could affect the tax consequences described below. There can be no assurance that the U.S. Internal Revenue Service will not assert a different position concerning any of the tax consequences discussed below or that any such position would not be sustained by a court. This summary does not address any estate or gift tax consequences or any state, local, or non-U.S. tax consequences, nor does it address the Medicare contribution tax on net investment income.

The following discussion does not deal with the tax consequences to any particular investor and does not describe all of the tax consequences to persons in special tax situations such as:

- banks;
- certain financial institutions;
- regulated investment companies;
- insurance companies;
- broker dealers;
- traders that elect to mark to market;
- tax-exempt entities;
- persons liable for alternative minimum tax;
- certain U.S. expatriates;
- persons holding our common shares as part of a straddle, hedging, constructive sale, conversion or integrated transaction;
- persons that actually or constructively own 10% or more of the company's voting stock;

- persons that are resident or ordinarily resident in or have a permanent establishment in a jurisdiction outside the United States;
- persons who acquired our common shares pursuant to the exercise of any employee share option or otherwise as compensation; or
- persons holding our common shares through partnerships or other pass-through entities.

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR ORDINARY SHARES.

The discussion below of the U.S. federal income tax consequences to “U.S. Holders” applies to a holder that is a beneficial owner of our common shares and is, for U.S. federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) organized under the laws of the United States, any State or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The tax treatment of an entity taxable as a partnership for U.S. federal income tax purposes that holds our common shares generally will depend on such partner’s status and the activities of the partnership.

Dividends

Subject to the passive foreign investment company rules discussed below, the gross amount of distributions made by the Company with respect to our common shares (including the amount of any non-U.S. taxes withheld therefrom, if any) generally will be includable in a U.S. Holder’s gross income in the year received as dividend income, but only to the extent that such distributions are paid out of the Company’s current or accumulated earnings and profits as determined under U.S. federal income tax principles. The Company does not currently maintain calculations of its earnings and profits under U.S. federal income tax principles because the Company currently has no intentions of making distributions to its shareholders. Nevertheless, the Company may compute and maintain calculations of its earnings and profits under U.S. federal income tax principles if and when the Company’s decision on distributions changes. Absent a calculation by the Company of its earnings and profits under U.S. federal income tax principles, a U.S. Holder should expect to treat all cash distributions as dividends for such purposes. The dividends will not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from other U.S. corporations. With respect to certain non-corporate U.S. Holders (including individuals), dividends may be taxed at the lower capital gains rate applicable to “qualified dividend income,” provided that (1) our common shares are readily tradable on an established securities market in the United States, (2) the Company is neither a PFIC (as defined below) nor treated as such with respect to the U.S. Holder for the taxable year in which the dividend is paid and the preceding taxable year and (3) certain holding period requirements are met. Under U.S. Internal Revenue Service authority, common or ordinary shares generally are considered, for purposes of clause (1) above to be readily tradable on an established securities market in the United States if they are listed on the NYSE, as our common shares are.

The dividends will generally be foreign source and considered “passive category” income, and non-U.S. taxes withheld therefrom, if any, may be creditable against the U.S. Holder’s U.S. federal income tax liability, subject to applicable limitations. If the Company is a “United States-owned foreign corporation,” however, a portion of the dividends allocable to the Company's U.S. source earnings and profits may be re-characterized as U.S. source. A "United States-owned foreign corporation" is any foreign corporation in which U.S. persons own, directly or indirectly, 50% or more (by vote or by value) of the stock. In general, United States-owned foreign corporations with less than 10% of earnings and profits attributable to sources within the United States are excepted from these rules. The rules governing the treatment of foreign taxes and foreign tax credits are complex, and U.S. Holders should consult their tax advisors about the impact of these rules in their particular situations.

Sale or Other Disposition of Common Shares

Subject to the passive foreign investment company rules discussed below, upon a sale or other disposition of our common shares, a U.S. Holder will recognize a capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized and the U.S. Holder's tax basis in such common shares. Any such gain or loss generally will be U.S. source gain or loss and will be treated as long-term capital gain or loss if the U.S. Holder's holding period in our common shares exceeds one year. Non-corporate U.S. Holders (including individuals) generally will be subject to U.S. federal income tax on long-term capital gain at preferential rates. The deductibility of capital losses is subject to significant limitations.

Passive Foreign Investment Company

We would be classified as a passive foreign investment company (a "PFIC"), for any taxable year if either: (a) at least 75% of our gross income is "passive income" for purposes of the PFIC rules or (b) at least 50% of the value of our assets (determined on the basis of a quarterly average) produce or are held for the production of passive income. For this purpose, we will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock. Under the PFIC rules, if we were considered a PFIC at any time that a U.S. Holder holds our common shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC and (ii) the U.S. Holder has made a "deemed sale" election under the PFIC rules.

Based on the anticipated market price of our common shares in this offering and expected price of our common shares following this offering, and the composition of our income and assets as well as current and expected operations, we do not expect to be treated as a PFIC for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. This is a factual determination, however, that must be made annually after the close of each taxable year. Therefore, there can be no assurance that we will not be classified as a PFIC for the current taxable year or for any future taxable year.

If we are considered a PFIC at any time that a U.S. Holder holds our common shares, any gain recognized by the U.S. Holder on a sale or other disposition of our common shares, as well as the amount of any "excess distribution" (defined below) received by the U.S. Holder, would be allocated ratably over the U.S. Holder's holding period for our common shares. The amounts allocated to the taxable year of the sale or other disposition (or the taxable year of receipt, in the case of an excess distribution) and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed. For the purposes of these rules, an excess distribution is the amount by which any distribution received by a U.S. Holder on its ordinary shares exceeds 125% of the average of the annual distributions on our common shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of our common shares.

If we are treated as a PFIC with respect to a U.S. Holder for any taxable year, the U.S. Holder will be deemed to own shares in any of our subsidiaries that are also PFICs and generally be subject to the treatment described above with respect to any distribution on or disposition of such shares. An election for mark-to-market treatment, however, would likely not be available with respect to any such subsidiaries. If we are considered a PFIC, a U.S. Holder will also be subject to information reporting requirements on an annual basis. U.S. Holders should consult their own tax advisors about the potential application of the PFIC rules to an investment in our common shares.

U.S. Information Reporting and Backup Withholding

Dividend payments with respect to our common shares and proceeds from the sale, exchange or redemption of our common shares may be subject to information reporting to the U.S. Internal Revenue Service and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status may be required to provide such certification on U.S. Internal Revenue Service Form W-9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and such holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the U.S. Internal Revenue Service and furnishing any required information.

Information With Respect to Foreign Financial Assets

Certain U.S. Holders who are individuals and certain entities may be required to report information relating to our common shares, subject to certain exceptions (including an exception for common shares held in accounts maintained by certain U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their ownership and disposition of our common shares.

FATCA

Provisions under Sections 1471 through 1474 of the Code and applicable Treasury Regulations commonly referred to as "FATCA" generally impose 30% withholding on certain "withholdable payments" and, in the future, may impose such withholding on "foreign passthru payments" made by a "foreign financial institution" (each as defined in the Code) that has entered into an agreement with the U.S. Internal Revenue Service to perform certain diligence and reporting obligations with respect to the foreign financial institution's U.S.-owned accounts. The applicable Treasury Regulations treat an entity as a "financial institution" if it is a holding company formed in connection with or availed of by a private equity fund or other similar investment vehicle established with an investment strategy of investing, reinvesting, or trading in financial assets. The United States has entered into an IGA with Bermuda, which modifies the FATCA withholding regime described above, although the U.S. Internal Revenue Service and Bermuda tax authorities have not yet provided final guidance regarding compliance with the Bermuda IGA. It is not clear whether we would be treated as a financial institution subject to the diligence, reporting and withholding obligations under FATCA or the Bermuda IGA. Furthermore, it is not yet clear how the Bermuda IGA will address foreign passthru payments. Prospective investors should consult their tax advisors regarding the potential impact of FATCA, the Bermuda IGA and any non-U.S. legislation implementing FATCA, on their investment in our common shares.

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UNDERWRITING

Citigroup Global Markets Inc., Goldman, Sachs & Co., Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us, the selling shareholders and the underwriters, the selling shareholders have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from the selling shareholders, the number of our common shares set forth opposite its name below.

Underwriter	Number of Shares
Citigroup Global Markets Inc.	
Goldman, Sachs & Co.	
Deutsche Bank Securities Inc.	
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
Morgan Stanley & Co. LLC	
Jefferies LLC	
UBS Securities LLC	
Robert W. Baird & Co. Incorporated	
BB&T Capital Markets, a division of BB&T Securities, LLC	
Nomura Securities International, Inc.	
SMBC Nikko Securities America, Inc.	
Total	45,000,000

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We and the selling shareholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers' certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The representatives have advised us and the selling shareholders that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed. Sales of shares made outside of the United States may be made by affiliates of the underwriters.

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The following table shows the public offering price and underwriting discount that the selling shareholders are to pay to the underwriters in connection with this offering. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Paid by the Selling Shareholder	
	No Exercise	Full Exercise
Per Share	$	$
Total	$	$

The expenses of the offering, including expenses incurred by the selling shareholders but not including the underwriting discount, are estimated at $6,500,000 million, and are payable by us. We have agreed to reimburse the underwriters for certain expenses relating to clearing this offering with the Financial Industry Regulatory Authority, Inc. in an amount up to $20,000.

The underwriters have agreed to reimburse us for certain expenses incurred by us in connection with this offering upon closing of the offering.

The selling shareholders have granted an option to the underwriters to purchase up to 6,750,000 additional common shares at the public offering price, less the underwriting discount. The underwriters may exercise this option within 30 days of the date of this prospectus. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional common shares proportionate to that underwriter's initial amount reflected in the above table.

We, our executive officers and directors and certain of our existing security holders, including the selling shareholders, have agreed, subject to certain exceptions, not to sell or transfer any common shares or securities convertible into, exchangeable for, exercisable for, or repayable with common shares, for 180 days after the date of this prospectus without first obtaining the written consent of the representatives of the underwriters. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly:

- offer, pledge, sell or contract to sell any common shares;
- sell any option or contract to purchase any common shares;
- purchase any option or contract to sell any common shares;
- grant any option, right or warrant for the sale of any common shares;
- otherwise dispose of or transfer any common shares;
- request or demand that we file a registration statement related to the common shares; or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common shares whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to common shares and to securities convertible into or exchangeable or exercisable for or repayable with common shares. It also applies to common shares owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. Requests for the consent of the representatives of the underwriters to the sale of shares by us, our executive officers or our directors or by Carlyle prior to the expiration of these lock-up agreements will be considered on a case-by-case basis by the representatives. When determining whether or not to grant their consent, the representatives may consider, among other factors, the reasons given by us or the relevant shareholder, as applicable, for requesting the consent, the number of shares for which the consent is being requested and market conditions at such time.

In the event that either (x) during the last 17 days of the lock-up period referred to above, we issue an earnings release or material news or a material event relating to us occurs or (y) prior to the expiration of the lock-up period, we announce that we will release earnings results or become aware that material news or a material event will occur during the 16-day period beginning on the last day of the lock-up period, we have agreed to extend the restrictions described above until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

We have applied to list our common shares on the NYSE under the symbol “AXTA”.

Before this offering, there has been no public market for our common shares. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us;
- our financial information;
- the history of, and the prospects for, us and the industry in which we compete;
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future net sales; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the common shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the common shares in the aggregate to accounts over which they exercise discretionary authority.

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common shares. However, the representatives may engage in transactions that stabilize the price of the common shares, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common shares in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option to purchase additional shares. “Naked” short sales are sales in excess of the option to purchase additional shares. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common shares in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common shares made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common shares or preventing or retarding a decline in the market price of our common shares. As a result, the price of our common shares may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the exchange on which our common shares will be listed, in the over-the-counter market or otherwise.

None of us, the selling shareholders or any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common shares. In addition, none of us, the selling shareholders or any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail. In addition, the representatives may facilitate Internet distribution for this offering to certain of its Internet subscription customers. The representatives may allocate a limited number of common shares for sale to its online brokerage customers. An electronic prospectus is available on Internet web sites maintained by the representatives. Other than the prospectus in electronic format, the information on the web sites of the representatives is not part of this prospectus.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory, investment banking, commercial banking and other services for us for which they received or will receive customary fees and expenses. Furthermore, certain of the underwriters and their respective affiliates may, from time to time, enter into arm's-length transactions with us in the ordinary course of their business.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of ours. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC, Jefferies & Company, Inc., UBS Securities LLC and SMBC Nikko Capital Market Limited were initial purchasers in connection with our offering of the Senior Notes.

Affiliates of Citigroup Global Markets Inc., Goldman, Sachs & Co., Deutsche Bank Securities Inc., J.P. Morgan Securities LLC, Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC, Jefferies LLC, UBS Securities LLC and SMBC Nikko Securities America, Inc. are lenders and/or agents under the Senior Secured Credit Facilities.

Other than in the United States, no action has been taken by us, the selling shareholders or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State"), no offer of shares may be made to the public in that Relevant Member State other than:

A. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

B. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives; or

C. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of shares shall require us or the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive. In the case of any shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

We, the representatives and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

This prospectus has been prepared on the basis that any offer of shares in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of shares. Accordingly any person making or intending to make an offer in that Relevant Member State of shares which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for us or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of shares in circumstances in which an obligation arises for us or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression "an offer to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the

Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

LEGAL MATTERS

The validity of the common shares and certain other matters of Bermuda law will be passed upon for us by Conyers Dill & Pearman Pte. Ltd., our special Bermuda counsel. Certain matters of U.S. federal and New York State law will be passed upon for us by Latham & Watkins LLP, Washington, District of Columbia, and for the underwriters by Cravath, Swaine & Moore LLP, New York, New York.

EXPERTS

The consolidated financial statements of Axalta Coating Systems Ltd. as of December 31, 2013 and 2012 and for the year ended December 31, 2013 and for the period August 24, 2012 to December 31, 2012, and the combined financial statements of the Predecessor, Dupont Performance Coatings, a business formerly owned by E. I. du Pont de Nemours and Company, as of December 31, 2012 and 2011 and for the period January 1, 2013 to January 31, 2013 and for the years ended December 31, 2012 and 2011, included in this Prospectus have been so included in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 pursuant to the Securities Act. This prospectus, which constitutes part of the registration statement, does not contain all the information set forth in the registration statement. For further information, we refer you to the registration statement and the exhibits and schedules filed as a part of the registration statement. Statements contained in this prospectus as to the contents of any contract or other document filed as an exhibit to the registration statement are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, we refer you to the copy of the contract or document that has been filed.

You may inspect a copy of the registration statement and the exhibits and schedules to the registration statement without charge at the Public Reference Room of the SEC at 100 F Street, NE, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. You can receive copies of these documents upon payment of a duplicating fee by writing to the SEC. The SEC maintains a web site at www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. You can also inspect our registration statement on this web site.

Upon completion of this offering, we will become subject to the information and reporting requirements of the Exchange Act pursuant to Section 13 thereof. Our filings with the SEC (other than those exhibits specifically incorporated by reference into the registration statement of which this prospectus forms a part) are not incorporated by reference into this prospectus.

ENFORCEMENT OF JUDGMENTS

We are a Bermuda exempted company. As a result, the rights of holders of our common shares will be governed by Bermuda law and our memorandum of association and bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. A number of our directors and some of the named experts referred to in this prospectus are not residents of the United States, and a substantial portion of our assets are located outside the United States. As a result, it may be difficult for investors to effect service of process on those persons in the United States or to enforce in the United States judgments obtained in U.S. courts against us or those persons based on the civil liability provisions of the U.S. securities laws. It is doubtful whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including the United States, against us or our directors or officers under the securities laws of those jurisdictions or entertain actions in Bermuda against us or our directors or officers under the securities laws of other jurisdictions. Our registered address in Bermuda is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Condensed Consolidated (Successor)
Statements of Operations (Unaudited)
(Dollars in millions, except share and per share data)

	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Net sales	$ 326.2	$ 1,783.6	$ 2,174.0
Other revenue	1.1	13.7	14.7
Total revenue	327.3	1,797.3	2,188.7
Cost of goods sold	232.2	1,327.6	1,446.0
Selling, general and administrative expenses	70.8	397.0	497.3
Research and development expenses	3.7	18.5	23.4
Amortization of acquired intangibles	—	38.0	42.4
Merger and acquisition related expenses	—	28.1	—
Income (loss) from operations	20.6	(11.9)	179.6
Interest expense, net	—	90.4	113.9
Bridge financing commitment fees	—	25.0	—
Other expense, net	5.0	59.1	2.9
Income (loss) before income taxes	15.6	(186.4)	62.8
Provision (benefit) for income taxes	7.1	(8.1)	10.7
Net income (loss)	8.5	(178.3)	52.1
Less: Net income attributable to noncontrolling interests	0.6	2.3	2.6
Net income (loss) attributable to controlling interests	$ 7.9	$ (180.6)	$ 49.5
Earnings (loss) per common share attributable to Axalta (basic and diluted)		$ (0.77)	$ 0.22
Weighted average shares outstanding, basic and diluted		228,149,996	229,069,356

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Condensed Consolidated (Successor)
Statements of Comprehensive Income (Loss) (Unaudited)
(Dollars in millions)

	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Net income (loss)	$ 8.5	$ (178.3)	$ 52.1
Other comprehensive income (loss), before tax:			
Foreign currency translation adjustments	—	13.1	(9.9)
Unrealized gain (loss) on securities	0.2	(1.4)	0.8
Unrealized gain (loss) on derivatives	—	7.4	(5.0)
Unrealized gain on pension and other benefit plan obligations	1.1	—	4.8
Other comprehensive income (loss), before tax	1.3	19.1	(9.3)
Income tax (provision) benefit related to items of other comprehensive income (loss)	(0.5)	(2.4)	1.0
Other comprehensive income (loss), net of tax	0.8	16.7	(8.3)
Comprehensive income (loss)	9.3	(161.6)	43.8
Less: Comprehensive income attributable to noncontrolling interests	0.6	2.3	2.6
Comprehensive income (loss) attributable to controlling interests	$ 8.7	$ (163.9)	$ 41.2

The accompanying notes are an integral part of these financial statements.

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AXALTA COATING SYSTEMS LTD.
Condensed Consolidated (Successor) Balance Sheets (Unaudited)
(Dollars in millions)

	Successor	
	December 31, 2013	June 30, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 459.3	$ 350.3
Restricted cash	—	1.9
Accounts and notes receivable, net	865.9	953.8
Inventories	550.2	576.4
Prepaid expenses and other assets	50.2	63.4
Deferred income taxes	30.0	18.1
Total current assets	1,955.6	1,963.9
Net property, plant, and equipment	1,622.6	1,621.3
Goodwill	1,113.6	1,110.1
Identifiable intangibles, net	1,439.6	1,394.4
Deferred financing costs, net	110.6	102.0
Deferred income taxes	271.9	285.4
Other assets	223.2	227.5
Total assets	$ 6,737.1	$ 6,704.6
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 478.5	$ 527.1
Current portion of borrowings	46.7	43.7
Deferred income taxes	5.5	6.3
Other accrued liabilities	472.7	415.3
Total current liabilities	1,003.4	992.4
Long-term borrowings	3,874.2	3,857.2
Deferred income taxes	280.4	270.4
Other liabilities	367.3	327.9
Total liabilities	$ 5,525.3	$ 5,447.9
Commitments and contingent liabilities (Note 7)		
Stockholders' equity		
Common stock, $1.00 par, 1,000,000,000 shares authorized, 229,069,356 shares issued and outstanding at June 30, 2014 and; 229,069,356 shares issued and outstanding at December 31, 2013	$ 229.1	$ 229.1
Capital in excess of par	1,133.7	1,137.5
Accumulated deficit	(253.9)	(204.4)
Accumulated other comprehensive income	34.0	25.7
Total stockholders' equity	1,142.9	1,187.9
Noncontrolling interests	68.9	68.8
Total stockholders' equity and noncontrolling interests	1,211.8	1,256.7
Total liabilities, stockholders' equity and noncontrolling interests	$ 6,737.1	$ 6,704.6

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Condensed Consolidated (Successor)
Statements of Cash Flows (Unaudited)
(Dollars in millions)

	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six months ended June 30, 2013	Six months ended June 30, 2014
Operating activities:			
Net income (loss)	$ 8.5	$ (178.3)	$ 52.1
Adjustment to reconcile net (loss) income to cash provided by (used for) operating activities:			
Depreciation and amortization	9.9	140.6	152.9
Amortization of financing costs and original issue discount	—	8.3	10.3
Fair value step up of acquired inventory sold	—	103.7	—
Bridge financing commitment fees	—	25.0	—
Debt modification fees	—	—	3.1
Deferred income taxes	9.1	(58.5)	(14.1)
Unrealized (gains) losses on derivatives	—	(7.6)	3.8
Realized and unrealized foreign exchange (gains) losses, net	4.5	35.2	(19.2)
Stock-based compensation	—	—	3.8
Other non-cash, net	(3.9)	(1.6)	(7.5)
Decrease (increase) in operating assets:			
Accounts and notes receivable	25.8	(37.8)	(112.3)
Inventories	(19.3)	35.5	(24.3)
Prepaid expenses and other assets	3.1	(23.5)	(41.4)
Increase (decrease) in operating liabilities:			
Accounts payable	(29.9)	47.6	59.5
Other accrued liabilities	(43.8)	74.9	(47.6)
Other liabilities	(1.7)	(1.9)	(5.4)
Cash provided by (used for) operating activities	(37.7)	161.6	13.7
Investing activities:			
Acquisition of DuPont Performance Coatings (net of cash acquired)	—	(4,827.0)	—
Purchase of property, plant and equipment	(2.4)	(23.4)	(100.8)
Purchase of interest rate cap		(3.1)	—
Settlement of foreign currency contract	—	(19.4)	—
Restricted cash	—	—	(1.9)
Purchase of intangibles	(6.3)	—	(0.2)
Purchase of investment in affiliate	(1.2)	—	—
Proceeds from sale of assets	1.6	0.7	0.1
Cash used for investing activities	(8.3)	(4,872.2)	(102.8)
Financing activities:			
Proceeds from Senior Secured Credit Facilities, net	—	2,817.3	—
Issuance of Senior Notes	—	1,089.4	—
Proceeds from short-term borrowings	—	5.0	16.7
Payments on short-term borrowings	—	(10.8)	(17.2)
Payments of deferred financing costs	—	(126.0)	—
Payments of long-term debt	—	—	(7.1)
Bridge financing commitment fees	—	(25.0)	—
Dividends paid to noncontrolling interests	—	(4.1)	(1.6)
Debt modification fees	—	—	(3.0)
Equity contribution	—	1,350.0	—
Net transfer from DuPont	43.0	—	—
Cash provided by (used for) financing activities	43.0	5,095.8	(12.2)
Increase (decrease) in cash and cash equivalents	(3.0)	385.2	(101.3)
Effect of exchange rate changes on cash	—	—	(7.7)
Cash and cash equivalents at beginning of period	28.7	—	459.3
Cash and cash equivalents at end of period	$ 25.7	$ 385.2	$ 350.3

The accompanying notes are an integral part of these financial statements.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
Financial Statements (Unaudited)
(Dollars in millions, unless otherwise noted)

(1) BASIS OF PRESENTATION OF THE INTERIM UNAUDITED COMBINED AND CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim combined and condensed consolidated financial statements included herein are unaudited. In the opinion of management, these statements include all adjustments, consisting only of normal, recurring adjustments, necessary for a fair statement of the financial position of Axalta Coating Systems Ltd. (formerly known as Flash Bermuda Co. Ltd. or Axalta Coating Systems Bermuda Co., Ltd.), a Bermuda exempted Limited Liability Company and its consolidated subsidiaries ("Axalta" or the "Company") at June 30, 2014 and December 31, 2013, the results of operations for the six months ended June 30, 2014 and 2013 and cash flows for the six months ended June 30, 2014 and June 30, 2013. These interim unaudited combined and condensed consolidated financial statements should be read in conjunction with the consolidated and combined financial statements and notes included in Axalta's Annual Report. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States.

The results of operations for the six months ended June 30, 2014 are not necessarily indicative of the results to be expected for a full year.

The acquisition by Axalta and certain of its indirect subsidiaries of all the capital stock, other equity interests and assets of certain entities which, together with their subsidiaries, comprised the assets and legal entities, which together with their subsidiaries, compromised the DuPont Performance Coatings business ("DPC') ("Acquisition") closed on February 1, 2013. The accompanying condensed consolidated balance sheets of Axalta at June 30, 2014 and December 31, 2013 and related interim consolidated statements of operations and consolidated statements of comprehensive income for the six months ended June 30, 2014 and 2013 and of cash flows for the six months ended June 30, 2014 and 2013 are labeled as "Successor." The consolidated financial statements for the Successor include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained.

The accompanying combined statements of operations and statements of comprehensive income for the period from January 1, 2013 through January 31, 2013 and of cash flows for the period from January 1, 2013 through January 31, 2013, do not include adjustments or transactions attributable to the Acquisition, and are labeled as "Predecessor". As a result of the application of acquisition accounting as of the closing date of the Acquisition, the financial statements for the Successor periods and the Predecessor periods are presented on a different basis and are, therefore, not comparable.

During the Predecessor periods, DPC operated either as a reportable segment or part of a reportable segment within E. I. du Pont de Nemours and Company, a corporation incorporated under the laws of the State of Delaware ("DuPont"); consequently, standalone financial statements were not historically prepared for DPC. The accompanying combined financial statements of DPC have been prepared from DuPont's historical accounting records and are presented on a standalone basis as if the operations had been conducted independently from DuPont. In this context, prior to presale structuring activities occurring in the latter part of 2012, no direct ownership relationship existed among all of the various legal entities comprising DPC. The Predecessor combined financial statements include the historical operations, assets and liabilities of the legal entities that are considered to comprise the DPC business.

DPC comprised certain standalone legal entities for which discrete financial information was available, as well as portions of legal entities for which discrete financial information was not available (shared entities). Discrete financial information was not available for DPC within shared entities as DuPont did not record every transaction at the DPC level, but rather at the DuPont corporate level. For shared entities for which discrete financial information was not available, allocation methodologies were applied to certain accounts to allocate amounts to DPC as discussed in Note 6.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
Financial Statements (Unaudited)
(Dollars in millions, unless otherwise noted)

The Predecessor interim unaudited combined statements of operations include all revenues and costs directly attributable to DPC, including costs for facilities, functions and services used by DPC. Costs for certain functions and services performed by centralized DuPont organizations were directly charged to DPC based on usage or other allocations methods. The results of operations also include allocations of (i) costs for administrative functions and services performed on behalf of DPC by centralized staff groups within DuPont, (ii) DuPont's general corporate expenses, and (iii) certain pension and other postretirement benefit costs. As more fully described in Note 12, current and deferred income taxes and related tax expense were determined on the standalone results of the DPC operations in each country as if it were a separate taxpayer (i.e., following the separate return methodology).

All charges and allocations of cost for facilities, functions and services performed by DuPont organizations were deemed paid by DPC to DuPont, in cash, in the period in which the costs were recorded in the Predecessor combined statement of operations. Allocations to DPC of current income taxes payable were deemed to have been remitted, in cash, to DuPont in the period the related tax expense was recorded. Allocations of current income taxes receivable were deemed to have been remitted to DPC, in cash, by DuPont in the period in which the receivable applies only to the extent that a refund of such taxes could have been recognized by DPC on a standalone basis under the law of the relevant taxing jurisdiction.

DuPont used a centralized approach to cash management and financing its operations. Accordingly, cash, cash equivalents, debt and interest expense were not allocated to DPC in the Predecessor combined financial statements. Transactions between DPC and DuPont were accounted for through the parent company net investment. DPC purchased materials and services from, and sold materials and services to, DuPont operations not included in the defined scope of DPC. Transactions between DuPont and DPC were deemed to be settled immediately through the parent company net investment. Cash, cash equivalents, debt and interest expense in the Predecessor interim unaudited combined balance sheet and statement of operations represent cash, cash equivalents, debt and interest expense held locally by certain of DPC's majority owned joint ventures. DuPont's current and long-term debt was not pushed down to the Predecessor interim unaudited combined financial statements because it was not specifically identifiable to DPC.

All of the allocations and estimates in the Predecessor interim unaudited combined financial statements were based on assumptions that management of DuPont and DPC believed were reasonable. However, the Predecessor interim unaudited combined financial statements included herein may not be indicative of the financial position, results of operations and cash flows of the Company in the future or if DPC had been a separate, standalone entity during the Predecessor periods presented.

Certain of our joint ventures are accounted for on a one-month lag basis, the effect of which is not material.

Reclassification and revisions

During the third quarter ended September 30, 2014, the Company identified errors in the determination of the effective interest rate amortization for the Deferred Financing Costs and Original Issue Discounts that were incurred in 2013 as part of the financing of the Acquisition. The correction of these items impacted the condensed consolidated balance sheets at June 30, 2014 and December 31, 2013, and the condensed consolidated statements of operations, and statements of comprehensive income (loss) for the six-month periods ending June 30, 2014 and 2013 presented herein. The Company assessed the applicable guidance and concluded that these errors were not material to the Company's condensed consolidated financial statements for the aforementioned prior periods; however, the Company did conclude that correcting these prior misstatements would be significant to the three and nine-month periods ended September 30, 2014 consolidated statement of operations. As a result of this analysis, the unaudited condensed consolidated financial statements at June 30, 2014 and December 31, 2013, and for the six-month periods ending June 30,

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
Financial Statements (Unaudited)
(Dollars in millions, unless otherwise noted)

2014 and 2013 presented herein have been revised to reflect the correction of the aforementioned errors. The correction of the error increased net income by $5.3 million and $8.1 million for the six months ended June 30, 2014 and 2013, respectively, through a reduction in interest expense of $6.0 million (net of a tax provision of $0.7 million) and $6.4 million (net of a tax benefit of $1.7 million), respectively. The correction of the error impacted Deferred Financing Costs, Long-term borrowings, Non-current deferred income tax assets and Other accrued liabilities by $15.3 million, ($3.9) million, ($2.5) million and ($0.1) million at June 30, 2014 and by $10.5 million, ($2.7) million, ($1.7) million and $0.0 million at December 31, 2013, respectively.

Certain reclassifications have been made to Net Sales, Other expense, net, and Selling, general and administrative expenses on the Predecessor combined statements of operations to conform to the Successor presentation.

As we have completed our accounting associated with the Acquisition, the finalization of our valuations and the refinement of our assumptions impacted the recognized values assigned to assets acquired and liabilities assumed. As a result, Net sales, depreciation expense, and income tax benefit were retrospectively adjusted to reflect a $4.6 million increase, a $7.9 million increase and a $2.6 million decrease, respectively, for the six months ended June 30, 2013.

(2) RECENT ACCOUNTING GUIDANCE

Accounting Guidance Issued But Not Yet Adopted

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2014-09 (Accounting Standard Codification 606), “Revenue from Contracts with Customers”, which sets forth the guidance that an entity should use related to revenue recognition. This ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is not permitted. We are in the process of assessing the impact the adoption of this ASU will have on our financial position, results of operations and cash flows.

(3) ACQUISITION OF DUPONT PERFORMANCE COATINGS

On August 30, 2012, we entered into a purchase agreement with DuPont whereby, Axalta and certain of its subsidiaries acquired from DuPont and its affiliates certain assets of DPC and all of the capital stock and other equity interests of certain entities engaged in the DPC business (the “Acquisition Agreement”) pursuant to which we acquired the assets and legal entities of DPC from DuPont for a purchase price of $4,925.9 million plus or minus a working capital adjustment and pension adjustment. Axalta and DuPont finalized the working capital and pension adjustments to the purchase price which resulted in a reduction to the purchase price of $18.6 million to $4,907.3 million.

We accounted for the Acquisition as a business combination in accordance with ASC 805, *Business Combinations*, using the acquisition method of accounting. At December 31, 2013, the amounts presented for the Acquisition were finalized.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
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(Dollars in millions, unless otherwise noted)

The following table summarizes the fair values of the net assets acquired as of the February 1, 2013 Acquisition date adjusted for measurement period adjustments:

	February 1, 2013 (As Initially Reported)	Measurement Period Adjustments	February 1, 2013 (As Adjusted)
Cash and cash equivalents	$ 79.7	$ —	$ 79.7
Accounts and notes receivable—trade, net	855.8	22.7	878.5
Inventories	673.0	3.0	676.0
Prepaid expenses and other	8.2	(1.3)	6.9
Net property, plant and equipment	1,707.7	(1.8)	1,705.9
Identifiable intangibles, net	1,539.3	(19.0)	1,520.3
Other assets—noncurrent	98.8	19.1	117.9
Accounts payable	(409.1)	(6.9)	(416.0)
Other accrued liabilities	(232.0)	7.5	(224.5)
Other liabilities	(331.1)	(35.3)	(366.4)
Deferred income taxes	(312.9)	223.2	(89.7)
Noncontrolling interests	(66.7)	—	(66.7)
Net assets acquired before goodwill on acquisition	3,610.7	211.2	3,821.9
Goodwill on acquisition	1,315.2	(229.8)	1,085.4
Net assets acquired	$ 4,925.9	$ (18.6)	$ 4,907.3

The measurement period adjustments reflect new information obtained about facts and circumstances that existed at the closing date of the Acquisition, primarily related to indemnification assets, inventories, other miscellaneous current assets and liabilities, property, plant and equipment, intangible assets, and the related deferred income taxes. With the exception of those items detailed in Note 1, no measurement period adjustments had a material impact on the statement of operations or cash flows requiring retrospective application.

The determination of Goodwill was recognized for the Acquisition as the excess of the purchase price over the net identifiable assets recognized. The Goodwill is primarily attributed to our assembled workforce, corporate and operational synergies and the going concern value of the anticipated future economic benefits associated with DPC being operated as a standalone entity.

The fair values of intangible assets were estimated using an income approach, either the excess earnings method (customer relationships) or the relief from royalty method (technology and trademarks). Under the excess earnings method, an intangible asset's fair value is equal to the present value of the incremental after-tax cash flows attributable solely to the intangible asset over its remaining useful life. Under the relief from royalty method, fair value is measured by estimating future revenue associated with the intangible asset over its useful life and applying a royalty rate to the revenue estimate. These intangible assets enable us to develop new products to meet the evolving business needs as well as competitively produce our existing products.

The fair value of real properties acquired was based on the consideration of their highest and best use in the market. The fair values of property, plant, and equipment, other than real properties, were based on the consideration that unless otherwise identified, they will continue to be used "as is" and as part of the ongoing business. In contemplation of the in-use premise and the nature of the assets, the fair value was developed primarily using a cost approach. The determination of the fair value of assets acquired and liabilities assumed involves assessing factors such as the expected future cash flows associated with individual assets and liabilities and appropriate discount rates at the date of the acquisition.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
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(Dollars in millions, unless otherwise noted)

The fair value of the noncontrolling interests, related to acquired joint ventures, were estimated by applying an income approach. This fair value measurement is based on significant inputs that are not observable in the market and thus represents a fair value measurement categorized within Level 3 of the fair value hierarchy. Key assumptions included a discount rate, a terminal value based on a range of long-term sustainable growth rates and adjustments because of the lack of control that market participants would consider when measuring the fair value of the noncontrolling interests.

The Company was formed on August 24, 2012 for the purpose of consummating the Acquisition of DPC and, consequently has no financial statements as of and for periods prior to that date. Prior to the Acquisition, we generated no revenue and incurred no expenses other than merger and acquisition costs and debt financing costs in anticipation of the Acquisition. We incurred merger and acquisition related costs of $29.0 million which were expensed during the Successor period August 24, 2012 through December 31, 2012 and incurred debt financing costs of $4.6 million which were recorded as Other assets and Other accrued liabilities as of December 31, 2012 (Successor). The $33.6 million of merger and acquisition related costs and debt financing costs incurred were accrued as a component of Other accrued liabilities at December 31, 2012 (Successor). The amounts were paid at closing of the Acquisition with proceeds from the borrowings under the Senior Secured Credit Facilities.

The following unaudited supplemental pro forma information presents the financial results as if the acquisition of DPC had occurred on January 1, 2012. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2012, nor is it indicative of any future results.

	Six Months Ended June 30, 2013 (Unaudited)
Net sales	$ 2,109.8
Net loss	$ (58.7)

The 2013 supplemental pro forma net loss was adjusted to exclude $53.1 million of acquisition-related costs incurred in 2013 and $123.1 million of non-recurring expense consisting primarily of $103.7 million related to the fair market value adjustment to acquisition-date inventory.

(4) GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

(a) ***Goodwill***

The following table shows changes in the carrying amount of goodwill for the Predecessor year ended December 31, 2012 and the Predecessor period from January 1, 2013 to January 31, 2013 by reportable segment:

	Performance Coatings	Transportation Coatings	Total
At January 1, 2012	$ 517.9	$ 70.9	$588.8
Foreign currency translation	—	—	—
December 31, 2012	$ 517.9	$ 70.9	$588.8
Foreign currency translation	—	—	—
January 31, 2013	$ 517.9	$ 70.9	$588.8

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
Financial Statements (Unaudited)
(Dollars in millions, unless otherwise noted)

The following table shows changes in the carrying amount of goodwill for the Successor six months ended June 30, 2014 by reportable segment:

	Performance Coatings	Transportation Coatings	Total
At January 1, 2014	$ 1,038.8	$ 74.8	$1,113.6
Purchase accounting adjustments	11.6	0.8	12.4
Foreign currency translation	(14.8)	(1.1)	(15.9)
June 30, 2014	$ 1,035.6	$ 74.5	$1,110.1

During the six months ended June 30, 2014 we identified and recorded purchase accounting adjustments of $12.4 million related to corrections subsequent to the end of the purchase accounting measurement period.

(b) ***Identifiable Intangible Assets***

The following table summarizes the gross carrying amounts and accumulated amortization of identifiable intangible assets by major class:

December 31, 2013	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods
Technology	$ 425.2	$ (37.3)	$ 387.9	10.0
Trademarks—indefinite-lived	284.4	—	284.4	Indefinite
Trademarks—definite-lived	41.7	(2.6)	39.1	14.8
Customer relationships	761.9	(34.9)	727.0	19.4
Non-compete agreements	1.5	(0.3)	1.2	4.0
Total	$1,514.7	$ (75.1)	$1,439.6	

June 30, 2014	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods
Technology	$ 425.1	$ (57.9)	$ 367.2	10.0
Trademarks—indefinite-lived	284.4	—	284.4	Indefinite
Trademarks—definite-lived	41.7	(4.1)	37.6	14.8
Customer relationships	760.3	(56.1)	704.2	19.4
Non-compete agreements	1.5	(0.5)	1.0	4.0
Total	$1,513.0	$ (118.6)	$1,394.4	

Activity related to in process research and development projects for the six months ended June 30, 2014:

	Beginning Balance at January 1, 2014	Completed	Abandoned	Ending Balance at June 30, 2014
In Process Research and Development	$ 15.7	$ (4.1)	$ (0.1)	$ 11.5

Amortization expense for the Predecessor period from January 1, 2013 through January 31, 2013 was $2.6 million, which was primarily reported as a reduction in Net sales. Amortization expense for the Successor six months ended June 30, 2014 was $42.4 million. Amortization of acquired intangibles, including the impairment loss of $3.2 million associated with abandoned in process research and development projects, for the Successor six months ended June 30, 2013 was $38.0 million.

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The estimated amortization expense for the remainder of 2014 and for each of the succeeding five years is:

2014	$ 42.1
2015	$ 84.2
2016	$ 84.2
2017	$ 83.8
2018	$ 83.8
2019	$ 83.8

(5) RESTRUCTURING

(a) ***Successor Periods***

In accordance with the applicable guidance for Nonretirement Postemployment Benefits, we accounted for termination benefits and recognized liabilities when the loss was considered probable that employees were entitled to benefits and the amounts could be reasonably estimated.

Since the Acquisition date, we have incurred costs associated with involuntary termination benefits associated with corporate-related initiatives associated with our transition and cost-saving opportunities related to the separation from DuPont. During the six months ended June 30, 2014 and 2013 we incurred restructuring costs of $1.4 million and $6.5 million, respectively. These amounts are recorded within Selling, general, and administrative expenses in the condensed consolidated statement of operations. The payments associated with these actions are expected to be completed in June 2015.

The following tables summarize the activities related to the restructuring reserves, recorded within Other accrued liabilities, and expenses for the Successor six months ended June 30, 2014 and June 30, 2013, respectively:

	Year to Date June 30, 2013
Balance at February 1, 2013	$ 0.5
Expense Recorded	6.5
Payments Made	(1.6)
Foreign Currency Changes	—
Balance at June 30, 2013	$ 5.4

	Year to Date June 30, 2014
Balance at December 31, 2013	$ 98.4
Expense Recorded	1.4
Payments Made	(29.2)
Foreign Currency Changes	(1.3)
Balance at June 30, 2014	$ 69.3

(b) ***Predecessor Periods***

During the Predecessor period there was no expense recorded associated with involuntary termination benefits.

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(Dollars in millions, unless otherwise noted)

(6) RELATIONSHIP WITH DUPONT

Predecessor Periods

Historically, the DPC businesses were managed and operated in the normal course of business with other affiliates of DuPont. Accordingly, certain shared costs were allocated to DPC and reflected as expenses in the standalone Predecessor interim unaudited combined financial statements. Management of DuPont considered the allocation methodologies used to be reasonable and appropriate reflections of the historical DuPont expenses attributable to DPC for purposes of the standalone combined financial statements of DPC; however, the expenses reflected in the Predecessor interim unaudited combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented if DPC had operated as a separate, standalone entity. In addition, the expenses reflected in the Predecessor interim unaudited combined financial statements may not be indicative of related expenses that will be incurred in the future by us.

(1) ***Cash Management and Financing***

Except for its joint ventures, DPC participated in DuPont's centralized cash management and financing programs. Disbursements were made through centralized accounts payable systems which were operated by DuPont, while cash receipts were transferred to centralized accounts maintained by DuPont. As cash was disbursed and received by DuPont, it was accounted for by DPC through the parent company net investment. All short and long-term debt requirements of the DPC business were financed by DuPont and financing decisions for wholly owned subsidiaries and majority owned joint ventures were determined by DuPont's central treasury operations.

(2) ***Allocated Corporate Costs***

The Predecessor interim unaudited combined financial statements include significant transactions with DuPont involving leveraged functional services (such as information systems, accounting, other financial services, purchasing and legal) and general corporate expenses that were provided to DPC by centralized DuPont organizations. Throughout the Predecessor periods covered by the combined financial statements of DPC, the costs of these leveraged functions and services were directly charged or allocated to DPC using methods management believes were reasonable. The methods for directly charging specifically identifiable functions and services to DPC included negotiated usage rates and dedicated employee assignments. The method for allocating shared leveraged functional services to DPC was based on proportionate formulas involving controllable fixed costs and in certain instances was allocated to DPC based on demand. Controllable fixed costs are fixed costs less depreciation and amortization and nonrecurring transactions. The methods for allocating general corporate expenses to DPC were based on revenue. However, the expenses reflected in the Predecessor interim unaudited combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented if DPC had operated as a separate, standalone entity.

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The allocated leveraged functional service expenses and general corporate expenses included in cost of goods sold, selling, general, and administrative expenses and research and development expenses in the Predecessor interim unaudited combined statement of operations were as follows:

	Predecessor Period from January 1, 2013 through January 31, 2013
Cost of goods sold	$ 14.2
Selling, general, and administrative expenses	1.4
Research and development expenses	0.1
Total	$ 15.7

Allocated leveraged functional service expenses and general corporate expenses are recorded in the Predecessor combined statement of operations as follows:

	Predecessor Period from January 1, 2013 through January 31, 2013
Leveraged functional services	$ 14.2
General corporate expenses	1.5
Total	$ 15.7

(3) ***Purchases from and Sales to Other DuPont Businesses***

Throughout the Predecessor periods covered by the Predecessor combined financial statements, DPC purchased materials (Titanium Dioxide and DuPont Sontara® maintenance wipes) from DuPont and its non-DPC businesses.

Purchases include the following amounts:

	Predecessor Period from January 1, 2013 through January 31, 2013
DPC purchases of products from other DuPont businesses	$ 7.9
Total	$ 7.9

There were no material sales to other DuPont businesses during the periods covered by the Predecessor interim unaudited condensed combined financial statements.

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(7) COMMITMENTS AND CONTINGENT LIABILITIES

(a) *Guarantees*

In connection with the Acquisition, we assumed certain guarantee obligations which directly guaranteed various debt obligations under agreements with third parties related to the following: equity affiliates, customers, suppliers and other affiliated companies.

At both June 30, 2014 and December 31, 2013, we had directly guaranteed $1.6 million of such obligations. These guarantees represent the maximum potential amount of future (undiscounted) payments that we could be required to make under the guarantees in the event of default by the guaranteed parties. No amounts were accrued at June 30, 2014 and December 31, 2013.

We assess the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

(b) *Other*

We are subject to various pending lawsuits and other claims including civil, regulatory, and environmental matters. Certain of these lawsuits and other claims may impact us. These litigation matters may involve indemnification obligations by third parties and/or insurance coverage covering all or part of any potential damage awards against DuPont and/or us. All of the above matters are subject to many uncertainties and, accordingly, we cannot determine the ultimate outcome of the lawsuits at this time.

The potential effects, if any, of these matters on the consolidated financial statements of Axalta will be recorded in the period in which they are probable and estimable, and such effects could be material.

In addition to the aforementioned matters, we are party to various legal proceedings in the ordinary course of business. Although the ultimate resolution of these various proceedings cannot be determined at this time, management does not believe that such proceedings, individually or in the aggregate, will have a material adverse effect on the consolidated financial statements of Axalta.

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(8) LONG-TERM EMPLOYEE BENEFITS

Components of Net Periodic Benefit Cost

The following table sets forth the components of net periodic benefit cost for the Successor six months ended June 30, 2014 and June 30, 2013 and the Predecessor period from January 1, 2013 through January 31, 2013:

	Pension Benefits		
	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Components of net periodic benefit cost:			
Net periodic benefit cost:			
Service cost	$ 1.6	$ 7.4	$ 8.4
Interest cost	1.7	8.6	12.0
Expected return on plan assets	(1.8)	(5.5)	(7.4)
Amortization of actuarial (gain) loss	1.1	—	(0.2)
Amortization of prior service cost	—	—	—
Net periodic benefit cost	$ 2.6	$ 10.5	$ 12.8

	Other Long-Term Employee Benefits		
	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Components of net periodic benefit cost:			
Net periodic benefit cost:			
Service cost	$ —	$ —	$ 0.1
Interest cost	—	—	0.1
Amortization of actuarial (gain) loss	—	—	—
Amortization of prior service cost	—	—	—
Net periodic benefit cost	$ —	$ —	$ 0.2

Significant events

During the six months ended June 30, 2014, the Company executed an amendment to one of our Non-U.S. defined benefit pension plans. The amendment effectively eliminated the accrual of future benefits for all participants as of March 31, 2014, resulting in a curtailment gain of $5.6 million. As the plan had unrealized losses in excess of the reduction of the projected benefit obligation at the date of amendment, the gain was recorded as a reduction of the projected benefit obligation and a corresponding gain within Accumulated other comprehensive income.

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(9) STOCK-BASED COMPENSATION

(a) *Successor period*

During the six months ended June 30, 2014, we recognized $3.8 million in stock-based compensation expense which was allocated to cost of goods sold, selling, general and administrative expenses, and research and development expenses. There was no stock-based compensation expense incurred during the Successor six months ended June 30, 2013.

At June 30, 2014, there was $13.1 million of unrecognized compensation cost relating to outstanding unvested stock options. Compensation expense is recognized for the fair values of the stock options over the requisite service period of the awards using the graded-vesting attribution method.

There were no material issuances of stock options during the six months ended June 30, 2014. At June 30, 2014, only stock options have been granted under the Equity Incentive Plan. For awards granted during the six months ended June 30, 2014, the fair value of the Company's common stock was estimated at $12.17 per share.

We estimated the per share fair value of our common stock using a contemporaneous valuation using income and market approaches. The income approach utilized the discounted cash flow ("DCF") methodology based on our internal financial forecasts and projections. The market approach utilized the Guideline Public Company and Guideline Transactions methods. For the DCF methodology, we prepared annual projections of future cash flows through 2018. Beyond 2018, projected cash flows through the terminal year were projected at long-term sustainable growth rates consistent with long-term inflationary and industry expectations. Our projections of future cash flows were based on our estimated net debt-free cash flows and were discounted to the valuation date using a weighted-average cost of capital estimated based on market participant assumptions.

For the Guideline Public Company and Guideline Transactions methods, we identified a group of comparable public companies and recent transactions within the chemicals industry. For the comparable companies, we estimated market multiples based on trading prices and trailing 12 months EBITDA. These multiples were then applied to our trailing 12 months EBITDA. When selecting comparable companies, consideration was given to industry similarity, their specific products offered, financial data availability and capital structure.

For the comparable transactions, we estimated market multiples based on prices paid for the related transactions and trailing 12 months EBITDA. These multiples were then applied to our trailing 12 months EBITDA. The results of the market approaches corroborated the fair value determined using the income approach.

(b) *Predecessor periods*

DuPont maintained certain stock-based compensation plans for the benefit of certain of its officers, directors and employees, including, prior to the Acquisition, certain DPC employees. DPC recognized stock-based compensation within the interim unaudited combined statement of operations based upon fair values. The fair value of awards granted totaled $2.0 million for the Predecessor period from January 1, 2013 through January 31, 2013.

Total stock-based compensation expense included in the interim unaudited combined statement of operations was $0.1 million for the Predecessor period from January 1, 2013 through January 31, 2013.

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(10) RELATED PARTY TRANSACTIONS

(a) *The Carlyle Group L.P. and its affiliates ("Carlyle")*

We entered into a consulting agreement with Carlyle Investment Management L.L.C. ("Carlyle Investment"), an affiliate of Carlyle pursuant to which Carlyle Investment provides certain consulting services to Axalta. Under this agreement, subject to certain conditions, we are required to pay an annual consulting fee to Carlyle Investment of $3.0 million payable in equal quarterly installments and reimburse Carlyle Investment for out-pocket expenses incurred in providing the consulting services. In addition, we may pay Carlyle additional fees associated with other future transactions. During the Successor six months ended June 30, 2014 and 2013, we recorded expense of $1.6 million and $1.3 million, related to this consulting agreement, respectively. In addition, Carlyle Investment also received a one-time fee of $35.0 million upon effectiveness of the Acquisition for services rendered in connection with the Acquisition and related acquisition financing. Of this amount, $21.0 million was recorded as merger and acquisition expenses and $14.0 million was recorded as a component of deferred financing costs in the Successor six months ended June 30, 2013.

(b) *Service King Collision Repair*

Service King Collision Repair, a portfolio company of funds affiliated with Carlyle, has purchased products from our distributors in the past and may continue to do so in the future. In August 2013, we entered into a new long-term sales agreement with Service King to be their exclusive provider of coatings. Terms of the agreement are consistent with industry standards. Related party sales through our distribution network for the Successor six months ended June 30, 2014 were $4.0 million. During the Successor six months ended June 30, 2013 and the Predecessor period from January 1, 2013 through January 31, 2013, sales to Service King Collision Repair were immaterial.

(c) *Other*

A director of the Company is the Chairman and Chief Executive Officer of an international management consulting firm focused on the automotive and industrial sectors. In connection with the Acquisition, we incurred consulting fees and expenses from the consulting firm of $0.1 million, during the Successor six months ended June 30, 2013. We also granted the consulting firm a stock option award to purchase up to 352,143 of our common shares which had a fair value of $0.5 million.

(11) OTHER EXPENSE, NET

	Predecessor	Successor	
	Period from January 1, 2013 through January 31, 2013	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Exchange (gain)/losses	$ 4.5	$ 59.6	$ (14.5)
Management fee and expenses	—	1.3	1.6
Miscellaneous expense (income)	0.5	(1.8)	15.8
Total	$ 5.0	$ 59.1	$ 2.9

Based on recent changes to the Venezuelan currency exchange rate mechanisms in 2014 and our recent participation in the Venezuela's Complementary System of Foreign Currency Administration

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(SICAD I) auction process during the six-months ended June 30, 2014, we changed the exchange rate we used to remeasure our Venezuelan subsidiary's financial statements into U.S. dollars. The exchange rate was determined by such auction process, which was 10.0 to 1 compared to the historical indexed rate of 6.3 to 1. Further, we also believe the equity of our Venezuelan subsidiary would be realized through a dividend utilizing the auction process through SICAD I. The devaluation of the exchange rates resulted in a gain of $12.2 million for the six months ended June 30, 2014 due to our Venezuelan operations being in a net monetary liability position.

(12) INCOME TAXES

During the second quarter of 2014, documentation was secured to support tax deductions related to pre-acquisition activities. As a result of these findings, we recorded a discrete tax benefit of $21.1 million in the six months ended June 30, 2014, which is primarily related to an adjustment for unrecognized tax benefits of $9.8 million and the reversal of interest and penalties of $7.1 million. Interest and penalties associated with unrecognized tax benefits are recognized as components of Provision (benefit) for income taxes. Additionally, we amended our income tax return related to this matter, resulting in additional tax benefits of $4.2 million. The total tax benefit of $21.1 million was partially offset by the reduction in indemnity assets of $12.5 million related to the pre-acquisition tax liabilities noted above, which resulted in a reduction to Other expense, net.

(13) EARNINGS PER COMMON SHARE

Basic earnings per common share excludes the dilutive impact of potentially dilutive securities and is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per common share includes the effect of potential dilution from the exercise of outstanding stock options and unvested restricted stock. Potentially dilutive securities have been excluded in the weighted average number of common shares used for the calculation of earnings per share in periods of net loss because the effect of such securities would be anti-dilutive. A reconciliation of the Company's basic and diluted earnings per common share was as follows (in millions, except shares and earnings per share):

	Successor Six Months Ended 2013	Successor Six Months Ended 2014
Net income (loss) attributable to Axalta	$ (180.6)	$ 49.5
Pre-Acquisition net income (loss) attributable to Axalta	(3.9)	—
Net income (loss) to common shareholders(1)	$ (176.7)	$ 49.5
Basic and diluted weighted average shares outstanding(1)	228,149,996	229,069,356
Earnings per Common Share:		
Basic net income (loss) per share	$ (0.77)	$ 0.22
Diluted net income (loss) per share	$ (0.77)	$ 0.22

(1) As of February 1, 2013, the date of the Acquisition, the Company received the initial Equity Contribution of $1,350.0 million. Accordingly, the net income (loss) to common shareholders and the weighted average shares outstanding calculation is based on the period from February 1, 2013 to June 30, 2013.

The number of anti-dilutive shares that have been excluded in the computation of diluted earnings per share for the Successor six months ended June 30, 2014 were 17.1 million. There were no potentially dilutive securities outstanding during the Successor six months ended June 30, 2013.

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Basic and diluted weighted average shares outstanding have been adjusted to reflect the Company's 100,000 for 1 stock split which occurred in July 2013, and the Company's 1.69 to 1 stock split which occurred in October 2014.

(14) ACCOUNTS AND NOTES RECEIVABLE, NET

	December 31, 2013	June 30, 2014
Accounts receivable—trade, net	$ 637.5	$722.3
Miscellaneous(a)	228.4	231.5
Total	$ 865.9	$953.8

(a) Miscellaneous includes service revenue receivables, trade notes receivable, non-income taxes, rebates from suppliers, advances to employees and indemnification assets, which, pursuant to the terms of the Acquisition Agreement, DuPont agreed to indemnify us with respect to certain pre-Acquisition employee-related, environmental and tax liabilities.

Accounts and notes receivable are carried at amounts that approximate fair value. Accounts receivable—trade, net are net of allowances of $8.9 million and $6.5 million at June 30, 2014 and December 31, 2013, respectively. Bad debt expense for the Successor six months ended June 30, 2014 and June 30, 2013 was $2.2 million and $0.7 million, respectively. For the Predecessor period from January 1, 2013 through January 31, 2013, bad debt expense was $0.2 million.

(15) INVENTORIES

	December 31, 2013	June 30, 2014
Finished products	$ 329.3	$345.5
Semi-finished products	90.2	89.9
Raw materials and supplies	130.7	141.0
Total	$ 550.2	$576.4

Inventories, including stores and supplies inventories, are valued at the lower of cost or market with cost being determined on the weighted average cost method. Stores and supplies inventories were $22.6 million and $21.2 million at June 30, 2014 and December 31, 2013, respectively.

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(16) NET PROPERTY, PLANT and EQUIPMENT

Depreciation expense amounted to $87.5 million for the Successor six months ended June 30, 2014. For the Successor six months ended June 30, 2013, depreciation expense amounted to $88.4 million. Depreciation expense amounted to $7.2 million for the Predecessor period from January 1, 2013 through January 31, 2013.

	December 31, 2013	June 30, 2014
Land	$ 98.9	$ 99.6
Buildings	411.0	423.0
Equipment	1,178.6	1,248.7
Construction in progress	117.7	129.9
Total	1,806.2	1,901.2
Accumulated depreciation	(183.6)	(279.9)
Net property, plant, and equipment	$ 1,622.6	$1,621.3

(17) OTHER ACCRUED LIABILITIES

	December 31, 2013	June 30, 2014
Compensation and other employee-related costs	$ 168.0	$139.9
Restructuring	98.4	69.3
Discounts, rebates, and warranties	65.0	75.3
Miscellaneous	141.3	130.8
Total	$ 472.7	$415.3

(18) LONG-TERM BORROWINGS

Borrowings and capital lease obligations are summarized as follows:

	December 31, 2013	June 30, 2014
Dollar Term Loan	$ 2,282.8	$2,277.0
Euro Term Loan	547.7	539.3
Dollar Senior Notes	750.0	750.0
Euro Senior Notes	344.9	340.4
Short-term borrowings	18.2	15.2
Unamortized original issue discount	(22.7)	(21.0)
	$ 3,920.9	$3,900.9
Less:		
Short term borrowings	$ 18.2	$ 15.2
Current portion of long-term borrowings	28.5	28.5
Long-term debt	$ 3,874.2	$3,857.2

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(a) ***Senior Secured Credit Facilities, as amended***

On February 3, 2014, Dutch B B.V., as "Dutch Borrower", and its indirect wholly-owned subsidiary, Axalta US Holdings, as "US Borrower", executed the second amendment to the Senior Secured Credit Facilities. The Senior Secured Credit Facilities are governed by a credit agreement (the "Credit Agreement"). The Amendment (i) converted all of the outstanding Dollar Term Loans ($2,282.8 million) into a new class of term loans (the "New Dollar Term Loans"), and (ii) converted all of the outstanding Euro Term Loans (€397.0 million) into a new class of term loans (the "New Euro Term Loans"). The New Dollar Term Loans are subject to a floor of 1.00%, plus an applicable rate after the Amendment Effective Date. The applicable rate for such New Dollar Term Loans is 3.00% per annum for Eurocurrency Rate Loans, as defined in the Credit Agreement and 2.00% per annum for Base Rate Loans, as defined in the Credit Agreement. The applicable rate for both Eurocurrency Rate Loans as well as Base Rate Loans is subject to a further 25 basis point reduction if the Total Net Leverage Ratio as defined in the Credit Agreement is less than or equal to 4.50:1.00. The New Euro Term Loans are also subject to a floor of 1.00%, plus an applicable rate after the Amendment Effective Date. The applicable rate for such New Euro Term Loans is 3.25% per annum for Eurocurrency Rate Loans. New Euro Term Loans may not be Base Rate Loans. The applicable rate is subject to a further 25 basis point reduction if the Total Net Leverage Ratio is less than or equal to 4.50:1.00.

The Senior Secured Credit Facilities are secured by substantially all assets of Axalta Coating Systems Dutch A B. V. ("Dutch A B.V.") and the guarantors of the Dutch Borrower. The Dollar Term Loan and Euro Term Loan mature on February 1, 2020 and the Revolving Credit Facility matures on February 1, 2018. Principal is paid quarterly on both the Dollar Term Loan and the Euro Term Loan based on 1% per annum of the original principal amount with the unpaid balance due at maturity.

Interest is payable quarterly on both the Dollar Term Loan and the Euro Term Loan. Prior to the Amendment, interest on the Dollar Term Loan was subject to a floor of 1.25% for Eurocurrency Rate Loans plus an applicable rate of 3.50%. For Base Rate Loans, the interest was subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate, an Adjusted Eurocurrency Rate , or 2.25% plus an applicable rate of 2.50%. Interest on the Euro Term Loan, a Eurocurrency Loan, was subject to a floor of 1.25% plus an applicable rate of 4.00%.

Under the Amendment, interest on any outstanding borrowings under the Revolving Credit Facility is subject to a floor of 1.00% for Eurocurrency Rate Loans plus an applicable rate of 3.50% (subject to an additional step-down to 3.25%). For Base Rate Loans, the interest is subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate , an Adjusted Eurocurrency Rate, or 2.00% plus an applicable rate of 2.50% (subject to an additional step-down to 2.25%).

Under circumstances described in the Credit Agreement, the Company may increase available revolving or term facility borrowings up to $400.0 million.

Any indebtedness under the Senior Secured Credit Facilities may be voluntarily prepaid in whole or in part, in minimum amounts, subject to the make-whole provisions set forth in the Credit Agreement. Such indebtedness is subject to mandatory prepayments amounting to the proceeds of asset sales over $25.0 million annually, proceeds from certain debt issuances not otherwise permitted under the Credit Agreement and 50% (subject to a step-down to 25.0% or 0% if the First Lien Leverage Ratio falls below 4.25:1 or 3.50:1, respectively) of Excess Cash Flow. We are subject to customary negative covenants as well as a financial covenant which is a maximum First Lien Leverage Ratio. This is applicable only when greater than 25% of the Revolving Credit Facility (including letters of credit) is outstanding at the end of the fiscal quarter.

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Deferred financing costs of $92.9 million and original issue discounts of $25.7 million were incurred at the inception of the Senior Secured Credit Facilities. These amounts are amortized as interest expense over the life of the Senior Secured Credit Facilities. The breakout of the deferred financing costs and original issue discount at June 30, 2014 is as follows:

	Deferred Financing Costs	Original Issue Discount
Beginning Balance at February 1, 2013	$ 92.9	$ 25.7
Amortization expense for the year ended December 31, 2013	(11.6)	(3.0)
Unamortized balance at December 31, 2013	81.3	22.7
Amortization expense for the six months ended June 30, 2014	(6.7)	(1.7)
Unamortized Balance at June 30, 2014	$ 74.6	$ 21.0

Amortization expense related to deferred financing costs, net for the six months ended June 30, 2014 and 2013 were $6.7 million and $4.8 million, respectively. Amortization expense related to original issue discounts for the six months ended June 30, 2014 and 2013 were $1.7 million and $1.3 million, respectively.

At June 30, 2014, there were no borrowings under the Revolving Credit Facility. At June 30, 2014, letters of credit issued under the Revolving Credit Facility totaled $21.5 million which reduced the availability under the Revolving Credit Facility to $378.5 million.

(b) ***Significant Terms of the Senior Notes***

On February 1, 2013, Dutch B B.V., as "Dutch Issuer", and Axalta US Holdings, as "US Issuer", (collectively the "Issuers") issued $750.0 million aggregate principal amount of 7.375% senior unsecured notes due 2021 (the "Dollar Senior Notes") and related guarantees thereof. Additionally, Dutch B.B.V. issued €250.0 million aggregate principal amount of 5.750% senior secured notes due 2021 (the "Euro Senior Notes") and related guarantees thereof. Cash fees related to the issuance of the Senior Notes were $33.1 million, are recorded within Deferred financing costs, net and are amortized as interest expense over the life of the Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance was $27.4 million and $29.4 million, respectively. The expense related to the amortization of the Deferred financing costs for the six months ended June 30, 2014 and 2013 was $2.0 million and $1.7 million, respectively.

The Senior Notes are unconditionally guaranteed on a senior basis by certain of the Issuers' subsidiaries.

The indentures governing the Senior Notes contain covenants that restrict the ability of the Issuers and their subsidiaries to, among other things, incur additional debt, make certain payments including payment of dividends or repurchase equity interest of the Issuers, make loans or acquisitions or capital contributions and certain investments, incur certain liens, sell assets, merge or consolidate or liquidate other entities, and enter into transactions with affiliates.

(i) *Euro Senior Notes*

The Euro Senior Notes were sold at par and are due February 1, 2021. The Euro Senior Notes bear interest at 5.750% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Euro Senior Notes were $10.2 million, and are recorded within "Deferred financing costs, net"

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and are amortized into interest expense over the life of the Senior Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance was $8.4 million and $9.0 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Euro Senior Notes at the following redemption prices (expressed as percentages of principal amount):

Period	Euro Notes Percentage
2016	104.313%
2017	102.875%
2018	101.438%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Euro Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Euro Senior Notes), at a redemption price of 105.750% plus accrued and unpaid interest, if any, to the redemption date.

In addition, we have the option to redeem up to 10% of the Euro Senior Notes during any 12-month period from issue date until February 1, 2016 at a redemption price of 103.0%, plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Euro Senior Notes have the right to require us to repurchase all or any part of the Euro Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Euro Senior Notes and related guarantees is secured on a first-lien basis by the same assets that secure the obligations under the Senior Secured Credit Facilities, subject to permitted liens and applicable local law limitations, is senior in right of payment to all future subordinated indebtedness of the Issuers, is equal in right of payment to all existing and future senior indebtedness of the Issuers and is effectively senior to any unsecured indebtedness of the Issuers, including the Dollar Senior Notes, to the extent of the value securing the Euro Senior Notes.

(ii) *Dollar Senior Notes*

The Dollar Senior Notes were sold at par and are due May 1, 2021. The Dollar Senior Notes bear interest at 7.375% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Dollar Senior Notes were $22.9 million, are recorded within “Deferred financing costs, net” and are amortized as interest expense over the life of the Senior Notes. At June 30, 2014 and December 31, 2013, the remaining unamortized balance was $19.0 million and $20.4 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Dollar Senior Notes at the following redemption prices (expressed as percentages of principal amount)

Period	Dollar Notes Percentage
2016	105.531%
2017	103.688%
2018	101.844%
2019 and thereafter	100.000%

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Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Dollar Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Dollar Senior Notes), at a redemption price of 107.375% plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Dollar Senior Notes have the right to require us to repurchase all or any part of the Dollar Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Dollar Senior Notes is senior unsecured indebtedness of the Issuers, is senior in right of payment to all future subordinated indebtedness of the Issuers and is equal in right of payment to all existing and future senior indebtedness of the Issuers. The Dollar Senior Notes are effectively subordinated to any secured indebtedness of the Issuers (including indebtedness of the Issuers outstanding under the Senior Secured Credit Facilities and the Euro Senior Notes) to the extent of the value of the assets securing such indebtedness.

(c) ***Short-term borrowings***

On September 12, 2013, we entered into short-term borrowings in the amount of $27.8 million to partially fund the acquisition of a real estate investment property which closed in October 2013. The short-term borrowings associated with this acquisition have a maturity date of September 12, 2014, accrue interest at a rate of 11% per annum and had an outstanding balance of $2.7 million and $17.8 million at June 30, 2014 and December 31, 2013, respectively. Other miscellaneous short-term borrowings had an outstanding balance of $12.5 million and $0.4 million at June 30, 2014 and December 31, 2013, respectively.

(d) ***Bridge financing commitment fees***

On August 30, 2012, we signed a debt commitment letter, which was subsequently amended and restated, that included a bridge facility comprised of $1,100.0 million of unsecured U.S. bridge loans and a $300.0 million of secured bridge loans (the “Bridge Facility”), which was to be utilized to partially fund the Acquisition in the event that permanent financing was not obtained. Drawings under the Bridge Facility were subject to certain conditions. Upon the issuance of the Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated. Commitment fees related to the Bridge Facility of $21.0 million and associated fees of $4.0 million were expensed upon the termination of the Bridge Facility during the six months ended June 30, 2013.

(e) ***Future repayments***

Below is a schedule of required future repayments of all borrowings outstanding at June 30, 2014.

Remainder of 2014	$ 18.9
2015	39.0
2016	28.4
2017	28.4
2018	28.5
Thereafter	3,778.7
	$ 3,921.9

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(19) FAIR VALUE ACCOUNTING

(a) Assets measured at fair value on a nonrecurring basis

During the Successor six months ended June 30, 2014, we recorded a loss of $0.1 million associated with the abandonment of certain in process research and development projects acquired in the Acquisition. During the Successor six months ended June 30, 2013 we recorded an impairment loss of $3.2 million associated with the abandonment of certain in process research and development projects acquired in the Acquisition. During the Predecessor period from January 1, 2013 through January 31, 2013, no assets were adjusted to their fair values on a nonrecurring basis. See Note 4 for further discussion related to the fair values of in process research and development projects acquired in the Acquisition.

(b) Fair value of financial instruments

Cash and cash equivalents—The carrying amount of cash equivalents approximates fair value because the original maturity is less than 90 days.

Accounts and notes receivable—The carrying amount of accounts and notes receivable approximates fair value because of their short outstanding terms.

Available for sale securities—The fair values of available for sale securities at June 30, 2014 and December 31, 2013 were $5.1 million and $4.9 million, respectively. The fair value was based upon either Level 1 inputs when the securities are actively traded with quoted market prices or Level 2 when the securities are not frequently traded.

Accounts payable—The carrying amount of accounts payable approximates fair value because of their short outstanding terms.

Short-term borrowings—The carrying value of short-term bank borrowings equals fair value because their interest rates reflect current market rates.

Long-term borrowings—The fair values of the Dollar Senior Notes and Euro Senior Notes at June 30, 2014 were $815.6 million and $364.2 million, respectively. The fair values at December 31, 2013 were $798.8 million and $362.1 million, respectively. The estimated fair values of these notes are based on recent trades, as reported by a third party pricing service. Due to the infrequency of trades of the Dollar Senior Notes and the Euro Senior Notes, these inputs are considered to be Level 2 inputs.

The fair values of the Dollar Term Loan and the Euro Term Loan at June 30, 2014 were $2,279.8 million and $543.9 million, respectively. The fair values at December 31, 2013 were $2,297.1 million and $552.5 million, respectively. The estimated fair values of the Dollar Term Loan and the Euro Term Loan are based on recent trades, as reported by a third party pricing service. Due to the infrequency of trades of the Dollar Term Loan and the Euro Term Loan, these inputs are considered to be Level 2 inputs.

(20) DERIVATIVE AND OTHER HEDGING INSTRUMENTS

We selectively use derivative instruments to reduce market risk associated with changes in foreign currency exchange rates and interest rates. The use of derivatives is intended for hedging purposes only and we do not enter into derivative instruments for speculative purposes. A description of each type of derivative used to manage risk is included in the following paragraphs.

During the Successor six months ended June 30, 2013, we entered into a foreign currency contract to hedge the variability of the US dollar equivalent of the original borrowings under the Euro Term Loan and the

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
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(Dollars in millions, unless otherwise noted)

proceeds from the issuance of Euro Senior Notes. Changes in the fair value of this instrument were recorded in current period earnings and were presented in Other (income) expense, net as a component of Exchange (gains) losses. Losses related to the settlement of forward contracts recognized during the Successor six months ended June 30, 2013 totaled $19.4 million. Cash flows resulting from the settlement of the derivative instrument on February 1, 2013 are reported as investing activities.

During the Successor six months ended June 30, 2013, we entered into five interest rate swaps with notional amounts totaling $1,173.0 million to hedge interest rate exposures relate to our variable rate borrowings under the Senior Secured Credit Facilities. The maturity date of the interest rate swaps is September 29, 2017. The interest rate swaps were designated and qualified as cash flow hedges.

The following table presents the location and fair values using Level 2 inputs of derivative instruments included in our interim unaudited condensed consolidated and combined balance sheet:

	December 31, 2013	June 30, 2014
Other assets:		
Interest rate swaps	$ 10.5	$ 5.6
Interest rate cap	3.4	0.3
Total assets	$ 13.9	$ 5.9
Other liabilities:		
Interest rate swaps	$ 1.2	$ 2.0
Other accrued liabilities:		
Foreign currency contracts	—	—
Total liabilities	$ 1.2	$ 2.0

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of other comprehensive income ("OCI") and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

The following table sets forth the locations and amounts recognized during the six months ended June 30, 2014 and June 30, 2013 for these cash flow hedges.

Derivatives in Cash Flow Hedging Relationships	Amount of (Gain) Loss Recognized in OCI on Derivatives (Effective Portion)		Location of (Gain) Loss Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of (Gain) Loss Reclassified from Accumulated OCI to Income (Effective Portion)		Location of (Gain) Loss Recognized in Income on Derivatives (Ineffective Portion)	Amount of (Gain) Loss Recognized in Income on Derivatives (Ineffective Portion)	
	Six Months Ended June 30, 2013	Six Months Ended June 30, 2014		Six Months Ended June 30, 2013	Six Months Ended June 30, 2014		Six Months Ended June 30, 2013	Six Months Ended June 30, 2014
Interest rate contracts	$ (7.4)	$ 5.0	Interest expense, net	$ 1.1	$ 3.2	Interest expense, net	$ (5.9)	$ 0.7

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Also during the Successor six months ended June 30, 2013, the Company purchased a €300.0 million 1.5% interest rate cap on its Euro Term Loan which matures on September 29, 2017. The company paid a premium of $3.1 million for the interest rate cap. The interest rate cap was not designated as a hedge and the changes in the fair value of the derivative instruments are recorded in current period earnings and are presented in interest expense.

During the Predecessor period, DPC, through DuPont, entered into contractual arrangements (derivatives) to reduce its exposure to foreign currency risk. The foreign currency derivative program was utilized for financial risk management and consisted of forward contracts. The derivative instruments were not designated as hedging instruments. Changes in the fair value of the derivative instruments are recorded in current period earnings and are presented in Other (income) expense, net as a component of exchange (gains) losses.

Fair value gains and losses of derivative contracts, as determined using Level 2 inputs, that do not qualify for hedge accounting treatment are recorded in income as follows:

		Predecessor	Successor	
Derivatives Not Designated as Hedging Instruments under ASC 815	**Location of (Gain) Loss Recognized in Income on Derivatives**	**Period from January 1, 2013 through January 31, 2013**	**Six Months Ended June 30, 2013**	**Six Months Ended June 30, 2014**
Foreign currency forward contract	Other (income) expense, net as a component of Exchange (gain) loss	$ 2.0	$ 21.4	$ 1.9
Interest rate cap	Interest expense, net	—	(1.7)	3.1
		$ 2.0	$ 19.7	$ 5.0

(21) SEGMENTS

The Company identifies an operating segment as a component: (i) that engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and (iii) that has available discrete financial information.

We have two operating segments: Performance Coatings and Transportation Coatings. The CODM reviews financial information at the operating segment level to allocate resources and to assess the operating results and financial performance for each operating segment. Our CODM is identified as the Chief Executive Officer because he has final authority over performance assessment and resource allocation decisions. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

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Through our Transportation Coatings segment we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed.

	Predecessor		
	Performance Coatings	Transportation Coatings	Total
January 1 through January 31, 2013			
Net sales(1)	$ 186.8	$ 139.4	$ 326.2
Equity in earnings (losses) in unconsolidated affiliates	—	(0.3)	(0.3)
Adjusted EBITDA(2)	15.0	17.7	32.7
Investment in unconsolidated affiliates	2.0	6.7	8.7
Capital Expenditures	1.5	0.9	2.4

	Successor		
	Performance Coatings	Transportation Coatings	Total
For the six months ended June 30, 2013			
Net sales(1)	$ 1,036.4	$ 747.2	$1,783.6
Equity in earnings in unconsolidated affiliates	1.3	0.1	1.4
Adjusted EBITDA(2)	212.9	94.6	307.5
Investment in unconsolidated affiliates	6.7	11.6	18.3
Capital Expenditures	14.5	8.9	23.4

	Successor		
	Performance Coatings	Transportation Coatings	Total
For the six months ended June 30, 2014			
Net sales(1)	$ 1,281.1	$ 892.9	$2,174.0
Equity in earnings in unconsolidated affiliates	0.5	0.3	0.8
Adjusted EBITDA(2)	261.2	146.6	407.8
Investment in unconsolidated affiliates	8.3	8.0	16.3
Capital Expenditures	61.5	39.3	100.8

(1) The Company has no intercompany sales.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor) Financial Statements (Unaudited)
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(2) The primary measure of segment operating performance is Adjusted EBITDA, which is defined as net income (loss) before interest, taxes, depreciation and amortization and other unusual items impacting operating results. Adjusted EBITDA is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts, and prior year financial results, providing a measure that management believes reflects the Company's core operating performance. Reconciliation of Adjusted EBITDA to income (loss) before income taxes follows:

	Predecessor	Successor	
	January 1 through January 31,	Six Months Ended June 30,	
	2013	2013	2014
Adjusted EBITDA	$ 32.7	$ 307.5	$ 407.8
Inventory step-up(a)	—	(103.7)	—
Merger and acquisition related costs(b)	—	(28.1)	—
Financing fees(c)	—	(25.0)	(3.1)
Foreign exchange remeasurement losses(d)	(4.5)	(59.6)	14.5
Long-term employee benefit plan adjustments(e)	(2.3)	(3.0)	(4.5)
Termination benefits and other employee related costs(f)	(0.3)	(17.2)	(5.9)
Consulting and advisory fees(g)	—	(21.9)	(20.7)
Transition-related costs(h)	—	(7.4)	(47.5)
Other adjustments(i)	(0.1)	0.2	(11.0)
Dividends in respect of noncontrolling interest(j)	—	4.1	1.6
Management fee expense(k)	—	(1.3)	(1.6)
EBITDA	25.5	44.6	329.6
Interest expense, net	—	(90.4)	(113.9)
Depreciation and amortization	(9.9)	(140.6)	(152.9)
Income (loss) before income taxes	$ 15.6	$(186.4)	$ 62.8

(a) During the Successor Six Months Ended June 30, 2013, we recorded a non-cash fair value adjustment associated with our acquisition accounting for inventories. These amounts increased cost of goods sold by $103.7 million.

(b) In connection with the Acquisition, we incurred $28.1 million of merger and acquisition costs during the Successor Six Months Ended June 30, 2013. These costs consisted primarily of investment banking, legal and other professional advisory services costs.

(c) On August 30, 2012, we signed a debt commitment letter which included the Bridge Facility. Upon the issuance of the Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated. Commitment fees related to the Bridge Facility of $21.0 million and associated fees of $4.0 million were expensed upon payment and the termination of the Bridge Facility. In connection with the refinancing of the Senior Secured Credit Facilities in February 2014 (discussed further in Note 18), we recognized $3.1 million of costs.

(d) Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, including a $19.4 million loss related to the acquisition date settlement of a foreign currency contract used to hedge the variability of Euro-based financing.

(e) For the Successor Six Months Ended June 30, 2014 and 2013, eliminates the non-service cost components of employee benefits costs. For the Predecessor period January 1, 2013 through

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
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(Dollars in millions, unless otherwise noted)

January 31, 2013, eliminates (1) all U.S. pension and other long-term employee benefit costs that were not assumed as part of the Acquisition and (2) the non-service cost component of the pension and other long-term employee benefit costs for the foreign pension plans that were assumed as part of the Acquisition.

(f) Represents expenses primarily related to employee termination benefits, including our initiative to improve the overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives for establishment of new roles and elimination of old roles and other costs associated with cost saving opportunities that were related to our transition to a standalone entity.

(g) Represents fees paid to consultants, advisors, and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity.

(h) Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs, and facility transition costs.

(i) Represents costs for certain unusual or non-operational losses and the non-cash impact of natural gas and currency hedge losses allocated to DPC by DuPont, stock-based compensation, asset impairments, equity investee dividends, indemnity income associated with the Transaction, and loss (gain) on sale and disposal of property, plant and equipment.

(j) Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.

(k) Pursuant to Axalta's management agreement with Carlyle Investment Management, L.L.C., an affiliate of Carlyle, for management and financial advisory services and oversight provided to Axalta and its subsidiaries, Axalta is required to pay an annual management fee of $3.0 million and out-of-pocket expenses.

Our business serves four end-markets globally as follows:

	Predecessor	Successor	
	January 1 through January 31,	Six Months ended June 30,	
	2013	2013	2014
Performance Coatings			
Refinish	$ 129.4	$ 740.7	$ 906.3
Industrial	57.4	295.7	374.8
Total net sales Performance Coatings	186.8	1,036.4	1,281.1
Transportation Coatings			
Light vehicle	111.6	598.8	703.0
Commercial vehicle	27.8	148.4	189.9
Total net sales Transportation Coatings	139.4	747.2	892.9
Total net sales	$ 326.2	$ 1,783.6	$ 2,174.0

Segment information for the Predecessor period has been recast to conform to the Successor segment presentation.

Asset information is not reviewed or included with our internal management reporting. Therefore, the Company has not disclosed asset information for each reportable segment.

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
Financial Statements (Unaudited)
(Dollars in millions, unless otherwise noted)

(22) ACCUMULATED OTHER COMPREHENSIVE INCOME

The following table reconciles changes in Accumulated other comprehensive income ("AOCI") by component:

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized loss on securities	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Income
Predecessor Balance, December 31, 2012	$ —	$ (142.3)	$ 1.4	$ —	$ (140.9)
Current year deferrals to AOCI	—	0.7	0.2	—	0.9
Reclassifications from AOCI to Net income	—	—	—	—	—
Net Change	—	(141.6)	1.6	—	(140.0)
Predecessor Balance, January 31, 2013	$ —	$ (141.6)	$ 1.6	$ —	$ (140.0)

The income tax related to the adjustment for pension and other long-term employee benefits for the Predecessor one month ended January 31, 2013 was $0.4 million. The cumulative income tax benefit related to the adjustment for pension and other long-term employee benefits at January 31, 2013 was $76.3 million. The income tax related to the change in the unrealized gain on derivatives for the Predecessor one month ended January 31, 2013 was $0.0 million. The cumulative income tax cost related to the adjustment for unrealized gain on derivatives at January 31, 2013 was $0.0 million. The income tax related to the change in the unrealized loss on securities for the Predecessor one month ended January 31, 2013 was $0.1 million. The cumulative income tax cost related to the adjustment for unrealized loss on securities at January 31, 2013 was $0.9 million.

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized loss on securities	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Income
Successor Balance, December 31, 2012	$ —	$ —	$ —	$ —	$ —
Current year deferrals to AOCI	13.1	—	(1.0)	5.7	17.8
Reclassifications from AOCI to Net income	—	—	—	(1.1)	(1.1)
Net Change	13.1	—	(1.0)	4.6	16.7
Successor Balance, June 30, 2013	$ 13.1	$ —	$ (1.0)	$ 4.6	$ 16.7

Condensed Notes to Interim Combined (Predecessor) and Condensed Consolidated (Successor)
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The income tax related to the adjustment for pension and other long-term employee benefits for the Successor six months ended June 30, 2013 was $0.0 million. The cumulative income tax cost related to the adjustment for pension and other long-term employee benefits at June 30, 2013 was $0.0 million. The income tax related to the change in the unrealized gain on derivatives for the Successor six months ended June 30, 2013 was $2.8 million. The cumulative income tax cost related to the adjustment for unrealized gain on derivatives at June 30, 2013 was $2.8 million. The income tax related to the change in the unrealized loss on securities for the Successor six months ended June 30, 2013 was $0.5 million. The cumulative income tax benefit related to the adjustment for unrealized loss on securities at June 30, 2013 was $0.5 million.

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized loss on securities	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Income
Successor Balance, December 31, 2013	$ 24.3	$ 7.5	$ (0.9)	$ 3.1	$ 34.0
Current year deferrals to AOCI	(9.9)	(0.6)	0.8	0.1	(9.6)
Pension curtailment gain	—	4.7	—	—	4.7
Reclassifications from AOCI to Net income	—	(0.2)	—	(3.2)	(3.4)
Net Change	(9.9)	3.9	0.8	(3.1)	(8.3)
Successor Balance, June 30, 2014	$ 14.4	$ 11.4	$ (0.1)	$ —	$ 25.7

The income tax related to the adjustment for pension and other long-term employee benefits for the Successor six months ended June 30, 2014 was $0.9 million. The cumulative income tax cost related to the adjustment for pension and other long-term employee benefits at June 30, 2014 and December 31, 2013 was $4.4 million and $3.5 million, respectively. The income tax related to the change in the unrealized gain on derivatives for the Successor six months ended June 30, 2014 were $1.9 million. The cumulative income tax cost related to the adjustment for unrealized gain on derivatives at June 30, 2014 and December 31, 2013 was $0.0 million and $1.9 million, respectively.

(23) SUBSEQUENT EVENTS

In October 2014, the Board of Directors approved a 1.69-for-1 stock split of the Company's issued and outstanding common stock, which was effective on October 28, 2014. The stock split did not change the par value of the Company's common stock. The condensed consolidated financial statements have been retroactively adjusted to give effect to the stock split.

These interim unaudited condensed consolidated and combined financial statements reflect management's evaluation of subsequent events, through August 14, 2014, the initial date the interim unaudited condensed consolidated and combined financial statements were available to be issued and through October 30, 2014, the date of the most recent revision.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Axalta Coating Systems Ltd.

In our opinion, the accompanying combined balance sheet as of December 31, 2012 and the related combined statements of operations, of comprehensive income (loss), of changes in DuPont's net investment in DuPont Performance Coatings and of cash flows for the period from January 1, 2013 through January 31, 2013, and for each of the two years in the period ended December 31, 2012 present fairly, in all material respects, the financial position of DuPont Performance Coatings (Predecessor), a business formerly owned by E. I. du Pont de Nemours and Company, at December 31, 2012 and the results of their operations and their cash flows for the period from January 1, 2013 through January 31, 2013, and for each of the two years in the period ended December 31, 2012 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Philadelphia, PA
March 31, 2014, except for Note 25 to the combined financial statements, as to which the date is August 20, 2014

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Axalta Coating Systems Ltd.

In our opinion, the accompanying consolidated balance sheets as of December 31, 2013 and 2012 and the related consolidated statements of operations, of comprehensive income (loss), of changes in stockholders’ equity and of cash flows for the year ended December 31, 2013 and for the period from August 24, 2012 to December 31, 2012 present fairly, in all material respects, the financial position of Axalta Coating Systems Ltd. and its subsidiaries (Successor) at December 31, 2013 and 2012 and the results of their operations and their cash flows for the year ended December 31, 2013 and for the period from August 24, 2012 to December 31, 2012 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Philadelphia, PA
March 31, 2014, except for Note 25 and the earnings per common share data included in the consolidated statement of operations and in Note 14 to the consolidated financial statements, as to which the date is August 20, 2014, the revision disclosed in Note 2, as to which the date is October 14, 2014, and the effect of the stock split as disclosed in Notes 10 and 14, as to which the date is October 30, 2014

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AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Consolidated (Successor)
Statements of Operations
(Dollars in millions, except per share and share data)

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Net sales	$ 4,281.5	$ 4,219.4	$ 326.2	$ —	$ 3,951.1
Other revenue	34.3	37.4	1.1	—	35.7
Total revenue	4,315.8	4,256.8	327.3	—	3,986.8
Cost of goods sold	3,074.5	2,932.6	232.2	—	2,772.8
Selling, general and administrative expenses	869.1	873.4	70.8	—	1,040.6
Research and development expenses	49.6	41.5	3.7	—	40.5
Amortization of acquired intangibles	—	—	—	—	79.9
Merger and acquisition related expenses	—	—	—	29.0	28.1
Income (loss) from operations	322.6	409.3	20.6	(29.0)	24.9
Interest expense, net	0.2	—	—	—	215.1
Bridge financing commitment fees	—	—	—	—	25.0
Other expense, net	20.2	16.3	5.0	—	48.5
Income (loss) before income taxes	302.2	393.0	15.6	(29.0)	(263.7)
Provision (benefit) for income taxes	120.7	145.2	7.1	—	(44.8)
Net income (loss)	181.5	247.8	8.5	(29.0)	(218.9)
Less: Net income attributable to noncontrolling interests	2.1	4.5	0.6	—	6.0
Net income (loss) attributable to controlling interests	$ 179.4	$ 243.3	$ 7.9	$ (29.0)	$ (224.9)
Loss per common share attributable to Axalta (basic and diluted)				$ —	$ (0.97)
Weighted average shares outstanding, basic and diluted				—	228,280,574

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Consolidated (Successor)
Statements of Comprehensive Income (Loss)
(Dollars in millions)

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Net income (loss)	$ 181.5	$ 247.8	$ 8.5	$ (29.0)	$ (218.9)
Other comprehensive income (loss), before tax:					
Foreign currency translation adjustments	—	—	—	—	24.3
Unrealized gain (loss) on securities	1.9	0.3	0.2	—	(0.9)
Unrealized gain on derivatives	—	—	—	—	5.0
Unrealized gain (loss) on pension and other benefit plan obligations	(26.5)	(99.6)	1.1	—	11.0
Other comprehensive income (loss), before tax	(24.6)	(99.3)	1.3	—	39.4
Income tax benefit (provision) related to items of other comprehensive income	8.6	34.8	(0.5)	—	(5.4)
Other comprehensive income (loss), net of tax	(16.0)	(64.5)	0.8	—	34.0
Comprehensive income (loss)	165.5	183.3	9.3	(29.0)	(184.9)
Less: Comprehensive income attributable to noncontrolling interests	2.1	4.5	0.6	—	6.0
Comprehensive income (loss) attributable to controlling interests	$ 163.4	$ 178.8	$ 8.7	$ (29.0)	$ (190.9)

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Consolidated (Successor)
Balance Sheets

(Dollars in millions)	Predecessor December 31, 2012	Successor December 31, 2012	Successor December 31, 2013
Assets			
Current assets:			
Cash and cash equivalents	$ 28.7	$ —	$ 459.3
Accounts and notes receivable—trade, net	807.3	—	865.9
Inventories	471.0	—	550.2
Prepaid expenses and other	23.5	—	50.2
Deferred income taxes	24.0	—	30.0
Total current assets	1,354.5	—	1,955.6
Net property, plant, and equipment	708.8	—	1,622.6
Goodwill	588.8	—	1,113.6
Identifiable intangibles, net	66.9	—	1,439.6
Deferred financing costs, net	—	—	110.6
Investments in affiliates	7.9	—	15.8
Other assets	151.7	4.6	479.3
Total assets	$ 2,878.6	$ 4.6	$ 6,737.1
Liabilities, Stockholders' Equity and DuPont's Net Investment in DuPont Performance Coatings			
Current liabilities:			
Accounts payable	$ 441.7	$ —	$ 478.5
Current portion of borrowings	0.2	—	46.7
Deferred income taxes	11.5	—	5.5
Other accrued liabilities	295.9	33.6	472.7
Total current liabilities	749.3	33.6	1,003.4
Long-term borrowings	—	—	3,874.2
Accrued pensions and other long-term employee benefits	338.2	—	313.2
Deferred income taxes	27.9	—	280.4
Other liabilities	66.2	—	54.1
Total liabilities	1,181.6	33.6	5,525.3
Commitments and contingent liabilities (Note 8)			
Stockholders' equity and DuPont's net investment:			
Common stock, $1.00 par, 1,000,000,000 shares authorized, 229,069,356 shares issued and outstanding at December 31, 2013; 100 shares issued and outstanding at December 31, 2012	—	—	229.1
Capital in excess of par	—	—	1,133.7
DuPont's net investment in DuPont Performance Coatings	1,804.3	—	—
Accumulated deficit	—	(29.0)	(253.9)
Accumulated other comprehensive income (loss)	(140.9)	—	34.0
Total stockholders' equity and DuPont's net investment	1,663.4	(29.0)	1,142.9
Noncontrolling interests	33.6	—	68.9
Total stockholders' equity, DuPont's net investment, noncontrolling interests	1,697.0	(29.0)	1,211.8
Total liabilities, stockholders' equity, DuPont's net investment and noncontrolling interests	$ 2,878.6	$ 4.6	$ 6,737.1

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.

Combined Statement of Changes in DuPont's Net Investment in DuPont Performance Coatings (Predecessor) and
Consolidated Statement of Changes in Stockholders' Equity (Successor)

(Dollars in millions)

	Predecessor			
	DuPont's Net Investment in DuPont Performance Coatings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests	Total
Predecessor				
Balance January 1, 2011	$ 1,790.3	$ (60.4)	$ 34.8	$1,764.7
Comprehensive income:				
Net income	179.4	—	2.1	181.5
Net unrealized gain on securities, net of tax benefit of $0.7	—	1.3	—	1.3
Pension benefit plans, net of tax of $9.3	—	(17.2)	—	(17.2)
Total comprehensive income	179.4	(15.9)	2.1	165.6
Net transfers to DuPont	(123.0)	—	(2.1)	(125.1)
Balance December 31, 2011	$ 1,846.7	$ (76.3)	$ 34.8	$1,805.2
Predecessor				
Balance December 31, 2011	$ 1,846.7	$ (76.3)	$ 34.8	$1,805.2
Comprehensive income:				
Net income	243.3	—	4.5	247.8
Net unrealized gain on securities, net of tax benefit of $0.1	—	0.2	—	0.2
Pension benefit plans, net of tax of $34.9	—	(64.8)	—	(64.8)
Total comprehensive income	243.3	(64.6)	4.5	183.2
Net transfers to DuPont	(283.8)	—	(3.9)	(287.7)
Deconsolidation of joint venture	(1.9)	—	(1.8)	(3.7)
Balance December 31, 2012	$ 1,804.3	$ (140.9)	$ 33.6	$1,697.0
Predecessor				
Balance December 31, 2012	$ 1,804.3	$ (140.9)	$ 33.6	$1,697.0
Comprehensive income:				
Net income	7.9	—	0.6	8.5
Net unrealized gain on securities, net of tax of $0.1	—	0.2	—	0.2
Pension benefit plans, net of tax of $0.4	—	0.7	—	0.7
Total comprehensive income	7.9	0.9	0.6	9.4
Net transfers from DuPont	43.0	—	—	43.0
Dividends declared to noncontrolling interests	—	—	(1.5)	(1.5)
Balance January 31, 2013	$ 1,855.2	$ (140.0)	$ 32.7	$1,747.9

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.

Combined Statement of Changes in DuPont's Net Investment in DuPont Performance Coatings (Predecessor) and Consolidated Statement of Changes in Stockholders' Equity (Successor)

(Dollars in millions)

	Successor					
	Common Stock	Capital In Excess Of Par	Accumulated Deficit	Accumulated Other Comprehensive Income	Noncontrolling Interests	Total
Successor						
Balance August 24, 2012	$ —	$ —	$ —	$ —	$ —	$ —
Comprehensive loss:						
Net loss	—	—	(29.0)	—	—	(29.0)
Total comprehensive loss	—	—	(29.0)	—	—	(29.0)
Balance December 31, 2012	$ —	$ —	$ (29.0)	$ —	$ —	$ (29.0)
Comprehensive loss:						
Net (loss) income	$ —	$ —	$ (224.9)	$ —	$ 6.0	$ (218.9)
Net unrealized loss on securities, net of tax of $0.0	—	—	—	(0.9)	—	(0.9)
Net realized and unrealized gain on derivatives, net of tax of $1.9	—	—	—	3.1	—	3.1
Long-term employee benefit plans, net of tax of $3.5	—	—	—	7.5	—	7.5
Foreign currency translation	—	—	—	24.3	—	24.3
Total comprehensive (loss) income	—	—	(224.9)	34.0	6.0	(184.9)
Equity contributions	0.1	1,355.3	—	—	—	1,355.4
Recognition of stock-based compensation	—	7.4	—	—	—	7.4
Capitalization of capital in excess of par	229.0	(229.0)	—	—	—	—
Noncontrolling interests of acquired subsidiaries	—	—	—	—	66.7	66.7
Dividends declared to noncontrolling interests	—	—	—	—	(3.8)	(3.8)
Balance December 31, 2013	$ 229.1	$1,133.7	$ (253.9)	$ 34.0	$ 68.9	$1,211.8

The accompanying notes are an integral part of these financial statements.

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AXALTA COATING SYSTEMS LTD.
DuPont Performance Coatings Combined (Predecessor) and Consolidated (Successor)
Statements of Cash Flows
(Dollars in millions)

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Operating activities:					
Net (loss) income	$ 181.5	$ 247.8	$ 8.5	$ (29.0)	$ (218.9)
Adjustment to reconcile net (loss) income to cash provided by operating activities:					
Depreciation and amortization	108.7	110.7	9.9	—	300.7
Provision for uncollectible accounts	4.6	5.0	0.2	—	5.4
Amortization of financing costs and original issue discount	—	—	—	—	18.4
Fair value step up of acquired inventory sold	—	—	—	—	103.7
Bridge financing commitment fees	—	—	—	—	25.0
Deferred income taxes	3.5	9.1	9.1	—	(120.8)
Realized and unrealized foreign exchange losses, net	—	—	4.5	—	48.9
Stock-based compensation	—	—	—	—	7.4
Other non-cash, net	(1.5)	2.6	(4.1)	—	7.8
Decrease (increase) in operating assets:					
Trade accounts and notes receivable	(5.4)	(58.9)	25.8	—	(6.4)
Restricted cash	(13.1)	(3.6)	—	—	—
Inventories	6.1	5.7	(19.3)	—	33.9
Prepaid expenses and other assets	2.3	5.0	3.1	—	(90.9)
Increase (decrease) in operating liabilities:					
Accounts payable	(3.0)	53.1	(29.9)	—	67.1
Accounts payable, related parties	13.0	1.8	—	—	—
Other accrued liabilities	(44.7)	36.4	(43.8)	29.0	193.1
Other liabilities	(15.8)	(25.9)	(1.7)	—	2.4
Cash provided by (used for) operating activities	236.2	388.8	(37.7)	—	376.8
Investing activities:					
Acquisition of DuPont Performance Coatings (net of cash acquired)	—	—	—	—	(4,827.6)
Purchase of property, plant and equipment	(82.7)	(73.2)	(2.4)	—	(107.3)
Investment in real estate property	—	—	—	—	(54.5)
Purchase of interest rate cap	—	—	—	—	(3.1)
Settlement of foreign currency contract	—	—	—	—	(19.4)
Purchase of intangibles	(41.7)	(21.6)	(6.3)	—	—
Purchase of investment in affiliate	0.3	0.1	(1.2)	—	—
Proceeds from sale of assets	7.5	6.5	1.6	—	0.7
Cash used for investing activities	(116.6)	(88.2)	(8.3)	—	(5,011.2)
Financing activities:					
Proceeds from Senior Secured Credit Facilities, net	—	—	—	—	2,817.3
Issuance of Senior Notes	—	—	—	—	1,089.4
Proceeds from short-term borrowings	0.4	—	—	—	38.8
Payments on short-term borrowings	(0.4)	(0.7)	—	—	(25.3)
Payments on long-term debt	—	—	—	—	(21.3)
Payments of deferred financing costs	—	—	—	—	(126.0)
Bridge financing commitment fees	—	—	—	—	(25.0)
Dividends paid to noncontrolling interests	—	—	—	—	(5.2)
Equity contribution	—	—	—	—	1,355.4
Net transfer (to) from DuPont	(125.1)	(289.9)	43.0	—	—
Cash provided by (used for) financing activities	(125.1)	(290.6)	43.0	—	5,098.1
Increase (decrease) in cash and cash equivalents	(5.5)	10.0	(3.0)	—	463.7
Effect of exchange rate changes on cash	2.4	(0.1)	—	—	(4.4)
Cash and cash equivalents at beginning of period	21.9	18.8	28.7	—	—
Cash and cash equivalents at end of period	$ 18.8	$ 28.7	$ 25.7	$ —	$ 459.3
Supplemental cash flow information					
Cash paid during the year for:					
Interest, net of amounts capitalized	$ 0.2	$ —	$ —	$ —	$ 171.9
Income taxes, net of refunds	$ 19.6	$ 15.9	$ 13.3	$ —	$ 83.1

The accompanying notes are an integral part of these financial statements.

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

(1) GENERAL AND DESCRIPTION OF THE BUSINESS

Axalta Coating Systems Ltd. (formerly known as Flash Bermuda Co., Ltd. or Axalta Coating Systems Bermuda Co., Ltd.) ("Axalta" or the "Company"), a Bermuda exempted company limited by shares formed at the direction of The Carlyle Group L.P. ("Carlyle"), was incorporated on August 24, 2012 for the purpose of consummating the acquisition of DuPont Performance Coatings ("DPC"), a business formerly owned by E. I. du Pont de Nemours and Company ("DuPont"), including certain assets of DPC and all of the capital stock and other equity interests of certain entities engaged in the DPC business (the "Acquisition"). Axalta, through its wholly-owned indirect subsidiaries, acquired DPC on February 1, 2013.

Axalta is a holding company with no business operations or assets other than cash, cash equivalents, certain indemnity receivables from DuPont and 100% of the ownership interest of Axalta Coating Systems Dutch Co. Top Coöperatief U.A. (formerly known as Flash Dutch Co. Top Coöperatief U.A.), which itself is a holding company with no operations or assets other than 100% of the capital stock of Axalta Coating Systems Dutch Holdings A B.V. (formerly known as Flash Dutch 1 B.V.) ("Dutch A B.V."), which itself is a holding company with no operations or assets other than 100% of the capital stock of Axalta Coating Systems Dutch Holdings B B.V. (formerly known as Dutch 2 B.V.) ("Dutch B B.V."). Dutch B B.V., together with its indirect wholly-owned subsidiary, Axalta Coating Systems U.S. Holdings, Inc. (formerly known as U.S. Coatings Acquisition Inc.) ("Axalta US Holdings"), are co-borrowers under the Senior Secured Credit Facilities and co-issuers of the Senior Notes (each as defined below). Our global operations are conducted by indirect wholly-owned subsidiaries and indirect majority-owned subsidiaries.

The purchase price for the Acquisition was funded by (i) an equity contribution of $1,350.0 million into the Company by affiliates of Carlyle (the "Equity Contribution"), (ii) proceeds from borrowings under senior secured credit facilities (the "Senior Secured Credit Facilities") consisting of a $2,300.0 million Dollar Term Loan facility and a €400.0 million Euro Term Loan facility both of which are due February 1, 2020 and (iii) proceeds from the issuance of $750.0 million aggregate principal amount of 7.375% senior unsecured notes due 2021 and the issuance of €250.0 million aggregate principal amount of 5.750% senior secured notes due 2021 (collectively the "Senior Notes"). The Senior Secured Credit Facilities and the Senior Notes are more fully described in Note 22.

Axalta is a leading global manufacturer, marketer and distributor of innovative high performance coatings products primarily serving the transportation industry. Products are offered in four key end markets including the refinish automotive aftermarket, industrial, light vehicle or automotive original equipment manufacturers ("OEM") market, and commercial vehicle market. These products include high performance liquid and powder coatings for motor vehicles OEMs, the motor vehicle aftermarket, and general industrial applications, such as coatings for heavy equipment, pipes, appliances and electrical insulation. Aftermarket coatings products are marketed using the Standox, Spies Hecker, Cromax and Nason brand names. Standox, Spies Hecker and Cromax are focused on the high-end motor vehicle aftermarkets, while Nason is primarily focused on economy coating applications.

Axalta is globally operated with manufacturing facilities, sales centers, administrative offices and warehouses located throughout the world. Axalta's operations are primarily located in the United States, Canada, Brazil, Mexico, Austria, Belgium, Germany, France, the United Kingdom and China.

(2) BASIS OF PRESENTATION OF THE COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

The Acquisition closed on February 1, 2013. The accompanying consolidated balance sheets of Axalta as of December 31, 2013 and December 31, 2012 and related consolidated statements of operations and consolidated statements of comprehensive income for the year ended December 31, 2013 and for the period

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

from August 24, 2012 through December 31, 2012 and consolidated statements of cash flows and of changes in stockholders' equity for the year ended December 31, 2013 and the period from August 24, 2012 through December 31, 2012 are labeled as "Successor". The Successor financial statements as of December 31, 2013 and for the year ended December 31, 2013 were prepared reflecting acquisition accounting and other transaction adjustments resulting from the Acquisition. The consolidated financial statements for the Successor include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained.

The accompanying combined balance sheet of DPC as of December 31, 2012 and the related combined statements of operations and statements of comprehensive income for the period from January 1, 2013 through January 31, 2013 and for the years ended December 31, 2012 and 2011 and consolidated statements of cash flows and of changes in parent company net investment for the period from January 1, 2013 through January 31, 2013 and for the years ended December 31, 2012 and 2011, do not include adjustments or transactions attributable to the Acquisition, and are labeled as "Predecessor". As a result of the application of acquisition accounting as of the closing date of the Acquisition, the financial statements for the Successor periods and the Predecessor periods are presented on a different basis and are, therefore, not comparable.

During the Predecessor periods, DPC operated either as a reportable segment or part of a reportable segment within DuPont; consequently, standalone financial statements were not historically prepared for DPC. The accompanying combined financial statements of DPC have been prepared from DuPont's historical accounting records and are presented on a standalone basis as if the operations had been conducted independently from DuPont. In this context, prior to presale structuring activities occurring in the latter part of 2012, no direct ownership relationship existed among all of the various legal entities comprising DPC. Accordingly, DuPont and its subsidiaries' net investment in these operations is shown in lieu of stockholders' equity in the Predecessor combined financial statements. The Predecessor combined financial statements include the historical operations, assets and liabilities of the legal entities that are considered to comprise the DPC business.

DPC comprised certain standalone legal entities for which discrete financial information was available, as well as portions of legal entities for which discrete financial information was not available (shared entities). Discrete financial information was not available for DPC within shared entities as DuPont did not record every transaction at the DPC level, but rather at the DuPont corporate level. For shared entities for which discrete financial information was not available, allocation methodologies were applied to certain accounts to allocate amounts to DPC as discussed in Note 7.

The Predecessor combined statements of operations include all revenues and costs directly attributable to DPC, including costs for facilities, functions and services used by DPC. Costs for certain functions and services performed by centralized DuPont organizations were directly charged to DPC based on usage or other allocations methods. The results of operations also include allocations of (i) costs for administrative functions and services performed on behalf of DPC by centralized staff groups within DuPont, (ii) DuPont's general corporate expenses, and (iii) certain pension and other postretirement benefit costs. As more fully described in Note 13, current and deferred income taxes and related tax expense were determined on the standalone results of the DPC operations in each country as if it were a separate taxpayer (i.e., following the separate return methodology).

All charges and allocations of cost for facilities, functions and services performed by DuPont organizations were deemed paid by DPC to DuPont, in cash, in the period in which the costs were recorded in the Predecessor combined statement of operations. Allocations to DPC of current income taxes payable were deemed to have been remitted, in cash, to DuPont in the period the related tax expense was recorded. Allocations of current income taxes receivable were deemed to have been remitted to DPC, in cash, by DuPont in the period in which the receivable applies only to the extent that a refund of such taxes could have been recognized by DPC on a standalone basis under the law of the relevant taxing jurisdiction.

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

DuPont used a centralized approach to cash management and financing its operations. Accordingly, cash, cash equivalents, debt and interest expense were not allocated to DPC in the Predecessor combined financial statements. Transactions between DPC and DuPont were accounted for through the parent company net investment. DPC purchased materials and services from, and sold materials and services to, DuPont operations not included in the defined scope of DPC. Transactions between DuPont and DPC were deemed to be settled immediately through the parent company net investment. Cash, cash equivalents, debt and interest expense in the Predecessor combined balance sheet and statement of operations represent cash, cash equivalents, debt and interest expense held locally by certain of DPC's majority owned joint ventures. DuPont's current and long-term debt was not pushed down to the Predecessor combined financial statements because it was not specifically identifiable to DPC.

All of the allocations and estimates in the Predecessor combined financial statements were based on assumptions that management of DuPont and DPC believed were reasonable. However, the Predecessor combined financial statements included herein may not be indicative of the financial position, results of operations and cash flows of the Company in the future or if DPC had been a separate, standalone entity during the Predecessor periods presented.

Certain of our joint ventures are accounted for on a one-month lag basis, the effect of which is not material.

Reclassification and revisions

During the third quarter ended September 30, 2014, the Company identified errors in the determination and calculation of the effective interest rate amortization for the Deferred Financing Costs and Original Issue Discounts that were incurred in 2013 as part of the financing of the Acquisition. The correction of these items impacted the consolidated balance sheet at December 31, 2013 and the consolidated statements of operations and statements of comprehensive income (loss) for the year ending December 31, 2013 as presented in the Company's annual financial statements. The Company assessed the applicable guidance and concluded that these errors were not material to the Company's consolidated financial statements for the aforementioned prior periods; however, the Company did conclude that correcting these prior misstatements would be significant to the three and nine-month periods ended September 30, 2014 consolidated statement of operations. As a result of this analysis, the 2013 consolidated financial statements were revised to reflect the correction of the aforementioned errors. The correction of the error increased net income by $11.5 million for the year ended December 31, 2013, through a reduction in interest expense of $13.2 million (net of a tax provision of $1.7 million). The correction of the error impacted Deferred Financing Costs, Long-term borrowings and Non-current deferred income tax assets by $10.5 million, ($2.7) million and ($1.7) million at December 31, 2013, respectively.

Certain reclassifications have been made to Other revenue and Other expense, net, on the Predecessor combined statements of operations to conform to the Successor presentation.

(3) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Axalta and its subsidiaries and the combined financial statements of DPC have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the financial statements have been included.

(a) *Use of Estimates*

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the closing date of the

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

Acquisition and the date of the financial statements and the reported amounts of sales and expenses during the period. The estimates and assumptions include, but are not limited to, receivable and inventory valuations, fixed asset valuations, valuations of goodwill and identifiable intangible assets, including analysis of impairment, valuations of long-term employee benefit obligations, income taxes, environmental matters, litigation, stock-based compensation, restructuring, and allocations of costs. Our estimates are based on historical experience, facts and circumstances available at the time and various other assumptions that are believed to be reasonable. Actual results could differ materially from those estimates.

(b) ***Accounting for Business Combinations***

We account for business combinations under the acquisition method of accounting. This method requires the recording of acquired assets, including separately identifiable intangible assets and assumed liabilities at their acquisition date fair values. The method records any excess purchase price over the fair value of acquired net assets as goodwill.

The determination of the fair value of assets acquired, liabilities assumed, and noncontrolling interests involves assessments of factors such as the expected future cash flows associated with individual assets and liabilities and appropriate discount rates at the closing date of the Acquisition. When necessary, we consult with external advisors to help determine fair value. For non-observable market values, we determine fair value using acceptable valuation principles (e.g., multiple excess earnings, relief from royalty and cost methods).

We included the results of operations from the acquisition date in the financial statements for all businesses acquired.

(c) ***Principles of Consolidation and Combination***

The consolidated financial statements of the Successor (“the Successor statements”) include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained. For those consolidated subsidiaries in which the Company’s ownership is less than 100%, the outside stockholders’ interests are shown as noncontrolling interests. Investments in companies in which Axalta, directly or indirectly, owns 20% to 50% of the voting stock and has the ability to exercise significant influence over operating and financial policies of the investee are accounted for using the equity method of accounting. As a result, Axalta’s share of the earnings or losses of such equity affiliates is included in the accompanying consolidated statement of operations and our share of these companies’ stockholders’ equity is included in “Investments in affiliates” in the accompanying consolidated balance sheet.

The combined financial statements for the Predecessor (“the Predecessor statements”) include the combined assets, liabilities, revenues, and expenses of DPC.

We eliminated all intercompany accounts and transactions in the preparation of the accompanying consolidated and combined financial statements.

On September 4, 2012, the three partners of the DPC majority-owned DuPont Powder Coatings Saudi Company Ltd. (“DPC Saudi”), a non-US joint venture, signed a new shareholder resolution agreement requiring all partners to unanimously agree to all financial decisions and payments of the business. As a result, DPC concluded that consolidating DPC Saudi was no longer appropriate due to a lack of financial control in the operations of the business. Consequently, DPC deconsolidated the joint venture, and accounted for it under the equity method of accounting in the Predecessor statements. This joint venture

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

investment in DPC Saudi was not an asset acquired from DuPont in the Acquisition. The deconsolidation of DPC Saudi resulted in a loss of $1.0 million for the year ended December 31, 2012, which was recorded in Selling, general and administrative expenses in the combined statement of operations.

(d) ***Revenue Recognition***

We recognize revenue after completing the earnings process. We recognize revenue for product sales when we ship products to the customer in accordance with the terms of the agreement, when there is persuasive evidence of the arrangement, title and risk of loss have been transferred, collectability is reasonably assured and pricing is fixed or determinable.

For a majority of our product sales, title transfers at the shipping point and delivery is considered complete. For certain OEM customers, revenue is recognized at the time the customer applies our coatings to its vehicles, as this represents the point in time that risk of loss has been transferred and delivery is considered complete.

We accrue for sales returns and other allowances based on our historical experience.

We incur up-front costs in order to obtain contracts with certain customers. During the Successor periods, we capitalized these up-front costs as a component of Other assets. During the Predecessor periods, we capitalized costs as a component of Identifiable intangibles, net. We amortize the related amounts over the estimated life of the contract as a reduction of net sales.

We include the amounts billed to customers for shipping and handling fees in net sales and costs incurred for the delivery of goods as cost of goods sold in the statement of operations.

Recognition for licensing and royalty income occurs in accordance with agreed upon terms, when performance obligations are satisfied, the amount is fixed or determinable, and collectability is reasonably assured.

(e) ***Other Revenue***

Other revenue includes various elements of income resulting from the normal operation of our business. Other revenue includes, but is not limited to, income for services provided to customers and royalty income.

(f) ***Cash and Cash Equivalents***

Cash equivalents represent highly liquid investments with maturities of three months or less from time of purchase. They are carried at cost plus accrued interest, which approximates fair value because of the short-term maturity of these instruments. Cash balances may exceed government insured limits in certain jurisdictions. During the Predecessor periods, cash and cash equivalents represented balances held by DPC's majority owned joint ventures as DPC participated in DuPont's centralized cash management and financing programs (see Note 7 for additional information).

(g) ***Fair Value Measurements***

GAAP defines a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

The following valuation techniques are used to measure fair value for assets and liabilities:

Level 1—Quoted market prices in active markets for identical assets or liabilities;

Level 2—Significant other observable inputs (e.g., quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable such as interest rate and yield curves, and market-corroborated inputs); and

Level 3—Unobservable inputs for the asset or liability, which are valued based on management's estimates of assumptions that market participants would use in pricing the asset or liability.

(h) ***Derivatives and Hedging***

The Company from time to time utilizes derivatives to manage exposures to currency exchange rates and interest rate risk. The fair values of all derivatives are recognized as assets or liabilities at the balance sheet date. Changes in the fair value of these instruments are reported in income or Accumulated other comprehensive income ("AOCI"), depending on the use of the derivative and whether it qualifies for hedge accounting treatment.

Gains and losses on derivatives that are designated and qualify as cash flow hedging instruments are recorded in AOCI, to the extent the hedges are effective, until the underlying transactions are recognized in income. To the extent effective, gains and losses on derivative and nonderivative instruments used as hedges of the Company's net investment in foreign operations are recorded in AOCI as part of the cumulative translation adjustment. The ineffective portions of cash flow hedges and hedges of net investment in foreign operations, if any, are recognized in income immediately.

Gains and losses on derivatives designated and qualifying as fair value hedging instruments, as well as the offsetting losses and gains on the hedged items, are reported in income in the same accounting period. Derivatives not designated as hedging instruments are marked-to-market at the end of each accounting period with the results included in income.

Cash flows from derivatives are recognized in the consolidated and combined statements of cash flows in a manner consistent with the underlying transactions.

(i) ***Receivables and Allowance for Doubtful Accounts***

Receivables are recognized net of an allowance for doubtful accounts receivable. The allowance for doubtful accounts receivable reflects the best estimate of losses inherent in the accounts receivable portfolio determined on the basis of historical experience, specific allowances for known troubled accounts and other available evidence. Accounts receivable are written down or off when a portion or all of such account receivable is determined to be uncollectible.

(j) ***Inventories***

Inventories of the Successor are valued at the lower of cost or market with cost being determined on the weighted average cost method. Elements of cost in inventories include:

- raw materials,
- direct labor, and
- manufacturing overhead.

Stores and supplies are valued at the lower of cost or market; cost is generally determined by the average cost method. Inventories deemed to have costs greater than their respective market values are

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

reduced to net realizable value based upon a review of on-hand inventories and historical and forecasted usage, as well as price determination or changes in price levels, recorded as a loss in the period recognized.

Inventories of the Predecessor were valued on the basis of cost as determined by the last-in, first-out ("LIFO") method.

(k) ***Property, Plant and Equipment***

(1) Successor periods

Property, plant and equipment of the Successor acquired in the Acquisition were recorded at fair value as of the acquisition date and are depreciated using the straight-line method. Subsequent additions to property, plant and equipment, including the fair value of any asset retirement obligations upon initial recognition of the liability, are recorded at cost and are depreciated using the straight-line method.

Property, plant and equipment acquired in the Acquisition are depreciated over their estimated remaining useful lives. The weighted average estimated remaining useful lives of property, plant and equipment acquired in connection with the Acquisition was approximately 11 years. Subsequent additions are depreciated over useful lives ranging from 15 to 25 years for buildings and 5 to 25 years for equipment. Included within equipment are capitalized costs associated with internal use computer software, which we amortize on a straight-line basis generally over 5 to 7 years, and furniture and fixtures, which we depreciate over useful lives ranging from 5 to 10 years.

(2) Predecessor periods

Property, plant and equipment of the Predecessor were carried at cost and were depreciated using the straight-line method. Property, plant and equipment placed in service prior to 1995 were depreciated using the sum-of-the-years' digits method or other substantially similar methods. Substantially all Predecessor buildings and equipment were depreciated over useful lives ranging from 15 to 25 years.

(l) ***Goodwill and Other Identifiable Intangible Assets***

Goodwill represents the excess of purchase price over the fair values of underlying net assets acquired in an acquisition. Goodwill and indefinite-lived intangible assets are tested for impairment on an annual basis as of October 1; however, these tests are performed more frequently if events or changes in circumstances indicate that the asset may be impaired. The fair value methodology is based on prices of similar assets or other valuation methodologies including discounted cash flow techniques.

When testing goodwill and indefinite-lived intangible assets for impairment, we first have an option to assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not (more than 50%) that an impairment exists. Such qualitative factors may include the following: macroeconomic conditions; industry and market considerations; cost factors; overall financial performance; and other relevant entity-specific events. In the event the qualitative assessment indicates that an impairment is more likely than not, we would be required to perform a quantitative impairment test, otherwise no further analysis is required.

Under the quantitative goodwill impairment test, the evaluation of impairment involves comparing the current fair value of each reporting unit to its carrying value, including goodwill. If the carrying amount of a reporting unit, including goodwill, exceeds the estimated fair value, then individual assets

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(including identifiable intangible assets) and liabilities of the reporting unit are estimated at fair value. The excess of the estimated fair value of the reporting unit over the estimated fair value of its net assets would establish the implied value of goodwill. The excess of the recorded amount of goodwill over the implied value is then charged to earnings as an impairment loss.

Definite-lived intangible assets, such as technology, trademarks, customer relationships and non-compete agreements are amortized over their estimated useful lives, generally for periods ranging from four to 20 years. The reasonableness of the useful lives of these assets is regularly evaluated. Once these assets are fully amortized, they are removed from the balance sheet. We evaluate these assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets might not be recoverable.

(m) ***Impairment of Long-Lived Assets***

The carrying value of long-lived assets to be held and used is evaluated when events or changes in circumstances indicate the carrying value may not be recoverable. The carrying value of a long-lived asset is considered impaired when the total projected undiscounted cash flows from the asset are less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. The fair value methodology used is an estimate of fair market value and is based on prices of similar assets or other valuation methodologies including present value techniques. Long-lived assets to be disposed of other than by sale are classified as held for use until their disposal. Long-lived assets to be disposed of by sale are classified as held for sale and are reported at the lower of carrying amount or fair market value less cost to sell. Depreciation is discontinued for long-lived assets classified as held for sale.

(n) ***Research and Development***

Research and development costs incurred in the normal course of business are expensed as incurred. In process research and development projects acquired in a business combination are recorded as intangible assets at their fair value as of the acquisition date. Subsequent costs related to acquired in process research and development projects are expensed as incurred. Research and development intangible assets are considered indefinite-lived until the abandonment or completion of the associated research and development efforts. Upon completion of the research and development process, the carrying value of acquired in process research and development projects is reclassified as a finite-lived asset and is amortized over its useful life.

(o) ***Environmental Liabilities and Expenditures***

Accruals for environmental matters are recorded in cost of goods sold when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Accrued environmental liabilities are not discounted. Claims for recovery from third parties, if any, are reflected separately as an asset. We record recoveries at the earlier of when the gain is probable or realized. For the periods ending December 31, 2013, 2012 and 2011, and January 1, 2013 through January 31, 2013, we have not recognized any assets or income associated with recoveries from third parties.

Costs related to environmental remediation are charged to expense in the period incurred. Other environmental costs are also charged to expense in the period incurred, unless they increase the value of the property or reduce or prevent contamination from future operations, in which case, they are capitalized and amortized.

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(p) ***Litigation***

We accrue for liabilities related to litigation matters when available information indicates that the liability is probable and the amount can be reasonably estimated. Legal costs such as outside counsel fees and expenses are charged to expense in the period incurred.

(q) ***Income Taxes***

(1) Successor periods

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax basis. Deferred tax assets are also recognized for operating losses and tax credit carry forwards. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates applicable in the years in which they are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax law is recognized in income in the period that includes the enactment date.

Where we do not intend to indefinitely reinvest earnings of our foreign subsidiaries, we provide for income taxes and foreign withholding taxes, where applicable, on undistributed earnings. We do not provide for income taxes on undistributed earnings of our foreign subsidiaries that are intended to be indefinitely reinvested.

We recognize the benefit of an income tax position only if it is “more likely than not” that the tax position will be sustained. The tax benefits recognized are measured based on the largest benefit that has a greater than 50% likelihood of being realized. Additionally, we recognize interest and penalties accrued related to unrecognized tax benefits as a component of provision for income taxes. The current portion of unrecognized tax benefits is included in “Income taxes payable” and the long-term portion is included in the long-term income tax payable in the consolidated balance sheets.

(2) Predecessor periods

For all Predecessor periods presented, although DPC was included in the consolidated income tax return of DuPont, DPC’s income taxes are computed and reported under the “separate return method.” Use of the separate return method may result in differences when the sum of the amounts allocated to standalone tax provisions are compared with amounts presented in combined financial statements. In that event, related deferred tax assets and liabilities could be significantly different from those presented herein for the Predecessor periods. Certain tax attributes, e.g., net operating loss carryforwards, which were reflected in the DuPont consolidated financial statements may or may not exist at the standalone DPC level.

(r) ***Foreign Currency Translation***

(1) Successor periods

The reporting currency is the U.S. dollar. In most cases, our non-U.S. based subsidiaries use their local currency as the functional currency for their respective business operations. Assets and liabilities of these operations are translated into U.S. dollars at end-of-period exchange rates; income and expenses are translated using the average exchange rates for the reporting period. Resulting cumulative translation adjustments are recorded as a component of stockholders’ equity in the consolidated balance sheet in Accumulated other comprehensive income (loss).

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Gains and losses from transactions denominated in currencies other than the functional currencies are included in the consolidated statement of operations in Other expense, net.

(2) Predecessor periods

The reporting currency is the U.S. dollar. For the Predecessor period, DuPont management determined that the U.S. dollar was the functional currency of DPC's legal entities and this functional currency was appropriate for the economic environment in which DPC operated during the period covered by the Predecessor combined financial statements. For these legal entities, foreign currency denominated asset and liability amounts were remeasured into U.S. dollars at the end-of-period exchange rates. Nonmonetary assets, such as inventories, prepaid expenses, fixed assets and intangible assets were remeasured in U.S. dollars at historical exchange rates. Foreign currency denominated income and expense elements were remeasured into U.S. dollars at average exchange rates in effect during the year, except for expenses related to nonmonetary assets, which were remeasured at historical exchange rates.

(s) ***Employee Benefits***

(1) Successor periods

In connection with the Acquisition, we assumed certain defined benefit plan obligations and related plan assets for current employees of non-U.S. subsidiaries and certain defined benefit plan obligations and plan assets of former employees of subsidiaries in Austria, Germany and the United Kingdom. All defined pension plan obligations for current and former employees in the United States, as well as defined pension plan obligations of former employees of non-U.S. subsidiaries, except for the aforementioned subsidiaries in Austria, Germany and the United Kingdom, were retained by DuPont.

Defined benefit plans specify an amount of pension benefit that an employee will receive on retirement, usually dependent on factors such as age, years of service and compensation. The net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of the future benefits that employees have earned in return for their service in the current and prior periods. These benefits are then discounted to determine the present value of the obligations and are then adjusted for the impact of any unamortized prior service costs. As required by ASC 805, *Business Combinations*, all unamortized prior service costs and actuarial gains (losses) existing at the closing date of the Acquisition were eliminated in the determination of the fair value of the pension funded status at acquisition. The net obligation is then determined with reference to the fair value of the plan assets (if any). The discount rate used is the yield on bonds that are denominated in the currency in which the benefits will be paid and that have maturity dates approximating the terms of the obligations. The calculations are performed by qualified actuaries using the projected unit credit method.

(2) Predecessor periods

Certain of DPC's employees participated in defined benefit pension and other long-term employee benefit plans (the Plans) accounted for in accordance with ASC 715, *Compensation—Retirement Benefits*. Certain DPC employees were previously covered under DuPont and DuPont subsidiaries' sponsored plans which were accounted for in accordance with accounting guidance in ASC 715. The majority of pension and other long-term employee expenses during the Predecessor periods were specifically identified by employee. In addition, a portion of expenses was allocated in shared entities and reported within both costs of goods sold, selling, general and administrative and research and development expenses in the combined statements of operations. For the U.S. pension plan and other long-term employee benefit plans (the U.S. plans), DuPont considered DPC employees to be part of a multiemployer plan of DuPont. The expense related to the current and former employees of DPC is included in the Predecessor combined financial statements. Non-U.S. pensions and other long-term employee benefit plans (the non-U.S. plans) were accounted for as single employer plans where DPC recorded assets, liabilities and expenses related to the current DPC workforce.

(t) ***Stock-based compensation***

Our stock-based compensation for the Successor period, comprised of Axalta stock options, is measured at fair value on the grant date or date of modification, as applicable. We recognize compensation expense on a graded-vesting attribution basis over the requisite service period.

DuPont maintained certain stock compensation plans for the benefit of certain of its officers, directors and employees, including DPC's employees in the Predecessor periods. DPC accounted for all share-based payments to employees, including grants of stock options, based upon their fair values.

For additional information on our stock-based compensation plan, see Note 10.

(u) ***Earnings Per Common Share***

Basic earnings per common share is computed by dividing net income attributable to Axalta's common stockholders by the weighted average number of shares outstanding during the period. Diluted earnings per common share is computed by dividing net income attributable to Axalta's common stockholders by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding related to potentially dilutive securities; Anti-dilutive securities are excluded from the calculation. These potentially dilutive securities consist of stock options.

(v) ***New Accounting Guidance***

In July 2013, the Financial Accounting Standards Board ("FASB") issued ASU 2013-11, "Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists". We have elected to early adopt the guidance to present the unrecognized tax benefit as a reduction of the net operating losses reported within deferred tax assets within the consolidated balance sheet as of December 31, 2013, net of the unrecognized tax benefit. See Note 13 for detail.

In March 2013, the FASB issued ASU 2013-05, "Foreign Currency Matters (Topic 830): Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity", issuing clarifying guidance on the accounting for the release of the cumulative translation adjustment when a parent sells either a part or all of its investment in a foreign entity. This guidance is effective prospectively for annual reporting periods beginning on or after January 1, 2014, and the interim periods within those annual periods. Management does not expect the adoption of this guidance to have a material impact on our financial position or results of operations.

In February 2013, the FASB issued ASU 2013-02, "Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income," issuing changes to the reporting of amounts reclassified out of accumulated other comprehensive income. These changes require an entity to report the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required to be reclassified in its entirety to net income. For other amounts that are not required to be reclassified in their entirety to net income in the same reporting period, an entity is required to cross-reference other disclosures that provide additional detail about those amounts. These requirements are to be applied to each component of accumulated other comprehensive income. This guidance is effective prospectively for annual reporting periods beginning on or after January 1, 2014, and the interim periods within those annual periods. Other than the additional disclosure requirements, the adoption of these changes is not expected to have an impact on our financial position or results of operations.

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(4) ACQUISITION OF DUPONT PERFORMANCE COATINGS

On August 30, 2012, we entered into a purchase agreement (the "Acquisition Agreement") with DuPont pursuant to which we acquired DPC from DuPont for a purchase price of $4,925.9 million plus or minus a working capital adjustment and pension adjustment. Axalta and DuPont finalized the working capital and pension adjustments to the purchase price which resulted in a reduction to the purchase price of $18.6 million to $4,907.3 million.

We accounted for the Acquisition as a business combination in accordance with ASC 805, *Business Combinations* using the acquisition method of accounting. Following an acquisition, we had a period of not more than twelve months from the closing date of the acquisition to finalize the acquisition date fair values of assets acquired and liabilities assumed, including valuations of identifiable intangible assets and property, plant and equipment. The determination of fair values of acquired intangible assets and property, plant and equipment, involves a variety of assumptions, including estimates associated with remaining useful lives. At December 31, 2013, the amounts presented for the Acquisition have been finalized.

The following table summarizes the fair values of the net assets acquired as of the February 1, 2013 Acquisition date adjusted for measurement period adjustments:

	February 1, 2013 (As Initially Reported)	Measurement Period Adjustments	February 1, 2013 (As Adjusted)
Cash and cash equivalents	$ 79.7	$ —	$ 79.7
Accounts and notes receivable—trade, net	855.8	22.7	878.5
Inventories	673.0	3.0	676.0
Prepaid expenses and other	8.2	(1.3)	6.9
Net property, plant and equipment	1,707.7	(1.8)	1,705.9
Identifiable intangibles, net	1,539.3	(19.0)	1,520.3
Other assets—noncurrent	98.8	19.1	117.9
Accounts payable	(409.1)	(6.9)	(416.0)
Other accrued liabilities	(232.0)	7.5	(224.5)
Other liabilities	(331.1)	(35.3)	(366.4)
Deferred income taxes	(312.9)	223.2	(89.7)
Noncontrolling interests	(66.7)	—	(66.7)
Net assets acquired before goodwill on acquisition	3,610.7	211.2	3,821.9
Goodwill on acquisition	1,315.2	(229.8)	1,085.4
Net assets acquired	$ 4,925.9	$ (18.6)	$ 4,907.3

The measurement period adjustments reflect new information obtained about facts and circumstances that existed at the closing date of the Acquisition, primarily related to indemnification assets, inventories, other miscellaneous assets and liabilities, property, plant and equipment, intangible assets, and finalization of our opening balance sheet tax basis and the related deferred income taxes.

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The determination of Goodwill in the amount of $1,085.4 million was recognized for the Acquisition as the excess of the purchase price over the net identifiable assets recognized. The Goodwill is primarily attributed to our assembled workforce, corporate and operational synergies and the going concern value of the anticipated future economic benefits associated with DPC being operated as a standalone entity.

The fair values of intangible assets were estimated using an income approach, either the excess earnings method (customer relationships) or the relief from royalty method (technology and trademarks). Under the excess earnings method, an intangible asset's fair value is equal to the present value of the incremental after-tax cash flows attributable solely to the intangible asset over its remaining useful life. Under the relief from royalty method, fair value is measured by estimating future revenue associated with the intangible asset over its useful life and applying a royalty rate to the revenue estimate. These intangible assets enable us to develop new products to meet the evolving business needs as well as competitively produce our existing products.

The fair value of real properties acquired was based on the consideration of their highest and best use in the market. The fair values of property, plant, and equipment, other than real properties, were based on the consideration that unless otherwise identified, they will continue to be used "as is" and as part of the ongoing business. In contemplation of the in-use premise and the nature of the assets, the fair value was developed primarily using a cost approach. The determination of the fair value of assets acquired and liabilities assumed involves assessing factors such as the expected future cash flows associated with individual assets and liabilities and appropriate discount rates at the date of the acquisition.

The fair value of the noncontrolling interests, related to acquired joint ventures, were estimated by applying an income approach. This fair value measurement is based on significant inputs that are not observable in the market and thus represents a fair value measurement categorized within Level 3 of the fair value hierarchy. Key assumptions included a discount rate, a terminal value based on a range of long-term sustainable growth rates and adjustments because of the lack of control that market participants would consider when measuring the fair value of the noncontrolling interests.

The Company was formed on August 24, 2012 for the purpose of consummating the Acquisition of DPC and, consequently has no financial statements as of and for periods prior to that date. Prior to the Acquisition, we generated no revenue and incurred no expenses other than merger and acquisition costs and debt financing costs in anticipation of the Acquisition. We incurred merger and acquisition related costs of $29.0 million which were expensed during the Successor period August 24, 2012 through December 31, 2012 and incurred debt financing costs of $4.6 million which were recorded as Other assets and Other accrued liabilities as of December 31, 2012 (Successor). The $33.6 million of merger and acquisition related costs and debt financing costs incurred were accrued as a component of Other accrued liabilities at December 31, 2012 (Successor) (see Note 20). The amounts were paid at closing of the Acquisition with proceeds from the borrowings under the Senior Secured Credit Facilities.

The following unaudited supplemental pro forma information presents the financial results as if the acquisition of DPC had occurred on January 1, 2012. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2012, nor is it indicative of any future results.

	Year Ended December 31,	
	2012 (Unaudited)	2013 (Unaudited)
Net sales	$ 4,219.4	$ 4,277.3
Net loss	$ (270.1)	$ (87.1)

The 2013 supplemental pro forma net loss was adjusted to exclude $53.1 million ($43.5 million, net of pro forma income tax impact) of acquisition-related costs incurred in 2013 and $123.1 million ($88.6 million,

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net of pro forma income tax impact) of non-recurring expense consisting primarily of $103.7 million related to the fair market value adjustment to acquisition-date inventory. The 2012 supplemental pro forma net loss was adjusted to include these charges.

(5) GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

(a) *Goodwill*

The following table shows changes in the carrying amount of goodwill for the Predecessor year ended December 31, 2012 and the Predecessor period from January 1, 2013 to January 31, 2013 by reportable segment:

	Performance Coatings	Transportation Coatings	Total
At January 1, 2012	$ 517.9	$ 70.9	$588.8
Foreign currency translation	—	—	—
December 31, 2012	$ 517.9	$ 70.9	$588.8
Foreign currency translation	—	—	—
January 31, 2013	$ 517.9	$ 70.9	$588.8

The following table shows changes in the carrying amount of goodwill for the Successor year ended December 31, 2013 by reportable segment:

	Performance Coatings	Transportation Coatings	Total
At January 1, 2013	$ —	$ —	$ —
Goodwill resulting from Acquisition	1,012.5	72.9	1,085.4
Foreign currency translation	26.3	1.9	28.2
December 31, 2013	$ 1,038.8	$ 74.8	$1,113.6

The goodwill recognized at December 31, 2013 that is expected to be deductible for income tax purposes is $617.3 million.

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(b) ***Identifiable Intangible Assets***

The following table summarizes the gross carrying amounts and accumulated amortization of identifiable intangible assets by major class:

	Predecessor		
December 31, 2012	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Technology	$ 65.0	$ (65.0)	$ —
Trademarks	0.2	(0.2)	—
Customer agreements	124.2	(67.8)	56.4
Customer lists	13.2	(2.7)	10.5
Total	$ 202.6	$ (135.7)	$ 66.9

	Successor			
December 31, 2013	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods
Technology	$ 425.2	$ (37.3)	$ 387.9	10.0
Trademarks—indefinite-lived	284.4	—	284.4	Indefinite
Trademarks—definite-lived	41.7	(2.6)	39.1	14.8
Customer relationships	761.9	(34.9)	727.0	19.4
Non-compete agreements	1.5	(0.3)	1.2	4.0
Total	$ 1,514.7	$ (75.1)	$1,439.6	

The increase in identifiable intangibles between December 31, 2012 (Predecessor) and December 31, 2013 (Successor) was due to the Acquisition (see Note 4).

The fair value of in process research and development projects acquired in the Acquisition was determined using the cost method. Activity related to in process research and development projects for the year ended December 31, 2013:

	Balance at Acquisition	Completed	Abandoned	December 31, 2013
In Process research and development	$ 25.4	$ (6.5)	$ (3.2)	$ 15.7

In the Successor year ended December 31, 2013, amortization expense for acquired intangibles was $79.9 million, which included a loss of $3.2 million associated with abandoned acquired in process research and development projects, all of which was related to the Acquisition.

Amortization expense for the Predecessor period from January 1, 2013 through January 31, 2013 and the Predecessor years ended December 31, 2012 and 2011 was $2.6 million, $25.7 million, and $24.0 million, respectively, which were primarily reported as a reduction in net sales.

The estimated amortization expense related to the fair value of acquired intangible assets for each of the succeeding five years is:

2014	$87.0
2015	$87.0
2016	$87.0
2017	$87.0
2018	$86.7

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(6) RESTRUCTURING

In accordance with the applicable guidance for Nonretirement Postemployment Benefits, we have accounted for our termination benefits and the recognized liabilities when the loss was considered probable that employees were entitled to benefits and the amounts could be reasonably estimated.

(a) *Predecessor Periods*

At December 31, 2012 and 2011 of the Predecessor period, total liabilities relating to restructuring activities were $2.1 million and $7.0 million, respectively. There was no expense recorded during the Predecessor periods January 1, 2013 through January 31, 2013 associated with restructuring. For the Predecessor years ended 2012 and 2011 there were reductions in expense resulting from changes in estimates of $0.3 million and $2.6 million, respectively, related to changes in previous estimates.

(1) *2008 Restructuring Program*

During 2008, in response to the challenging economic environment, DPC initiated a global restructuring program to reduce costs and improve profitability across its business. The program included the elimination of 1,593 positions by severance principally located in Western Europe and the U.S. primarily supporting the motor vehicle market.

The following table summarizes the activities related to the 2008 restructuring program during the Predecessor periods ended December 31, 2012 and 2011:

	Employee Separation Costs	Other Non-personnel charges	Total
Balance at December 31, 2010	$ 8.8	$ —	$ 8.8
Payments	(6.6)	—	(6.6)
Foreign currency translation	0.2	—	0.2
Change in estimate	(1.2)	—	(1.2)
Balance at December 31, 2011	$ 1.2	$ —	$ 1.2
Payments	(0.3)	—	(0.3)
Balance at December 31, 2012	$ 0.9	$ —	$ 0.9

(2) *2009 Restructuring Program*

In the second quarter of 2009, in response to global economic recession, DPC committed to an initiative to address the steep and extended downturn in the motor vehicle market, and the extension of the downturn into industrial markets. The plan was designed to restructure asset and fixed cost bases in order to improve long-term competitiveness, simplify business processes, and maximize pre-tax operating income. The plan included the elimination of 221 positions by severance principally located in the United States of America (U.S.).

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The following table summarizes the activities related to the 2009 restructuring program during the Predecessor periods ended December 31, 2012 and 2011:

	Employee Separation Costs
Balance at December 31, 2010	$ 33.4
Payments	(27.9)
Foreign currency translation	1.6
Change in estimate	(1.4)
Balance at December 31, 2011	$ 5.7
Payments	(4.2)
Foreign currency translation	(0.2)
Change in estimate	(0.3)
Balance at December 31, 2012	$ 1.0

(b) ***Successor Periods***

During the Successor year ended December 31, 2013, we incurred $120.7 million, associated with the involuntary termination benefits associated with our corporate-related initiatives associated with our transition and cost-saving opportunities related to the separation from DuPont. These amounts are recorded within Selling, general and administrative expenses in the statement of operations. The payments associated with these actions are expected to be completed in June 2015.

The following table summarizes the activities related to the Successor year ended December 31, 2013 restructuring reserves:

	December 31, 2013
Balance at February 1, 2013*	$ 0.5
Expense recorded	120.7
Payments	(23.7)
Foreign currency translation	0.9
Balance at December 31, 2013	$ 98.4

* *Represents restructuring liability assumed at the date of Acquisition.*

(7) RELATIONSHIP WITH DUPONT

Predecessor Periods

Historically, the DPC businesses were managed and operated in the normal course of business with other affiliates of DuPont. Accordingly, certain shared costs were allocated to DPC and reflected as expenses in the standalone Predecessor combined financial statements. Management of DuPont considered the allocation methodologies used to be reasonable and appropriate reflections of the historical DuPont expenses attributable to DPC for purposes of the standalone combined financial statements of DPC; however, the expenses reflected in the Predecessor combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented if DPC had operated as a separate, standalone entity. In addition, the expenses reflected in the Predecessor combined financial statements may not be indicative of related expenses that will be incurred in the future by us.

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(a) ***Cash Management and Financing***

Except for its joint ventures, DPC participated in DuPont's centralized cash management and financing programs. Disbursements were made through centralized accounts payable systems which were operated by DuPont, while cash receipts were transferred to centralized accounts maintained by DuPont. As cash was disbursed and received by DuPont, it was accounted for by DPC through the parent company net investment. All short and long-term debt requirements of the DPC business were financed by DuPont and financing decisions for wholly owned subsidiaries and majority owned joint ventures were determined by DuPont's central treasury operations.

(b) ***Allocated Corporate Costs***

The Predecessor combined financial statements include significant transactions with DuPont involving leveraged functional services (such as information systems, accounting, other financial services, purchasing and legal) and general corporate expenses that were provided to DPC by centralized DuPont organizations. Throughout the Predecessor periods covered by the combined financial statements of DPC, the costs of these leveraged functions and services were directly charged or allocated to DPC using methods management believes were reasonable. The methods for directly charging specifically identifiable functions and services to DPC included negotiated usage rates and dedicated employee assignments. The method for allocating shared leveraged functional services to DPC was based on proportionate formulas involving controllable fixed costs and in certain instances was allocated to DPC based on demand. Controllable fixed costs are fixed costs less depreciation and amortization and nonrecurring transactions. The methods for allocating general corporate expenses to DPC were based on revenue. However, the expenses reflected in the Predecessor combined financial statements may not be indicative of the actual expenses that would have been incurred during the periods presented if DPC had operated as a separate, standalone entity.

The allocated leveraged functional service expenses and general corporate expenses included in cost of goods sold, selling, general, and administrative expenses and research and development expenses in the Predecessor combined statement of operations were as follows:

	Predecessor		
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013
Cost of goods sold	$ 254.9	$ 224.7	$ 14.2
Selling, general, and administrative expenses	22.9	21.6	1.4
Research and development expenses	3.1	2.2	0.1
Total	$ 280.9	$ 248.5	$ 15.7

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Allocated leveraged functional service expenses and general corporate expenses are recorded in the Predecessor combined statement of operations as follows:

	Predecessor		
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013
Leveraged functional services	$ 256.7	$ 226.4	$ 14.2
General corporate expenses	24.2	22.1	1.5
Total	$ 280.9	$ 248.5	$ 15.7

(c) ***Shared Sites***

DPC conducted manufacturing operations at 35 plant sites globally. DPC shared three of these plant sites with other non-DPC DuPont manufacturing operations. Additionally, DPC shared warehouse, sales centers, office space, and research and development facilities with other DuPont businesses. In general, the property, plant, and equipment primarily or exclusively used by DPC for these shared locations are included in the Predecessor combined balance sheet.

The full historical cost, accumulated depreciation and depreciation expense for assets at shared manufacturing plant sites and other facilities where DPC was the primary or exclusive user of the assets have been included in the Predecessor combined balance sheet and statement of operations. Accordingly, when the use of a DPC primary asset was shared with a non-DPC DuPont business (manufacturing or otherwise), the cost for the non-DPC usage was deemed to have been charged to the non-DPC business. The amounts credited to cost of goods sold in the Predecessor combined statement of operations for the use of a DPC primary asset by non-DPC businesses, were less than $0.3 million for the Predecessor period from January 1, 2013 through January 31, 2013 and $1.0 million for each of the Predecessor years ended December 31, 2012 and December 31, 2011.

At shared manufacturing plant sites and other facilities where DPC was not the primary or exclusive user of the assets, the assets were excluded from the Predecessor combined balance sheet. Accordingly, where DPC used these shared assets, DPC was deemed to have been charged a cost for its usage of these shared assets by the other DuPont businesses. The amounts charged to the cost of goods sold in the Predecessor combined statement of operations for the DPC usage of the shared assets were less than $0.2 million for the Predecessor period from January 1, 2013 through January 31, 2013 and $0.4 million and $0.5 million for the Predecessor years ended December 31, 2012 and December 31, 2011, respectively.

(d) ***Purchases from and Sales to Other DuPont Businesses***

Throughout the Predecessor periods covered by the Predecessor combined financial statements, DPC purchased materials (Titanium Dioxide and DuPont Sontara® maintenance wipes) from DuPont and its non-DPC businesses.

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Purchases include the following amounts:

	Predecessor		
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013
DPC purchases of products from other DuPont businesses	$ 88.9	$ 91.7	$ 7.9

There were no material sales to other DuPont businesses during the periods covered by the Predecessor combined financial statements.

(8) COMMITMENTS AND CONTINGENT LIABILITIES

(a) *Guarantees*

In connection with the Acquisition, we assumed certain guarantee obligations which directly guarantee various debt obligations under agreements with third parties related to the following: equity affiliates, customers, suppliers and other affiliated companies.

At December 31, 2013 (Successor) and December 31, 2012 (Predecessor), we had directly guaranteed $1.6 million and $14.3 million of such obligations, respectively. These guarantees represent the maximum potential amount of future (undiscounted) payments that we could be required to make under the guarantees in the event of default by the guaranteed parties. No amounts were accrued at December 31, 2013 (Successor) and December 31, 2012 (Predecessor).

We assess the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

(b) *Product Warranty*

We warrant that our products meet standard specifications. Our product warranty liability at December 31, 2013 (Successor) and December 31, 2012 (Predecessor) was $0.6 million and $0.2 million, respectively. Estimates for warranty costs are based on historical claims experience.

(c) *Operating Lease Commitments*

We use various leased facilities and equipment in our operations. The terms for these leased assets vary depending on the lease agreement. Net rental expense under operating leases was $45.0 million for the Successor year ended December 31, 2013. Net rental expense under operating leases was $4.6 million, $43.6 million and $40.5 million for the Predecessor period from January 1, 2013 through January 31, 2013 and the Predecessor years ended December 31, 2012 and December 31, 2011, respectively.

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At December 31, 2013, future minimum payments under non-cancelable operating leases were as follows over each of the next five years and thereafter:

	Operating Leases
2014	$ 34.3
2015	27.8
2016	22.5
2017	15.9
2018	13.1
Thereafter	25.0
Total minimum payments	$ 138.6

(d) ***Brazilian Tax Dispute***

In 1996, the Brazilian Tax Authority issued an assessment challenging DuPont's position that certain raw material purchases were exempt from Brazilian excise taxes. A judicial deposit was made, which is restricted from use for any other purposes, for the amount of the proposed assessment to avoid interest and penalty charges during the litigation. In November 2008, DuPont received a definitive unfavorable ruling, but filed an appeal to recover the interest earned on the deposit. The interest earned was not reflected in the Predecessor combined balance sheet at December 31, 2012. At December 31, 2012 (Predecessor), the accrued tax liability and related judicial deposit was $24.7 million, respectively. Pursuant to the Acquisition Agreement, DuPont retained the accrued tax liability and related judicial deposit. Accordingly, no liability or related deposit is recorded in the Successor consolidated balance sheet at December 31, 2013.

(e) ***Other***

We are subject to various pending lawsuits and other claims including civil, regulatory, and environmental matters. Certain of these lawsuits and other claims may impact us. These litigation matters may involve indemnification obligations by third parties and/or insurance coverage covering all or part of any potential damage awards against DuPont and/or us. All of the above matters are subject to many uncertainties and, accordingly, we cannot determine the ultimate outcome of the lawsuits at this time.

The potential effects, if any, on the consolidated financial statements of Axalta will be recorded in the period in which these matters are probable and estimable, and such effects, could be material.

In addition to the aforementioned matters, we are party to various legal proceedings in the ordinary course of business. Although the ultimate resolution of these various proceedings cannot be determined at this time, management does not believe that such proceedings, individually or in the aggregate, will have a material adverse effect on the consolidated financial statements of Axalta.

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(9) LONG-TERM EMPLOYEE BENEFITS

(a) ***Defined Benefit Plans and Other Long-Term Employee Benefits***

Successor period

Defined Benefit Pensions

In connection with the Acquisition, we assumed certain defined benefit plan obligations for both current and former employees of subsidiaries in Austria, the United Kingdom and Germany. In addition, we assumed certain defined benefit plan obligations for current employees of other non-U.S. subsidiaries. All defined benefit pension plan obligations for current and former employees in the U.S., as well as defined benefit pension plan obligations of former employees of non-U.S. subsidiaries, except for the aforementioned subsidiaries in the United Kingdom, Austria and Germany, were retained by DuPont.

The defined benefit obligations for remaining current employees of non-U.S. subsidiaries assumed by Axalta were carved out of defined benefit pension plans retained by DuPont. We have created new defined benefit pension plans for all effected participants. The Acquisition Agreement required DuPont to transfer assets generally in the form of cash, insurance contracts or marketable securities from DuPont's funded defined benefit pension plans to our defined benefit pension plans within 180 days of the closing date of the Acquisition. The determination of asset transfers has been completed at December 31, 2013 for all plans except the plan covering our Canadian employees.

During the Predecessor period, DuPont had accounted for the benefit obligations of all the defined benefit plans as though the employees were participants in a multiemployer plan in the Predecessor period. For multiemployer plans, ASC 805, *Business Combinations*, requires an obligation to the plan for a portion of its unfunded benefit obligations to be established at the acquisition date when withdrawal from the multiemployer plan is probable. As withdrawal from the DuPont defined benefit pension plan and related transfer of plan assets was required pursuant to the Acquisition Agreement, an estimate of the unfunded benefit obligations was recorded as of the Acquisition date. The plan assets have been or will be directly transferred to the pension trust. Accordingly, assumed defined benefit obligations are presented net of the plan assets transferred, or to be transferred in the case of Canada, by DuPont.

Other Long-Term Employee Benefits

We also assumed in connection with the Acquisition certain long-term employee health care and life insurance benefits for certain eligible employees in Canada and Brazil. These programs require retiree contributions based on retiree-selected coverage levels for certain retirees

Predecessor period

DuPont offered various long-term benefits to its employees. DuPont offered U.S. plans that were shared amongst its businesses. In these cases, the costs, assets, and liabilities of participating employees in these plans are reflected in the Predecessor combined financial statements as though DPC participated in a multiemployer plan. The total cost of the plan was determined by actuarial valuation and the business received an allocation of the cost of the plan based upon several factors, including a percentage of salaries, headcount and fixed costs.

For the non-U.S. plans, the Predecessor combined financial statements have been prepared as though the DPC employees who participated in the non-U.S. plans were considered separate plans. As such a portion of DuPont's liabilities, assets and expenses are included in the Predecessor combined financial

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
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statements. Pension asset allocation for funded plans outside of the U.S. was based on either predominant local country calculation, or in other cases, by relative benefit obligation of the standalone DPC plan.

Defined Benefit Pensions

DuPont had both funded and unfunded noncontributory defined benefit pension plans covering a majority of the U.S. employees hired before January 1, 2007, including U.S. employees of DPC. The benefits under these plans were based primarily on years of service and employees' pay near retirement. DuPont's funding policy was consistent with the funding requirements of federal laws and regulations.

Pension coverage for employees of DuPont's non-U.S. subsidiaries was provided, to the extent deemed appropriate, through separate plans. Obligations under such plans were funded by depositing funds with trustees, covered by insurance contracts, or were unfunded.

Other Long-Term Employee Benefits

DuPont and its Canadian and Brazilian subsidiaries provided medical, dental and life insurance benefits to pensioners and survivors, and disability and life insurance protection to employees. The associated plans for retiree benefits were unfunded and the cost of the approved claims was paid from DuPont funds. Essentially all of the cost and liabilities for these retiree benefit plans were attributable to DuPont's U.S. plans. The retiree medical plan was contributory with pensioners and survivors' contributions adjusted annually to achieve a 50/50 target sharing of cost increases between DuPont and pensioners and survivors. In addition, limits were applied to DuPont's portion of the retiree medical cost coverage. U.S. employees hired after December 31, 2006 were not eligible to participate in the postretirement medical, dental and life insurance plans.

Employee life insurance and disability benefit plans were insured in many countries. However, primarily in the U.S., such plans were generally self-insured or were fully experience rated. Expenses for self-insured and fully experience rated plans are reflected in the Predecessor combined financial statements.

Participation in the U.S. Plans

DPC participated in DuPont's U.S. plans as though they were participants in a multiemployer plan with the other businesses of DuPont. The following table presents pension expense allocated by DuPont to DPC for DuPont's significant plans in which DPC participated.

		Predecessor		
Plan Name	EIN/Pension Number	Year Ended December 31, 2011	Year Ended December 31, 2012	January 1, 2013 through January 31, 2013
DuPont Pension and Retirement Plan	51-0014090/001	$ 31.5	$ 40.6	$ 4.2
All Other Plans		$ 18.4	$ 16.7	$ 0.7

(b) *Obligations and Funded Status*

The measurement date used to determine defined benefit and other long-term employee benefit obligations was December 31. The following table sets forth the changes to the projected benefit

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obligations ("PBO") and plan assets for the Successor year ended December 31, 2013 and Predecessor year ended December 31, 2012 and the funded status and amounts recognized in the accompanying consolidated and combined balance sheets at December 31, 2013 (Successor) and December 31, 2012 (Predecessor) for the Company's defined benefit pension and other long-term benefit plans:

	Defined Benefits		Other Long-Term Employee Benefits	
Obligations and Funded Status	**Predecessor 2012**	**Successor 2013**	**Predecessor 2012**	**Successor 2013**
Change in benefit obligation:				
Projected benefit obligation at beginning of year	$ 476.2	$ —	$ 7.4	$ —
Fair value of assumed obligation at Acquisition date	—	579.5	—	5.2
Service cost	14.8	17.0	0.3	0.2
Interest cost	22.0	21.2	0.5	0.2
Participant contributions	1.1	1.0	—	—
Actuarial losses (gains)—net	144.2	(5.8)	2.9	(0.7)
Plan curtailments and settlements	—	(1.4)	—	—
Benefits paid	(23.6)	(20.7)	—	—
Amendments	(1.0)	(0.4)	(6.0)	—
Currency translation adjustment	—	12.6	—	(0.3)
Projected benefit obligation at end of year	$ 633.7	$ 603.0	$ 5.1	$ 4.6
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 229.8	$ —	$ —	$ —
Fair value of plan assets at Acquisition date	—	250.7	—	—
Actual return on plan assets	37.2	16.0	—	—
Employer contributions	42.6	28.6	—	—
Participant contributions	1.1	1.0	—	—
Benefits paid	(23.6)	(20.7)	—	—
Settlements	—	(0.6)	—	—
Currency translation adjustment	—	6.3	—	—
Fair value of plan assets at end of year	$ 287.1	$ 281.3	$ —	$ —
Funded status, net	$ (346.6)	$ (321.7)	$ (5.1)	$ (4.6)
Amounts recognized in the consolidated and combined balance sheets consist of:				
Other assets	$ 0.2	$ 0.2	$ —	$ —
Other accrued liabilities	(13.8)	(13.3)	—	—
Accrued pension and other long-term employee benefits	(333.1)	(308.6)	(5.1)	(4.6)
Net amount recognized	$ (346.7)	$ (321.7)	$ (5.1)	$ (4.6)

The PBO is the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future pay increases. The accumulated benefit obligation ("ABO") is the actuarial present value of benefits attributable to employee service rendered to date, but does not include the effects of estimated future pay increases.

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
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The following table reflects the ABO for all defined benefit pension plans as of December 31, 2013 and 2012. Further, the table reflects the aggregate PBO, ABO and fair value of plan assets for pension plans with PBO in excess of plan assets and for pension plans with ABO in excess of plan assets.

	December 31, 2012	December 31, 2013
ABO	$ 567.6	$ 541.5
Plans with PBO in excess of plan assets:		
PBO	$ 623.1	$ 595.7
ABO	$ 558.8	$ 534.9
Fair value plan assets	$ 276.3	$ 273.8
Plans with ABO in excess of plan assets:		
PBO	$ 620.3	$ 537.8
ABO	$ 558.0	$ 488.9
Fair value plan assets	$ 274.7	$ 227.2

The pretax amounts not yet reflected in net periodic benefit cost and included in Accumulated other comprehensive income (loss) include the following:

Defined Benefits:	Predecessor		Successor
	2011	2012	2013
Accumulated net actuarial gains (losses)	$(112.6)	$(216.2)	$ 10.0
Accumulated prior service (cost) credit	(1.9)	(1.4)	0.4
Total	$(114.5)	$(217.6)	$ 10.4

Other Long-Term Employee Benefits:	Predecessor		Successor
	2011	2012	2013
Accumulated net actuarial gains (losses)	$ (0.4)	$ 3.1	$ 0.6
Accumulated prior service (cost) credit	(4.4)	(1.8)	—
Total	$ (4.8)	$ 1.3	$ 0.6

The accumulated actuarial gains (losses), net for pensions and other long-term employee benefits relate primarily to differences between the actual net periodic expense and the expected net periodic expense resulting from differences in the significant assumptions, including primarily return on assets, discount rates and healthcare trends, used in these estimates.

The estimated pre-tax amounts that are expected to be amortized from Accumulated other comprehensive income (loss) into net periodic benefit cost during 2014 for the defined benefit plans and other long-term employee benefit plans is as follows:

	2014	
	Defined Benefits	Other Long-Term Employee Benefits
Amortization of prior service (cost) credit	$ —	$ —
Amortization of net actuarial loss (gain)	(0.4)	—
Total	$ (0.4)	$ —

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(c) ***Components of Net Periodic Pension Benefit Cost***

The following table sets forth the components of net periodic pension benefit cost for the Predecessor years ended December 31, 2011 and 2012 and for the Successor year ended December 31, 2013:

	Pension Benefits				
	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Components of net periodic benefit cost and amounts recognized in other comprehensive (income) loss:					
Net periodic benefit (credit) cost:					
Service cost	$ 15.7	$ 14.8	$ 1.6	$ —	$ 17.0
Interest cost	23.0	22.0	1.8	—	21.2
Expected return on plan assets	(18.8)	(18.4)	(1.9)	—	(11.9)
Amortization of actuarial loss, net	3.5	5.2	1.1	—	—
Amortization of prior service cost	0.3	0.2	—	—	—
Settlement loss	—	3.9	—	—	—
Net periodic benefit cost	23.7	27.7	2.6	—	26.3
Changes in plan assets and benefit obligations recognized in other comprehensive (income) loss:					
Net actuarial (gain) loss, net	26.0	112.7	—	—	(10.6)
Amortization of actuarial loss, net	(3.5)	(5.2)	(1.1)	—	—
Prior service (benefit)	—	(0.3)	—	—	(0.4)
Amortization of prior service cost	(0.3)	(0.2)	—	—	—
Settlement (gain) loss	—	(3.9)	—	—	—
Net translation adjustment	—	—	—	—	0.6
Total (gain) loss recognized in other comprehensive income	$ 22.2	$ 103.1	$ (1.1)	$ —	$ (10.4)
Total recognized in net periodic benefit cost and other comprehensive income	$ 45.9	$ 130.8	$ 1.5	$ —	$ 15.9

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	Other Long-Term Employee Benefits				
	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Components of net periodic benefit cost and amounts recognized in other comprehensive (income) loss:					
Net periodic benefit credit cost:					
Service cost	$ 0.1	$ 0.3	$ —	$ —	$ 0.2
Interest cost	0.2	0.5	—	—	0.2
Amortization of actuarial loss, net	—	—	—	—	—
Amortization of prior service cost	—	0.2	—	—	—
Net periodic benefit cost	0.3	1.0	—	—	0.4
Changes in plan assets and benefit obligations recognized in other comprehensive (income) loss:					
Net (gain) loss	—	2.7	—	—	(0.7)
Amortization of loss	—	—	—	—	—
Prior service (benefit) cost	4.3	(5.9)	—	—	—
Amortization of prior service (benefit) cost	—	(0.2)	—	—	—
Net translation adjustment	—	—	—	—	0.1
Total (benefit) loss recognized in other comprehensive income	$ 4.3	$ (3.4)	$ —	$ —	$ (0.6)
Total recognized in net periodic benefit cost and other comprehensive income	$ 4.6	$ (2.4)	$ —	$ —	$ (0.2)

(d) ***Assumptions***

We used the following assumptions in determining the benefit obligations and net periodic benefit cost:

	Predecessor		Successor
	2011	2012	2013
Defined benefits			
Weighted-average assumptions:			
Discount rate to determine benefit obligations	4.73%	3.38%	4.11%
Discount rate to determine net cost	4.91%	4.73%	4.15%
Rate of future compensation increases to determine benefit obligation	3.33%	3.16%	3.52%
Rate of future compensation increases to determine net cost	3.24%	3.33%	3.69%
Rate of return on plan assets to determine net cost	7.97%	7.71%	5.22%

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	Predecessor 2011	Predecessor 2012	Successor 2013
Other Long-Term Employee benefits			
Weighted-average assumptions:			
Discount rate to determine benefit obligations	7.69%	4.86%	4.80%
Discount rate to determine net cost	5.75%	7.28%	4.20%
Rate of future compensation increases to determine benefit obligations	4.00%	3.00%	— %
Rate of future compensation increases to determine net cost	4.25%	4.00%	— %

The discount rates used reflect the expected future cash flow based on plan provisions, participant data as of the closing date of the Acquisition and the currencies in which the expected future cash flows will occur. For the majority of our defined benefit pension obligations, we utilize prevailing long-term high quality corporate bond indices applicable to the respective country at the measurement date. In countries where established corporate bond markets do not exist, we utilize other index movement and duration analysis to determine discount rates. The long-term rate of return on plan assets assumptions reflect economic assumptions applicable to each country and assumptions related to the preliminary assessments regarding the type of investments to be held by the respective plans.

Estimated future benefit payments

The following reflects the total benefit payments expected to be paid for defined benefits:

Year ended December 31,	Benefits
2014	$ 33.3
2015	$ 21.6
2016	$ 24.5
2017	$ 22.6
2018	$ 26.2
2019—2023	$156.9

The following reflects the total benefit payments expected to be paid for other long-term employee benefits:

Year ended December 31,	Benefits
2014	$ —
2015	$ —
2016	$ —
2017	$ 0.1
2018	$ 0.1
2019—2023	$ 0.7

(e) ***Plan Assets***

As discussed above, the defined benefit pension plans for the subsidiaries in Austria, the United Kingdom and Germany represent single-employer plans and the related plan assets are invested within separate trusts. The defined benefit plan obligations for remaining current employees of non-U.S. subsidiaries assumed by us were carved out of the defined benefit pension plans retained by DuPont. At December 31, 2013, DuPont had completed the asset transfers for all funded plans except the plan covering our Canadian employees. The Canadian plan assets continue to be invested and managed by DuPont until the required regulatory approvals are received at which time the assets will be transferred to a newly created trust.

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Equity securities include varying market capitalization levels. U.S. equity investments are primarily large-cap companies. Fixed income investments include corporate issued, government issued and asset backed securities. Corporate debt investments include a range of credit risk and industry diversification. Other investments include real estate and private market securities such as interests in private equity and venture capital partnerships.

Fair value calculations may not be indicative of net realizable value or reflective of future fair values. Furthermore, although we believe the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The table below presents the fair values of the defined benefit pension plan assets by level within the fair value hierarchy, as described in Note 3, at December 31, 2013 and 2012, respectively.

		Fair value measurements at December 31, 2012		
	Total	Level 1	Level 2	Level 3
Asset Category:				
Cash and cash equivalents	$ 6.2	$ 5.9	$ 0.3	$ —
U.S. equity securities	25.9	14.9	11.0	—
Non-U.S. equity securities	116.1	55.5	60.6	—
Debt—government issued	66.1	19.9	46.2	—
Debt—corporate issued	58.3	7.5	50.8	—
Debt—asset-backed	2.1	0.9	1.2	—
Hedge Funds	0.3	—	0.3	—
Private market securities	10.9	—	0.4	10.5
Real estate	1.7	—	—	1.7
Derivatives—asset position	0.7	0.2	0.5	—
	288.3	$104.8	$171.3	$ 12.2
Pension trust receivables	0.6			
Pension trust payables	(1.8)			
Total	$287.1			

		Fair value measurements at December 31, 2013		
	Total	Level 1	Level 2	Level 3
Asset Category:				
Cash and cash equivalents	$ 6.7	$ 6.7	$ —	$ —
U.S. equity securities	13.6	13.2	0.4	—
Non-U.S. equity securities	71.3	70.8	0.5	—
Debt—government issued	34.4	34.4	—	—
Debt—corporate issued	52.2	49.3	2.9	—
Hedge Funds	0.4	0.2	0.2	—
Private market securities	59.5	—	0.2	59.3
Real estate	0.3	—	—	0.3
	238.4	$174.6	$ 4.2	$ 59.6
Pension trust receivables	42.9			
Total	$281.3			

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Level 3 assets are primarily ownership interests in investment partnerships and trusts that own private market securities and real estate. The tables below present a roll forward of activity for these assets for the years ended December 31, 2012 and 2013:

	Level 3 assets			
	Total	Debt-corporate issued	Private market securities	Real estate
Ending balance at December 31, 2011	$10.1	$ —	$ 8.8	$ 1.3
Change in unrealized gain	2.8	0.1	2.4	0.3
Purchases, sales and settlements	(0.6)	—	(0.7)	0.1
Transfers out of Level 3	(0.1)	(0.1)	—	—
Ending balance at December 31, 2012	$12.2	$ —	$ 10.5	$ 1.7

	Level 3 assets		
	Total	Private market securities	Real estate
Ending balance at December 31, 2012	$12.2	$ 10.5	$ 1.7
Realized (loss)	(0.1)	—	(0.1)
Change in unrealized gain	0.2	0.2	—
Purchases, sales and settlements	45.6	46.9	(1.3)
Transfers out of Level 3	1.7	1.7	—
Ending balance at December 31, 2013	$59.6	$ 59.3	$ 0.3

(f) ***Assumptions and Sensitivities***

The discount rate is determined as of each measurement date, based on a review of yield rates associated with long-term, high-quality corporate bonds. The calculation separately discounts benefit payments using the spot rates from a long-term, high-quality corporate bond yield curve.

The long-term rate of return assumption represents the expected average rate of earnings on the funds invested to provide for the benefits included in the benefit obligations. The long-term rate of return assumption is determined based on a number of factors, including historical market index returns, the anticipated long-term asset allocation of the plans, historical plan return data, plan expenses and the potential to outperform market index returns. The expected long-term rate of return on assets was 5.22% for 2013. For 2014, the expected long-term rate of return is 5.23%.

A significant factor used in estimating future per capita cost of covered healthcare benefits for our retirees and us is the healthcare cost trend rate assumption. The rate used at December 31, 2013 was 5.00% and is assumed to remain at that level thereafter. Increasing the assumed healthcare cost trend rates by one percentage point would result in additional annual costs of approximately $0.1 million. Decreasing the assumed health care cost trend rates by one percentage point would result in a decrease of approximately $0.1 million in annual costs. The effect on other long-term employee benefit obligations at December 31, 2013 of a one percentage point increase would be $1.1 million. The effect of a one percentage point decrease would be $0.9 million.

(g) ***Anticipated Contributions to Defined Benefit Plan***

For funded pension plans, our funding policy is to fund amounts for pension plans sufficient to meet minimum requirements set forth in applicable benefit laws and local tax laws. Based on the same

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assumptions used to measure our benefit obligations at December 31, 2013 we expect to contribute $18.9 million to our defined benefit plans and $0.0 million to our other long-term employee benefit plans during 2014. No plan assets are expected to be returned to the Company in 2014.

(h) *Defined Contribution Plans*

The Company sponsors defined contribution plans in both its US and non-US subsidiaries, under which salaried and certain hourly employees may defer a portion of their compensation. Eligible participants may contribute to the plan up to the allowable amount as determined by the plan of their regular compensation before taxes. All contributions and Company matches are invested at the direction of the employee. Company matching contributions vest immediately and aggregated $29.1 million for the Successor year ended December 31, 2013.

(10) STOCK-BASED COMPENSATION

(a) Successor period

During the year ended December 31, 2013, we recognized $7.4 million in stock-based compensation expense which was allocated to costs of goods sold, selling, general and administrative expenses, and research and development expenses.

(1) Description of Equity Incentive Plan

On July 31, 2013, Axalta's Board of Directors approved the Axalta Coating Systems Bermuda Co., Ltd. 2013 Equity Incentive Plan (the "2013 Plan") which reserved an aggregate of 19,839,143 shares of common stock of the Company for issuance to employees, directors and consultants. The 2013 Plan provides for the issuance of stock options, restricted stock or other stock-based awards. Options and restricted shares granted pursuant to the equity incentive plan must be authorized by the Board of Directors of Axalta or a designated committee thereof. At December 31, 2013, only stock options have been granted.

The terms of the options may vary with each grant and are determined by the Compensation Committee within the guidelines of the equity incentive plan. Options currently vest over 4.4 to 5 years, and vesting of a portion of the options could accelerate in the event of certain changes in control. Option life cannot exceed ten years. On July 31, 2013, we granted approximately 4.1 million, 5.7 million and 6.4 million in non-qualified stock options to certain employees with strike prices of $5.92, $8.88 and $11.84 (per share), respectively.

(2) Stock Options

Information related to the number of shares under options follows:

	December 31, 2013
Weighted-Average Expected Term	7.81 years
Weighted-Average Volatility	28.61%
Weighted-Average Dividend Rate	—
Weighted-Average Discount Rate	2.13%

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The Black-Scholes option pricing model was used to estimate fair values of the options as of the date of the grant. The weighted average fair value of options granted in 2013 was $1.38 per share. Principal assumptions used in applying the Black-Scholes model were as follows:

Key Assumptions	$5.92 Awards—Assumptions	$8.88/$11.84 Awards—Assumptions
Volatility	30.0%	28.2%
Risk-Free Interest Rate	1.8%	2.2%
Grant date fair value of common stock	$ 5.92/per share	$ 5.92/per share
Expected term	6.5 years	8.25 years

Due to the proximity of the recent acquisition of DPC to the timing of the option awards, the estimated fair value of the Company's common stock of $5.92 per share was based on the equity value paid by a third party as part of an auction process on the acquisition date of February 1, 2013.

To estimate the expected stock option term for the $5.92 stock options referred to above, we used the simplified method as the options were granted at fair value and Axalta, a privately-held company, has no exercise history. Based upon this simplified method the $5.92 per share stock options have an expected term of 6.5 years. The strike price for the $8.88 per share and $11.84 per share tranches of options exceeded fair value at the grant date which required the use of an estimate of an implicitly longer holding period, resulting in the term of 8.25 years.

We do not anticipate paying cash dividends in the foreseeable future and, therefore, use an expected dividend yield of zero. Volatility is based upon the peer groups as the Company is privately-held. Because Axalta is not publicly traded, the market value of the stock was estimated based upon the Acquisition transaction as there have been no significant changes in operations since the closing date of February 1, 2013 which occurred within a relatively short time period compared to dates of the option grants.

The exercise price and market value per share amounts presented above were as of the date the stock options were granted.

A summary of stock option award activity as of December 31, 2013 and changes during the year then ended, is presented below:

	Awards	Weighted-Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (yrs.)
Outstanding at January 1, 2013	—			
Granted	16,263,224	$ 9.32		
Exercised	—	—		
Forfeited	(85,309)	9.32		
Outstanding at December 31, 2013	16,177,915	$ 9.32		
Vested and expected to vest at December 31, 2013	16,177,915	$ 9.32	—	9.59
Exercisable at December 31, 2013	—	—	—	—

Compensation cost is recorded net of anticipated forfeitures. The forfeiture rate assumption is the estimated annual rate at which unvested awards are expected to be forfeited during the vesting period. Periodically, management will assess whether it is necessary to adjust the estimated rate to reflect changes in actual forfeitures or changes in expectations. At December 31, 2013, the Company has estimated its annual forfeiture rate at 0% due to its limited history and expectations of forfeitures.

At December 31, 2013, there was $15.0 million of unrecognized compensation cost relating to outstanding unvested stock options expected to be recognized over the weighted average period of 3.9 years. Compensation expense is recognized for the fair values of the stock options over the requisite service period of the awards using the graded-vesting attribution method.

(b) Predecessor periods

DuPont maintained certain stock-based compensation plans for the benefit of certain of its officers, directors' and employees, including, prior to the Acquisition, certain DPC employees. DPC recognized stock-based compensation within the combined statement of operations based upon fair values. The fair value of awards granted totaled $2.0 million for the Predecessor year ended December 31, 2012.

Total stock-based compensation expense included in the combined statement of operations was $0.1 million, $0.5 million and $1.9 million for the Predecessor period from January 1, 2013 through January 31, 2013 and the Predecessor year ended December 31, 2012 and Predecessor year ended December 31, 2011, respectively.

(11) RELATED PARTY TRANSACTIONS

(a) ***Carlyle***

We entered into a consulting agreement with Carlyle Investment Management L.L.C. ("Carlyle Investment"), an affiliate of Carlyle pursuant to which Carlyle Investment provides certain consulting services to Axalta. Under this agreement, subject to certain conditions, we are required to pay an annual consulting fee to Carlyle Investment of $3.0 million payable in equal quarterly installments and reimburse Carlyle Investment for out-pocket expenses incurred in providing the consulting services. In addition, we may pay Carlyle additional fees associated with other future transactions. During the Successor year ended December 31, 2013, we recorded expense of $3.1 million, related to this consulting agreement. In addition, Carlyle Investment also received a one-time fee of $35.0 million upon effectiveness of the Acquisition for services rendered in connection with the Acquisition and related acquisition financing. Of this amount, $21.0 million was recorded as merger and acquisition expenses and $14.0 million was recorded as a component of deferred financing costs in the Successor year ended December 31, 2013.

(b) ***Service King Collision Repair***

Service King Collision Repair, a portfolio company of funds affiliated with Carlyle, has purchased products from our distributors in the past and may continue to do so in the future. In August 2013, we entered into a new long-term sales agreement with Service King to be their exclusive provider of coatings. Terms of the agreement are consistent with industry standards. Related party sales for the Successor year ended December 31, 2013 were $2.0 million.

(c) ***Other***

A director of the Company is the Chairman and Chief Executive Officer of an international management consulting firm focused on the automotive and industrial sectors. In connection with the Acquisition, we incurred consulting fees and expenses from the consulting firm of approximately $2.1 million, of which $0.1 million was incurred in the Successor year ended December 31, 2013 and

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the remainder was incurred in the Successor period from August 24, 2012 through December 31, 2012. As part of the compensation for the consulting services, we granted the consulting firm a stock option award to purchase up to 352,143 of our common shares which had a fair value of approximately $0.5 million.

(12) OTHER EXPENSE, NET

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Exchange losses	$ 23.4	$ 17.7	$ 4.5	$ —	$ 48.9
Management fee and expenses	—	—	—	—	3.1
Miscellaneous	(3.2)	(1.4)	0.5	—	(3.5)
Total	$ 20.2	$ 16.3	$ 5.0	$ —	$ 48.5

(13) INCOME TAXES

Domestic and Foreign Components of Income Before Income Taxes

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Domestic	$ 59.7	$ 82.8	$ (1.5)	$ —	$ (153.8)
Foreign	242.5	310.2	17.1	(29.0)	(109.9)
Total	$ 302.2	$ 393.0	$ 15.6	$ (29.0)	$ (263.7)

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Provision for Income Taxes

	Predecessor								
	Year Ended December 31, 2011			Year Ended December 31, 2012			Period from January 1, 2013 through January 31, 2013		
	Current	Deferred	Total	Current	Deferred	Total	Current	Deferred	Total
U.S. Federal	$ 16.4	$ 3.9	$ 20.3	$ 30.9	$ (4.5)	$ 26.4	$ (8.8)	$ 7.0	$(1.8)
State	3.0	0.3	3.3	6.6	(0.4)	6.2	0.1	(0.2)	(0.1)
Foreign	97.8	(0.7)	97.1	98.6	14.0	112.6	6.7	2.3	9.0
Total	$117.2	$ 3.5	$120.7	$136.1	$ 9.1	$145.2	$ (2.0)	$ 9.1	$ 7.1

	Successor					
	Period from August 24, 2012 through December 31, 2012			Year Ended December 31, 2013		
	Current	Deferred	Total	Current	Deferred	Total
U.S. Federal	$ —	$ —	$ —	$ —	$ (44.6)	$(44.6)
State	—	—	—	2.3	(1.6)	0.7
Foreign	—	—	—	73.7	(74.6)	(0.9)
Total	$ —	$ —	$ —	$ 76.0	$ (120.8)	$(44.8)

Reconciliation to US Statutory Rate

$ millions	Predecessor						Successor			
	Year Ended December 31, 2011		Year Ended December 31, 2012		Period from January 1 2013 through January 31, 2013		Period from August 24, 2012 through December 31, 2012		Year Ended December 31, 2013	
Statutory U.S. federal income tax / rate(1)	$105.8	35.0%	$137.6	35.0%	$ 5.5	35.0%	$(10.1)	35.0%	$(92.3)	35.0%
Foreign income taxed at rates other than 35%	(9.1)	(3.0)	(10.9)	(2.8)	1.0	6.6	10.1	(35.0)	(33.1)	12.5
Changes in valuation allowances	14.8	4.9	9.8	2.5	1.4	8.9	—	—	55.0	(20.8)
Foreign exchange loss	7.0	2.3	4.7	1.2	0.5	3.1	—	—	5.4	(2.1)
Unrecognized tax benefits(2)	—	—	—	—	—	—	—	—	35.1	(13.3)
Non-deductible acquisition-related costs	—	—	—	—	—	—	—	—	11.9	(4.5)
Unremitted Earnings	—	—	—	—	—	—	—	—	4.9	(1.9)
Capital Loss(3)	—	—	—	—	—	—	—	—	(46.7)	17.7
Withholding taxes	—	—	—	—	—	—	—	—	5.1	(1.8)
Non-deductible interest	—	—	—	—	—	—	—	—	6.4	(2.3)
Other—net	2.2	0.7	4.0	1.1	(1.3)	(8.0)	—	—	3.5	(1.5)
Total income tax (benefit)/ effective tax rate	$120.7	39.9%	$145.2	37.0%	$ 7.1	45.6%	$ —	— %	$(44.8)	17.0%

(1) The U.S. statutory rate has been used as management believes it is more meaningful to the Company.
(2) Within this amount the Company recorded an unrecognized tax benefit of $21.1 million related to non-deductible interest and debt acquisition costs, which is fully offset by a $21.1 million reduction to the valuation allowance.
(3) The Company recognized a tax benefit of $46.7 million related to a capital loss, which is fully offset by a $46.7 million increase to the valuation allowance.

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Deferred Tax Balances

	Predecessor	Successor	
	Year Ended December 31, 2012	Period from August 24, 2012 through December 31, 2012	Year Ended December 31, 2013
Deferred Tax Asset			
Tax loss and credit carryforwards(1)	$ 96.1	$ —	$ 111.7
Goodwill and Intangibles	—	—	89.4
Compensation & Employee Benefits	78.9	—	79.1
Accruals & Other Reserves	8.5	—	40.5
Interest Expense	—	—	8.6
Accounts Receivable & Other Assets	23.1	—	—
Total deferred tax assets	206.6	—	329.3
Less: Valuation Allowance	(58.7)	—	(63.4)
Net, Deferred tax assets	147.9	—	265.9
Deferred Tax Liabilities			
Inventory	(5.0)	—	(1.3)
Property, Plant & Equipment	(64.5)	—	(218.5)
Accounts Receivable & Other Assets	—	—	(8.4)
Equity Investment & Other Securities	—	—	(5.8)
Unremitted earnings	—	—	(15.9)
Other	(0.4)	—	—
Total deferred tax liabilities	(69.9)	—	(249.9)
Net Deferred Tax Asset/(Liability)	$ 78.0	$ —	$ 16.0
Current asset	$ 24.0	$ —	$ 30.0
Current liability	(11.5)	—	(5.5)
Non-current assets	93.4	—	271.9
Non-current liability	(27.9)	—	(280.4)
Net deferred tax asset/(liability)	$ 78.0	$ —	$ 16.0

(1) Included in this amount is a capital loss carryforward of approximately $41.1 million related to a Luxembourg entity, which is fully offset by a valuation allowance.

At December 31, 2013, the Company had $83.1 million of net operating and capital loss carryforwards (tax effected) in certain non-U.S. jurisdictions, net of uncertain tax positions. Of these, $53.2 million have no expiration, and the remaining $29.9 million will expire in years through 2023. In the U.S., there were approximately $24.3 million of federal net operating loss carryforwards which will expire in 2033 and $0.6 million of state net operating loss carryforwards, which will expire in years through 2033. Tax credit carryforwards at December 31, 2013 amounted to $3.7 million, which are subject to expiration in 2023 through 2033.

The Company had valuation allowances that primarily related to the realization of recorded tax benefits on tax loss carryforwards from operations in the United Kingdom, Luxembourg and Austria of $63.4 million at December 31, 2013.

The Company has determined that the undistributed earnings of our subsidiaries will not be permanently reinvested, and accordingly, has provided a deferred tax liability totaling $15.9 million on such income. For the year ended December 31, 2013, the Company has included in the deferred income tax provision a total of $4.9 million, of which $4.0 million relates to subsidiary earnings and $0.9 million related to tax law changes.

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Total Gross Unrecognized Tax Benefits

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1 2013 through January 31, 2013	Period from January 1 2013 through January 31, 2013	Year Ended December 31, 2013
Balance at January 1	$ —	$ —	$ —	$ —	$ —
Increases related to acquisition	—	—	—	—	11.3
Increases related to positions taken on items from prior years	—	—	—	—	—
Decreases related to positions taken on items from prior years	—	—	—	—	—
Increases related to positions taken in the current year	—	—	—	—	27.6
Settlement of uncertain tax positions with tax authorities	—	—	—	—	—
Decreases due to expiration of statutes of limitations	—	—	—	—	—
Balance at December 31	$ —	$ —	$ —	$ —	$ 38.9

At December 31, 2013, the total amount of unrecognized tax benefits was $38.9 million, of which $17.8 million would impact the effective tax rate, if recognized. The net increase in the balance from the beginning of the year relates to current year tax positions and the recording of unrecognized tax benefits pursuant to the acquisition of DPC on February 1, 2013. As of December 31, 2013, we do not anticipate that the liability for unrecognized tax benefits will materially change within the next twelve months.

The Company includes interest expense and penalties related to unrecognized tax benefits as part of the provision for income taxes. Accrued interest and penalties are included within the related tax liability line in the balance sheet. Interest and penalties associated with unrecognized tax benefits are recognized as components of the "Provision for income taxes," and totaled $7.4 million in 2013. The Company's accrual for interest and penalties was $7.1 million at December 31, 2013.

The Company is subject to income tax in approximately 40 jurisdictions outside the U.S. The Company's significant operations outside the U.S. are located in Belgium, Germany, United Kingdom, Venezuela and China. The statute of limitations varies by jurisdiction with 2008 being the oldest tax year still open in the material jurisdictions. The Company is currently under audit in certain jurisdictions for tax years under responsibility of the predecessor. Pursuant to the acquisition agreement, all tax liabilities related to these tax years will be indemnified by DuPont.

As of December 31, 2013, we had $46.1 million of unrecognized tax benefits, including interest and penalties. Due to the high degree of uncertainty regards future timing of cash flows associated with these liabilities, we are unable to estimate the years in which settlement will occur with the respective taxing authorities.

(14) EARNINGS PER COMMON SHARE

Basic earnings per common share excludes the dilutive impact of potentially dilutive securities and is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per common share includes the effect of potential dilution from the exercise of

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outstanding stock options and unvested restricted stock. Potentially dilutive securities have been excluded in the weighted average number of common shares used for the calculation of earnings per share in periods of net loss because the effect of such securities would be anti-dilutive. A reconciliation of the Company's basic and diluted earnings per common share was as follows (in millions, except shares and earnings per share):

	Successor Period from August 24, 2012 through December 31, 2012	Successor Year Ended December 31, 2013
Net loss attributable to Axalta	$ (29.0)	$ (224.9)
Pre-Acquisition net loss attributable to Axalta	(29.0)	(3.9)
Net loss to common shareholders(1)	—	(221.0)
Basic and diluted weighted average shares outstanding(1)	—	228,280,574
Earnings per Common Share:		
Basic net loss per share	—	$ (0.97)
Diluted net loss per share	—	$ (0.97)

(1) As of February 1, 2013, the date of the Acquisition, the Company received the initial Equity Contribution of $1,350.0 million. Accordingly, the net loss to common shareholders and the weighted average shares outstanding calculation is based on the period from February 1, 2013 to December 31, 2013.

The number of anti-dilutive shares (stock options) that have been excluded in the computation of diluted earnings per share for the Successor year ended December 31, 2013 were 16.3 million. There were no anti-dilutive shares for the Successor period ending December 31, 2012.

Basic and diluted weighted average shares outstanding have been adjusted to reflect the Company's 100,000 for 1 stock split which occurred in July 2013, and the Company's 1.69 for 1 stock split which occurred in October 2014.

(15) ACCOUNTS AND NOTES RECEIVABLE—TRADE, NET

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Accounts receivable—trade, net	$ 681.5	$ —	$ 637.5
Notes receivable—trade, net(a)	35.9	—	44.7
Non-income taxes(b)	41.8	—	47.3
Miscellaneous(c)	48.1	—	136.4
Total	$ 807.3	$ —	$ 865.9

(a) Notes receivable—trade, net primarily consist of loans with terms of one year or less and are primarily concentrated in China and Europe.

(b) During the Successor periods, VAT receivables and payables are computed and allocated at the legal entity level. During the Predecessor period, VAT receivables and payables were generally computed on a legal entity level and allocated to the DPC business. In certain jurisdictions, these receivables and payables may not be transferable outside of the legal entities.

(c) Miscellaneous includes service revenue receivables, rebates from suppliers, advances to employees and an indemnification asset. Pursuant to the terms of the Acquisition Agreement, DuPont agreed to

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indemnify us with respect to certain pre-Acquisition employee-related, environmental and tax liabilities. The indemnification asset represents estimated amounts due from DuPont pursuant to the indemnification terms.

Accounts and notes receivable are carried at amounts that approximate fair value. Accounts receivable—trade, net are net of allowances of $6.5 million and $29.6 million at December 31, 2013 (Successor) and December 31, 2012 (Predecessor), respectively. Our allowances were adjusted from $30.9 million as of the Predecessor period ended January 31, 2013 to $0 as part of purchase accounting on February 1, 2013. Bad debt expense was $5.4 million for the Successor year ended December 31, 2013, $0.2 million for the Predecessor period from January 1, 2013 through January 31, 2013 and $5.0 million and $4.6 million for the Predecessor years ended December 31, 2012 and December 31, 2011, respectively.

(16) INVENTORIES

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Finished products	$ 321.5	$ —	$ 329.3
Semi-finished products	98.2	—	90.2
Raw materials and supplies	132.0	—	130.7
	551.7	—	550.2
Adjustment of inventories to a LIFO basis	(80.7)	—	—
Total	$ 471.0	$ —	$ 550.2

Inventories of the Predecessor were valued on the basis of cost as determined by the LIFO method. Inventories valued under the LIFO method comprised 56.0% of inventories before the LIFO adjustments at December 31, 2012 (Predecessor), respectively. Stores and supplies inventories of $21.2 million and $20.1 million at December 31, 2013 (Successor) and December 31, 2012 (Predecessor) were valued under the average cost method.

(17) NET PROPERTY, PLANT AND EQUIPMENT

Depreciation expense amounted to $174.3 million for the Successor year ended December 31, 2013. Depreciation expense amounted to $7.2 million for the Predecessor period from January 1, 2013 through January 31, 2013 and $82.9 million and $84.7 million for the Predecessor years ended December 31, 2012 and December 31, 2011, respectively. Property, plant and equipment include gross assets under capital leases of $1.8 million and $1.7 million at December 31, 2012 and December 31, 2011, respectively (Predecessor).

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Land	$ 26.0	$ —	$ 98.9
Buildings	420.2	—	411.0
Equipment	1,565.5	—	1,178.6
Construction in progress	61.9	—	117.7
Total	2,073.6	—	1,806.2
Accumulated depreciation	(1,364.8)	—	(183.6)
Net property, plant, and equipment	$ 708.8	$ —	$ 1,622.6

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(18) OTHER ASSETS

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Available for sale securities	$ 11.5	$ —	$ 4.9
Deferred income taxes—non-current	93.4	—	271.9
Miscellaneous(a)	46.8	4.6	202.5
Total	$ 151.7	$ 4.6	$ 479.3

(a) Miscellaneous other assets primarily relates to an acquisition of real estate of $54.5 million, advances and deposits (which at December 31, 2012 (Predecessor) include a judicial deposit of $24.7 million related to a Brazilian tax dispute. See Note 8), capitalized contract-related costs, and derivative assets (see Note 24).

(19) ACCOUNTS PAYABLE

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Trade payables	$ 389.9	$ —	$ 428.8
Non-income taxes(a)	43.0	—	40.5
Miscellaneous	8.8	—	9.2
Total	$ 441.7	$ —	$ 478.5

(a) During the Successor periods, VAT receivables and payables are computed and allocated at the legal entity level. During the Predecessor period, VAT receivables and payables were generally computed on a legal entity level and allocated to the Axalta business. In certain jurisdictions, these receivables and payables may not be transferable outside of the legal entities.

(20) OTHER ACCRUED LIABILITIES

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Compensation and other employee-related costs	$ 167.9	$ —	$ 168.0
Current portion of long-term employee benefit plans	13.8	—	13.3
Restructuring	2.1	—	98.4
Discounts, rebates, and warranties	82.2	—	65.0
Income taxes payable	—	—	25.1
Derivative liabilities	11.6	—	1.2
Miscellaneous(a)	18.3	33.6	101.7
Total	$ 295.9	$ 33.6	$ 472.7

(a) Miscellaneous at December 31, 2012 (Successor) represents the accrual for merger and acquisition-related costs and debt financing costs incurred prior the Acquisition. The amounts were paid at closing of the Acquisition with proceeds from the borrowings under the Senior Secured Credit Facilities.

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Miscellaneous at December 31, 2013 (Successor) primarily includes accruals of $54.9 million for professional fees and other costs related to the separation from DuPont, accrued interest of $31.8 million, additional expenses for IT transition and headquarters facility costs, as well as other normal, recurring accruals for operating expenses.

(21) OTHER LIABILITIES

	Predecessor December 31, 2012	Successor December 31, 2012	Successor December 31, 2013
Employee-related costs	$ 30.1	$ —	$ 19.5
Accrued litigation(a)	28.9	—	0.5
Environmental remediation	3.3	—	5.2
Long-term income taxes payable	—	—	20.1
Miscellaneous	3.9	—	8.8
Total	$ 66.2	$ —	$ 54.1

(a) Accrued litigation at December 31, 2012 (Predecessor) includes $24.7 million related to a Brazilian tax dispute. Pursuant to the Acquisition Agreement, DuPont retained the accrued tax liability and related judicial deposit. Accordingly, no liability or related deposit is recorded in the Successor consolidated balance sheet at December 31, 2013. See further discussion of the Brazilian tax dispute in Note 8.

(22) LONG-TERM BORROWINGS

Borrowings and capital lease obligations are summarized as follows:

	Predecessor December 31, 2012	Successor December 31, 2013
Dollar Term Loan	$ —	$ 2,282.8
Euro Term Loan	—	547.7
Dollar Senior Notes	—	750.0
Euro Senior Notes	—	344.9
Short-term borrowings	—	18.2
Capital lease obligation	0.2	—
Unamortized original issue discount	—	(22.7)
	$ 0.2	$ 3,920.9
Less:		
Short term borrowings	—	18.2
Current portion of long-term borrowings	0.2	28.5
Long-term debt	$ —	$ 3,874.2

(a) *Senior Secured Credit Facilities*

On February 1, 2013, Dutch B B.V., as "Dutch Borrower", and its indirect wholly-owned subsidiary, Axalta US Holdings, as "US Borrower", entered into the Senior Secured Credit Facilities comprising a $2,300.0 million senior secured US dollar term loan (the "Dollar Term Loan"), a €400.0 million senior secured Euro term loan (the "Euro Term Loan") and a $400.0 million senior secured revolving facility (the "Revolving Credit Facility"). Costs of $92.9 million related to the issuance of the Senior Secured

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Credit Facilities are recorded within "Deferred financing costs, net" and are being amortized as interest expense over the life of the Senior Secured Credit Facilities. At December 31, 2013, the remaining unamortized balance was $81.2 million. Original issue discount of $25.7 million related to the Senior Secured Credit Facilities is recorded as a reduction of the principal amount of the borrowings and is amortized as interest expense over the life of the Senior Secured Credit Facilities. At December 31, 2013, the remaining unamortized original issue discount was $22.7 million. At December 31, 2013, there were no borrowings under the Revolving Credit Facility. At December 31, 2013, letters of credit issued under the Revolving Credit Facility totaled $20.7 million which reduced the availability under the Revolving Credit Facility. Availability under the Revolving Credit Facility was $379.3 million at December 31, 2013.

On February 3, 2014, the Co-Borrowers entered into a repricing amendment to the Senior Secured Credit Facilities. See Note 27 for further details on this amendment.

The Senior Secured Credit Facilities are secured by substantially all assets of Axalta Coating Systems Dutch A B. V. ("Dutch A B.V.") and the guarantors of the Dutch Borrower. The Senior Secured Credit Facilities are governed by a credit agreement (the "Credit Agreement"). The Dollar Term Loan and Euro Term Loan mature on February 1, 2020 and the Revolving Credit Facility matures on February 1, 2018. Principal is paid quarterly on both the Dollar Term Loan and the Euro Term Loan based on 1% per annum of the original principal amount with the unpaid balance due at maturity.

Interest is payable quarterly on both the Dollar Term Loan and the Euro Term Loan. Interest on the Dollar Term Loan is subject to a floor of 1.25% for Eurocurrency Rate Loans plus an applicable rate of 3.50%. For Base Rate Loans, the interest is subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate, an Adjusted Eurocurrency Rate, or 2.25% plus an applicable rate of 2.50%. Interest on the Euro Term Loan, a Eurocurrency Loan, is subject to a floor of 1.25% plus an applicable rate of 4.00%.

Interest on any outstanding borrowings under the Revolving Credit Facility is subject to a floor of 1.25% for Eurocurrency Rate Loans plus an applicable rate of 3.50% (subject to an additional step-down to 3.25%). For Base Rate Loans, the interest is subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate, an Adjusted Eurocurrency Rate, or 2.25% plus an applicable rate of 2.50% (subject to an additional step-down to 2.25).

Under circumstances described in the Credit Agreement, the Company may increase available revolving or term facility borrowings up to $400.0 million.

Any indebtedness under the Senior Secured Credit Facilities may be voluntarily prepaid in whole or in part, in minimum amounts, subject to the make-whole provisions set forth in the Credit Agreement. Such indebtedness is subject to mandatory prepayments amounting to the proceeds of asset sales over $25.0 million annually, proceeds from certain debt issuances not otherwise permitted under the Credit Agreement and 50% (subject to a step-down to 25.0% or 0% if the First Lien Leverage Ratio falls below 4.25:1 or 3.5:1, respectively) of Excess Cash Flow. We are subject to customary negative covenants as well as a financial covenant which is a maximum first lien leverage ratio. This is applicable only when greater than 25% of the Revolving Credit Facility (including letters of credit) is outstanding at the end of the fiscal quarter.

(b) ***Significant Terms of the Senior Notes***

On February 1, 2013, Dutch B B.V., as "Dutch Issuer", and Axalta US Holdings, as "US Issuer", (collectively the "Issuers") issued $750.0 million aggregate principal amount of 7.375% senior unsecured notes due 2021 (the "Dollar Senior Notes") and related guarantees thereof. Additionally,

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Dutch B.B.V. issued €250.0 million aggregate principal amount of 5.750% senior secured notes due 2021 (the "Euro Senior Notes", together with the Dollar Senior Notes, the "Senior Notes") and related guarantees thereof. Cash fees related to the issuance of the Senior Notes were $33.1 million, are recorded within "Deferred financing costs, net" and are amortized as interest expense over the life of the Senior Notes. At December 31, 2013, the remaining unamortized balance is $29.4 million.

The Senior Notes are unconditionally guaranteed on a senior basis by certain of the Issuers' subsidiaries.

The indentures governing the Senior Notes contain covenants that restrict the ability of the Issuers and their subsidiaries to, among other things, incur additional debt, make certain payments including payment of dividends or repurchase equity interest of the Issuers, make loans or acquisitions or capital contributions and certain investments, incur certain liens, sell assets, merge or consolidate or liquidate other entities, and enter into transactions with affiliates.

(i) *Euro Senior Notes*

The Euro Senior Notes were sold at par and are due February 1, 2021. The Euro Senior Notes bear interest at 5.750% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Euro Senior Notes were $10.2 million, are recorded within "Deferred financing costs, net" and are amortized as interest expense over the life of the Senior Notes. At December 31, 2013, the remaining unamortized balance is $9.0 million.

On or after February 1, 2016, we have the option to redeem all or part of the Euro Senior Notes at the following redemption prices (expressed as percentages of principal amount):

Period	Euro Notes Percentage
2016	104.313%
2017	102.875%
2018	101.438%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Euro Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Euro Senior Notes), at a redemption price of 105.750%, plus accrued and unpaid interest, if any, to the redemption date.

In addition, we have the option to redeem up to 10% of the Euro Senior Notes during any 12-month period from issue date until February 1, 2016 at a redemption price of 103.0%, plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Euro Senior Notes have the right to require us to repurchase all or any part of the Euro Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Euro Senior Notes and related guarantees is secured on a first-lien basis by the same assets that secure the obligations under the Senior Secured Credit Facilities, subject to permitted liens and applicable local law limitations, is senior in right of payment to all future subordinated indebtedness of the Issuers, is equal in right of payment to all existing and future senior indebtedness of the Issuers and is effectively senior to any unsecured indebtedness of the Issuers, including the Dollar Senior Notes, to the extent of the value securing the Euro Senior Notes.

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(ii) *Dollar Senior Notes*

The Dollar Senior Notes were sold at par and are due May 1, 2021. The Dollar Senior Notes bear interest at 7.375% payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Dollar Senior Notes were $22.9 million, are recorded within "Deferred financing costs, net" and are amortized as interest expense over the life of the Senior Notes. At December 31, 2013, the remaining unamortized balance is $20.4 million.

On or after February 1, 2016, we have the option to redeem all or part of the Dollar Senior Notes at the following redemption prices (expressed as percentages of principal amount)

Period	Dollar Notes Percentage
2016	105.531%
2017	103.688%
2018	101.844%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Dollar Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Dollar Senior Notes), at a redemption price of 107.375%, plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Dollar Senior Notes have the right to require us to repurchase all or any part of the Dollar Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Dollar Senior Notes is senior unsecured indebtedness of the Issuers, is senior in right of payment to all future subordinated indebtedness of the Issuers and is equal in right of payment to all existing and future senior indebtedness of the Issuers. The Dollar Senior Notes are effectively subordinated to any secured indebtedness of the Issuers (including indebtedness of the Issuers outstanding under the Senior Secured Credit Facilities and the Euro Senior Notes) to the extent of the value of the assets securing such indebtedness.

(c) *Short-term borrowings*

On September 12, 2013, we entered into short-term borrowings in the amount of $27.8 million to partially fund the acquisition of a real estate investment property which closed in October 2013. The short-term borrowings associated with this acquisition have a maturity date of September 12, 2014, accrue interest at a rate of 11% per annum and have an outstanding balance of $17.8 million at December 31, 2013. Other miscellaneous short-term borrowings have an outstanding balance of $0.4 million at December 31, 2013.

(d) *Bridge financing commitment fees*

On August 30, 2012, we signed a debt commitment letter, which was subsequently amended and restated, that included a bridge facility comprised of $1,100.0 million of unsecured U.S. bridge loans and a $300.0 million of secured bridge loans (the "Bridge Facility"), which was to be utilized to partially fund the Acquisition in the event that permanent financing was not obtained. Drawings under the Bridge Facility were subject to certain conditions. Upon the issuance of the Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated.

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Commitment fees related to the Bridge Facility of $21.0 million and associated fees of $4.0 million were expensed upon the termination of the Bridge Facility.

(e) *Future repayments*

Below is a schedule of required future repayments of all borrowings outstanding at December 31, 2013 (in millions).

2014	$ 46.7
2015	28.5
2016	28.5
2017	28.5
2018	28.5
Thereafter	3,782.9
Total	$ 3,943.6

(23) FAIR VALUE ACCOUNTING

(a) *Assets measured at fair value on a nonrecurring basis*

During the Successor year ended December 31, 2013, we recorded a loss of $3.2 million associated with the abandonment of certain in process research and development projects acquired in the Acquisition. During the Successor period from August 24, 2012 through December 31, 2012, Predecessor period from January 1, 2013 through January 31, 2013, and the Predecessor year ended December 31, 2012, no assets were adjusted to their fair values on a nonrecurring basis. See Note 5 for further discussion related to the fair value of in process research and development projects acquired in the Acquisition.

(b) *Fair value of financial instruments*

Cash and cash equivalents—The carrying amount of cash equivalents approximates fair value because the original maturity is less than 90 days.

Accounts and notes receivable—The carrying amount of accounts and notes receivable approximates fair value because of their short outstanding terms.

Available for sale securities—The fair value of available for sale securities at December 31, 2013 and December 31, 2012 was $4.9 million and $11.5 million, respectively. The fair value was based upon Level 1 inputs where the securities are actively traded with quoted market prices.

Accounts payable—The carrying amount of accounts payable approximates fair value because of their short outstanding terms.

Short-term bank borrowings—The carrying value of short-term bank borrowings equals fair value because their interest rates reflect current market rates.

Long-term borrowings—The fair values of the Dollar Senior Notes and Euro Senior Notes at December 31, 2013 were $798.8 million and $362.1 million, respectively. The estimated fair values of these notes are based on recent trades, as reported by a third party bond pricing service. Due to the infrequency of trades of the Dollar Senior Notes and the Euro Senior Notes, these inputs are considered to be Level 2 inputs.

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The fair values of the Dollar Term Loan and the Euro Term Loan at December 31, 2013 were $2,297.1 million and $552.5 million, respectively. The estimated fair values of the Dollar Term Loan and the Euro Term Loan are based on recent trades, as reported by a third party bond pricing service. Due to the infrequency of trades of the Dollar Term Loan and the Euro Term Loan, these inputs are considered to be Level 2 inputs.

(24) DERIVATIVE AND OTHER HEDGING INSTRUMENTS

We selectively use derivative instruments to reduce market risk associated with changes in foreign currency exchange rates and interest rates. The use of derivatives is intended for hedging purposes only and we do not enter into derivative instruments for speculative purposes. A description of each type of derivative used to manage risk is included in the following paragraphs.

During the Successor year ended December 31, 2013, we entered into a foreign currency contract to hedge the variability of the US dollar equivalent of the original borrowings under the Euro Term Loan and the proceeds from the issuance of Euro Senior Notes. Changes in the fair value of this instrument were recorded in current period earnings and were presented in Other expense, net as a component of Exchange (gains) losses. Losses related to the settlement of forward contracts recognized during the Successor year ended December 31, 2013 totaled $19.4 million. Cash flows resulting from the settlement of the derivative instrument on February 1, 2013 are reported as investing activities.

During the Successor year ended December 31, 2013, we entered into five interest rate swaps with notional amounts totaling $1,173.0 million to hedge interest rate exposures related to variable rate borrowings under the Senior Secured Credit Facilities. The interest rate swaps are in place until September 29, 2017. The interest rate swaps are designated and qualified as effective cash flow hedges.

The following table presents the location and fair values using Level 2 inputs of derivative instruments included in our consolidated and combined balance sheet:

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
Foreign currency contracts	$ 2.8	$ —	$ —
Other assets:			
Interest rate swaps	—	—	10.5
Interest rate cap	—	—	3.4
Total assets	$ 2.8	$ —	$ 13.9
Other accrued liabilities:			
Interest rate swaps	—	—	1.2
Foreign currency contracts	11.6	—	—
Total liabilities	$ 11.6	$ —	$ 1.2

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of "Accumulated other comprehensive loss" and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

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The following table sets forth the locations and amounts recognized during the year ended December 31, 2013 for these cash flow hedges.

Derivatives in Cash Flow Hedging Relationships	Amount of (Gain) Loss Recognized in OCI on Derivatives (Effective Portion)	Location of (Gain) Loss Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of (Gain) Loss Reclassified from Accumulated OCI to Income (Effective Portion)	Location of (Gains) Losses Recognized in Income on Derivatives (Ineffective Portion)	Amount of (Gain) Loss Recognized in Income on Derivatives (Ineffective Portion)
Interest rate contracts	$ (5.0)	Interest expense, net	$ 4.4	Interest expense, net	$ (4.3)

Also during the Successor year ended December 31, 2013, we purchased a €300.0 million 1.5% interest rate cap on our Euro Term Loan that is in place until September 29, 2017. We paid a premium of $3.1 million for the interest rate cap. The interest rate cap was not designated as a hedge and the changes in the fair value of the derivative instrument is recorded in current period earnings and is included in interest expense.

DPC, through DuPont, entered into contractual arrangements (derivatives) to reduce its exposure to foreign currency risk. The foreign currency derivative program was utilized for financial risk management and consisted of forward contracts. The derivative instruments were not designated as hedging instruments. Changes in the fair value of the derivative instruments are recorded in current period earnings and are presented in Other expense, net as a component of exchange (gains) losses.

Fair value gains and losses of derivative contracts, as determined using Level 2 inputs, that do not qualify for hedge accounting treatment are recorded in income as follows:

		Predecessor			Successor
Derivatives Not Designated as Hedging Instruments under ASC 815	Location of (Gain) Loss Recognized in Income on Derivatives	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1, 2013 through January 31, 2013	Year Ended December 31, 2013
Foreign currency forward contract	Other expense, net as a component of Exchange (gains) losses	$ —	$ 3.9	$ 2.0	$ 20.9
Interest rate cap	Interest expense, net	—	—	—	(0.3)
		$ —	$ 3.9	$ 2.0	$ 20.6

(25) SEGMENTS

The Company identifies an operating segment as a component: (i) that engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and (iii) that has available discrete financial information.

We have two operating segments: Performance Coatings and Transportation Coatings. The CODM reviews financial information at the operating segment level to allocate resources and to assess the operating results and financial performance for each operating segment. Our CODM is identified as the Chief Executive Officer because he has final authority over performance assessment and resource allocation decisions. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

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Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

Through our Transportation Coatings segment we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed.

	Predecessor		
	Performance Coatings	Transportation Coatings	Total
For the Year ended December 31, 2011			
Net sales(1)	$ 2,623.7	$ 1,657.8	$4,281.5
Equity in earnings in unconsolidated affiliates	—	0.9	0.9
Adjusted EBITDA(2)	415.9	62.5	478.4
Investment in unconsolidated affiliates	—	6.4	6.4
Capital Expenditures	49.8	32.9	82.7

	Predecessor		
	Performance Coatings	Transportation Coatings	Total
For the Year ended December 31, 2012			
Net sales(1)	$ 2,479.5	$ 1,739.9	$4,219.4
Equity in earnings in unconsolidated affiliates	—	0.6	0.6
Adjusted EBITDA(2)	426.0	151.6	577.6
Investment in unconsolidated affiliates	0.8	7.1	7.9
Capital Expenditures	39.8	33.4	73.2

	Predecessor		
	Performance Coatings	Transportation Coatings	Total
January 1 through January 31, 2013			
Net sales(1)	$ 186.8	$ 139.4	$ 326.2
Equity in earnings (losses) in unconsolidated affiliates	—	(0.3)	(0.3)
Adjusted EBITDA(2)	15.0	17.7	32.7
Investment in unconsolidated affiliates	2.0	6.7	8.7
Capital Expenditures	1.5	0.9	2.4

	Successor		
	Performance Coatings	Transportation Coatings	Total
For the Year ended December 31, 2013			
Net sales(1)	$ 2,325.3	$ 1,625.8	$3,951.1
Equity in earnings in unconsolidated affiliates	1.8	0.3	2.1
Adjusted EBITDA(2)	500.2	198.8	699.0
Investment in unconsolidated affiliates	7.7	8.1	15.8
Capital Expenditures	56.6	50.7	107.3

(1) The Company has no intercompany sales.
(2) The primary measure of segment operating performance is Adjusted EBITDA, which is defined as net income (loss) before interest, taxes, depreciation and amortization and other unusual items impacting

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operating results. Adjusted EBITDA is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts, and prior year financial results, providing a measure that management believes reflects the Company's core operating performance. Reconciliation of Adjusted EBITDA to income (loss) before income taxes follows:

	Predecessor			Successor	
	Year ended December 31, 2011	Year ended December 31, 2012	January 1 through January 31, 2013	August 24 through December 31, 2012	Year ended December 31, 2013
Adjusted EBITDA	$ 478.4	$ 577.6	$ 32.7	$ —	$ 699.0
Inventory step-up(a)	—	—	—	—	(103.7)
Merger and acquisition related costs(b)	—	—	—	(29.0)	(28.1)
Financing fees(c)	—	—	—	—	(25.0)
Foreign exchange remeasurement losses(d)	(23.4)	(17.7)	(4.5)	—	(48.9)
Long-term employee benefit plan adjustments(e)	(32.8)	(36.9)	(2.3)	—	(9.5)
Termination benefits and other employee related costs(f)	2.6	(8.6)	(0.3)	—	(147.5)
Consulting and advisory fees(g)	—	—	—	—	(54.7)
Transition-related costs(h)	—	—	—	—	(29.3)
Other adjustments(i)	(14.7)	(12.6)	(0.1)	—	(2.3)
Dividends in respect of noncontrolling interest(j)	1.0	1.9	—	—	5.2
Management fee expense(k)	—	—	—	—	(3.1)
EBITDA	411.1	503.7	25.5	(29.0)	252.1
Interest expense, net	(0.2)	—	—	—	(215.1)
Depreciation and amortization	(108.7)	(110.7)	(9.9)	—	(300.7)
Income before income taxes	$ 302.2	$ 393.0	$ 15.6	$ (29.0)	$ (263.7)

(a) During the Successor Year Ended December 31, 2013, we recorded a non-cash fair value adjustment associated with our acquisition accounting for inventories. These amounts increased cost of goods sold by $103.7 million.

(b) In connection with the Acquisition, we incurred $28.1 million and $29.0 million of merger and acquisition costs during the Successor years ended December 31, 2013 and December 31, 2012, respectively. These costs consisted primarily of investment banking, legal and other professional advisory services costs.

(c) On August 30, 2012, we signed a debt commitment letter, which included the Bridge Facility. Upon the issuance of the Senior Notes and the entry into the Senior Secured Credit Facilities, the commitments under the Bridge Facility terminated. Commitment fees related to the Bridge Facility of $21.0 million and associated fees of $4.0 million were expensed upon the payment and termination of the Bridge Facility.

(d) Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, including a $19.4 million loss related to the acquisition date settlement of a foreign currency contract used to hedge the variability of Euro-based financing.

(e) For the Successor Year Ended December 31, 2013, eliminates the non-service cost components of employee benefit costs. For the Predecessor period January 1, 2013 through January 31, 2013 and the Predecessor years ended December 31, 2012 and 2011, eliminates (1) all U.S. pension and other long-term employee benefit costs that were not assumed as part of the Acquisition and (2) the non-service cost component of the pension and other long-term employee benefit costs for the foreign pension plans that were assumed as part of the Acquisition.

(f) Represents expenses primarily related to employee termination benefits, including our initiative to improve the overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives for establishment of new roles and

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elimination of old roles and other costs associated with cost saving opportunities that were related to our transition to a standalone entity.

(g) Represents fees paid to consultants, advisors, and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity.

(h) Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs, and facility transition costs.

(i) Represent costs for certain unusual or non-operational losses and the non-cash impact of natural gas and currency hedge losses allocated to DPC by DuPont, stock-based compensation, asset impairments, equity investee dividends, indemnity income associated with the Transaction, and loss (gain) on sale and disposal of property, plant and equipment.

(j) Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.

(k) Pursuant to Axalta's management agreement with Carlyle Investment Management, L.L.C., an affiliate of Carlyle, for management and financial advisory services and oversight provided to Axalta and its subsidiaries, Axalta is required to pay an annual management fee of $3.0 million plus out-of-pocket expenses.

Segment information for the Predecessor periods has been recast to conform to the Successor segment presentation.

Our business serves four-end markets globally as follows:

	Predecessor			Successor
	Year ended December 31,		January 1 through January 31,	Year ended December 31,
	2011	2012	2013	2013
Performance Coatings				
Refinish	$1,837.1	$1,759.3	$ 129.4	$ 1,670.0
Industrial	786.6	720.2	57.4	655.3
Total net sales Performance Coatings	2,623.7	2,479.5	186.8	2,325.3
Transportation Coatings				
Light vehicle	1,321.3	1,390.6	111.6	1,291.5
Commercial vehicle	336.5	349.3	27.8	334.3
Total net sales Transportation Coatings	1,657.8	1,739.9	139.4	1,625.8
Total net sales	$4,281.5	$4,219.4	$ 326.2	$ 3,951.1

Asset information is not regularly reviewed at a segment level. Therefore, the Company has not disclosed asset information for each reportable segment.

Geographic Area Information:

The information within the following tables provides disaggregated information related to our net sales and long-lived assets.

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Net sales by region were as follows:

	Predecessor			Successor	
	Year Ended December 31, 2011	Year Ended December 31, 2012	Period from January 1 through January 31, 2013	Period from August 24 through December 31, 2012	Year Ended December 31, 2013
North America	$ 1,172.1	$ 1,238.6	$ 81.6	$ —	$ 1,165.4
EMEA	1,853.8	1,675.4	141.0	—	1,540.4
Asia Pacific	551.0	595.0	51.7	—	593.7
Latin America	704.6	710.4	51.9	—	651.6
Total(a)	$ 4,281.5	$ 4,219.4	$ 326.2	$ —	$ 3,951.1

Net long-lived assets by region were as follows:

	Predecessor	Successor	
	December 31, 2012	December 31, 2012	December 31, 2013
North America	$ 197.9	$ —	$ 483.8
EMEA	292.7	—	623.5
Asia Pacific	100.8	—	218.1
Latin America	117.4	—	297.2
Total	$ 708.8	$ —	$ 1,622.6

(a) Net Sales are attributed to countries based on location of the customer. Sales to external customers in China represented approximately 10% of the total for the Successor year ended December 31, 2013, 11% for the Predecessor period ended January 31, 2013 and 8% and 7% in the Predecessor years ended December 31, 2012 and 2011, respectively. Sales to external customers in Germany represented approximately 10% of the total for the Successor year ended December 31, 2013 and 11% for the Predecessor period ended January 31, 2013 and 16 % and 11 % in the Predecessor years ended December 31, 2012 and 2011, respectively. Canada, which is included in the North America region, represents approximately 3% of total sales in all periods.

(b) Long-lived assets, which consist of property, plant and equipment, net, are provided for the Successor Year End December 31, 2013 and the Predecessor year ended December 31, 2012. Canada long-lived assets amounted to approximately $21.1 million in the Successor Year Ended December 31, 2013 and $18.2 million in the Predecessor year ended December 31, 2012.

(26) ACCUMULATED OTHER COMPREHENSIVE INCOME

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized loss on securities	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Income
Predecessor Balance, December 31, 2012	$ —	$ (142.3)	$ 1.4	$ —	$ (140.9)
Current year deferrals to AOCI	—	0.7	0.2	—	0.9
Reclassifications from AOCI to Net income	—	—	—	—	—
Net Change	—	(141.6)	1.6	—	(140.0)
Predecessor Balance, January 31, 2013	$ —	$ (141.6)	$ 1.6	$ —	$ (140.0)

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The income tax related to the adjustment for pension and other long-term employee benefits for the Predecessor one month ended January 31, 2013 was $0.4 million. The cumulative income tax benefit related to the adjustment for pension and other long-term employee benefits at January 31, 2013 was $76.3 million. The income tax related to the change in the unrealized gain on derivatives for the Predecessor one month ended January 31, 2013 was $0.0 million. The cumulative income tax cost related to the adjustment for unrealized gain on derivatives at January 31, 2013 was $0.0 million. The income tax related to the change in the unrealized loss on securities for the Predecessor one month ended January 31, 2013 was $0.1 million. The cumulative income tax cost related to the adjustment for unrealized loss on securities at January 31, 2013 was $0.9 million.

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized loss on securities	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Income
Successor Balance, December 31, 2012	$ —	$ —	$ —	$ —	$ —
Current year deferrals to AOCI	24.3	7.5	(0.9)	7.5	38.4
Reclassifications from AOCI to Net income	—	—	—	(4.4)	(4.4)
Net Change	24.3	7.5	(0.9)	3.1	34.0
Successor Balance, December 31, 2013	$ 24.3	$ 7.5	$ (0.9)	$ 3.1	$ 34.0

The income tax related to the adjustment for pension and other long-term employee benefits for the Successor year ended December 31, 2013 was $3.5 million. The cumulative income tax benefit related to the adjustment for pension and other long-term employee benefits at December 31, 2013 was $3.5 million. The income tax related to the change in the unrealized gain on derivatives for the Successor year ended December 31, 2013 was $1.9 million. The cumulative income tax benefit related to the adjustment for unrealized gain on derivatives at December 31, 2013 was $1.9 million.

(27) SUBSEQUENT EVENTS

On February 3, 2014 (the “Amendment Effective Date”), the Co-Borrowers completed an amendment (the “Amendment”) to the Senior Secured Credit Facilities. The Amendment (i) converted all of the outstanding Dollar Term Loans ($2,282.8 million) into a new class of term loans under the credit agreement governing the Senior Secured Credit Facilities (the “New Dollar Term Loans”), and (ii) converted all of the outstanding Euro Term Loans (€397.0 million) into a new class of term loans under the credit agreement governing the Senior Secured Credit Facilities (the “New Euro Term Loans”). The New Dollar Term Loans are subject to a floor of 1.00% for Eurocurrency loans and 2.00% for Base Rate Loans, plus an applicable rate after the Amendment Effective Date. The applicable rate is 3.00% per annum for Eurocurrency Rate Loans (as defined in the credit agreement governing the Senior Secured Credit Facilities) and 2.00% per annum for Base Rate Loans (as defined in the credit agreement governing the Senior Secured Credit Facilities). The applicable rate for both Eurocurrency Rate Loans as well as Base Rate Loans is subject to a further 25 basis point reduction if the Total Net Leverage Ratio (as defined in the credit agreement governing the Senior Secured Credit Facilities) is less than or equal to 4.50:1.00. The New Euro Term Loans are also subject to a floor of 1.00%, plus an applicable rate after the Amendment Effective Date. The applicable rate is 3.25% per annum for Eurocurrency Rate Loans. The applicable rate is subject to a further 25 basis point reduction if the Total Net Leverage Ratio is less than or equal to 4.50:1.00.

Notes to Combined (Predecessor) and Consolidated (Successor) Financial Statements
(Dollars in millions, unless otherwise noted)

The Company incurred $2.9 million of fees associated with the Amendment.

In October 2014, the Board of Directors approved a 1.69-for-1 stock split of the Company's issued and outstanding common stock, which was effective on October 28, 2014. The stock split did not change the par value of the Company's common stock. The consolidated financial statements have been retroactively adjusted to give effect to the stock split.

These consolidated and combined financial statements reflect management's evaluation of subsequent events, through March 31, 2014, the initial date the consolidated and combined financial statements were available to be issued, and through October 30, 2014, the date of the most recent revision.

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Through and including (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

45,000,000 Shares

Axalta Coating Systems Ltd.

Common Shares

PROSPECTUS

Citigroup	**Goldman, Sachs & Co.**	**Deutsche Bank Securities**	**J.P. Morgan**
BofA Merrill Lynch	**Barclays**	**Credit Suisse**	**Morgan Stanley**

Jefferies **UBS Investment Bank** **Baird** **BB&T Capital Markets** **Nomura** **SMBC Nikko**

, 2014

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The actual and estimated expenses in connection with this offering, all of which will be borne by us, are as follows:

SEC Registration Fee	$ 127,540
FINRA Filing Fee	163,513
Printing and Engraving Expense	950,000
Legal Fees	3,400,000
Accounting Fees	1,500,000
Blue Sky Fees	0
Stock Exchange Listing Fees	250,000
Transfer Agent Fee	8,000
Miscellaneous	100,947
Total	$ 6,500,000

Item 14. Indemnification of Directors and Officers

Section 98 of the Companies Act provides generally that a Bermuda company may indemnify its directors, officers and auditors against any liability which by virtue of any rule of law would otherwise be imposed on them in respect of any negligence, default, breach of duty or breach of trust, except in cases where such liability arises from fraud or dishonesty of which such director, officer or auditor may be guilty in relation to the company. Section 98 further provides that a Bermuda company may indemnify its directors, officers and auditors against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is awarded in their favor or in which they are acquitted or granted relief by the Supreme Court of Bermuda pursuant to section 281 of the Companies Act.

We have adopted provisions in our bye-laws that provide that we shall indemnify our officers and directors in respect of their actions and omissions, except in respect of their fraud or dishonesty. Our bye-laws provide that the shareholders waive all claims or rights of action that they might have, individually or in right of the company, against any of the company's directors or officers for any act or failure to act in the performance of such director's or officer's duties, except in respect of any fraud or dishonesty of such director or officer. Section 98A of the Companies Act permits us to purchase and maintain insurance for the benefit of any officer or director in respect of any loss or liability attaching to him in respect of any negligence, default, breach of duty or breach of trust, whether or not we may otherwise indemnify such officer or director. We have purchased and maintain a directors' and officers' liability policy for such a purpose.

Item 15. Recent Sales of Unregistered Securities.

The information presented in this Item 15 gives effect to the 1.69-for-1 stock split, which was effectuated on October 28, 2014. Since August 24, 2012, we have granted to our officers and employees options to purchase an aggregate of 17,143,043 of our common shares with per share exercise prices equal to $5.92, $7.21, $8.88 and $11.84 under our equity incentive plan, which we refer to as the existing equity incentive plan.

Since August 24, 2012, certain of our officers and employees have exercised options granted under the 2013 Plan to purchase a total of 363,248 of our common shares for an aggregate purchase price of approximately $2.9 million. Since August 24, 2012, certain of our officers and directors have purchased an aggregate of 1,604,382 of our common shares at an aggregate purchase price of approximately $10 million.

The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(2) of the Securities Act or Regulation D promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. Individuals who purchased stock as described above represented their intention to acquire the stock for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were affixed to the share certificates issued in such transactions.

Item 16. Exhibits and Financial Statement Schedules.

(A) Exhibits

Exhibit No.	Description of Exhibit
1.1	Form of Underwriting Agreement
2.1**	Purchase Agreement, dated as of August 30, 2012, by and between E. I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (n/k/a Axalta Coating System Ltd.)
2.2**	Amendment to Purchase Agreement, dated as of January 31, 2013, by and between E. I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (n/k/a Axalta Coating System Ltd.)
3.1**	Amended Memorandum of Association of Axalta Coating Systems Ltd.
3.2	Form of Amended and Restated Bye-laws of Axalta Coating Systems Ltd.
4.1**	Indenture governing the 7.375% Senior Notes due 2021, dated February 1, 2013 (the "Dollar Senior Notes Indenture"), among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.2**	Form of 7.375% Senior Note due 2021 (included in Exhibit 4.1)
4.3**	First Supplemental Indenture to the Dollar Senior Notes Indenture, dated April 26, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.4**	First Supplemental Indenture to the Dollar Senior Notes Indenture, dated May 10, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.5**	Third Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.6**	Fourth Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 29, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.7**	Fifth Supplemental Indenture to the Dollar Senior Notes Indenture, dated September 17, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.8**	Sixth Supplemental Indenture to the Dollar Senior Notes Indenture dated September 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee

Exhibit No.	Description of Exhibit
4.9**	Seventh Supplemental Indenture to the Dollar Senior Notes Indenture, dated December 27, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.10**	Eighth Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 1, 2014, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.11**	Indenture governing the 5.750% Senior Secured Notes due 2021, dated February 1, 2013 (the "Euro Senior Notes Indenture"), among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Issuers, the Guarantors named therein, Wilmington Trust, National Association, as Trustee and Collateral Agent, Citigroup Global Markets Deutschland AG, as registrar, and Citibank B.A. London Branch, as Paying Agent and Authenticating Agent
4.12**	Form of 5.750% Senior Secured Note due 2021 (included in Exhibit 4.11)
4.13**	First Supplemental Indenture to the Euro Senior Notes Indenture, dated April 26, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.14**	First Supplemental Indenture to the Euro Senior Notes Indenture, dated May 10, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.15**	Third Supplemental Indenture to the Euro Senior Notes Indenture, dated July 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.16**	Fourth Supplemental Indenture to the Euro Senior Notes Indenture, dated July 29, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.17**	Fifth Supplemental Indenture to the Euro Senior Notes Indenture, dated September 17, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.18**	Sixth Supplemental Indenture to the Euro Senior Notes Indenture, dated September 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.19**	Seventh Supplemental Indenture to the Euro Senior Notes Indenture, dated December 27, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.20**	Eighth Supplemental Indenture to the Euro Senior Notes Indenture, dated July 1, 2014, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent

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Exhibit No.	Description of Exhibit
4.21	Specimen Common Share Certificate
5.1	Opinion of Conyers Dill & Pearman Pte. Ltd.
10.1**	Credit Agreement, dated as of February 1, 2013 (the "Credit Agreement"), among Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) and U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.), as Borrowers, Flash Dutch 1 B.V. (n/k/a Axalta Coating Systems Dutch Holding A B.V.) as Holdings, Coatings Co. U.S. Inc. (n/k/a Axalta Coating Systems U.S., Inc.), as U.S. Holdings, Barclays Bank PLC as Administrative Agent, Collateral Agent, Swing Line Lender and L/C Issuer, and the other Lenders party thereto
10.2**	Amendment No. 1 Agreement, to the Credit Agreement, dated as of May 24, 2013, among Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Dutch Borrower, Axalta Coating Systems U.S. Holdings, Inc. as U.S. Borrower and Barclays Bank PLC, as Administrative Agent
10.3**	Second Amendment to Credit Agreement, dated as of February 3, 2014, by and among Axalta Coating Systems Dutch Holding B B.V. (the "Dutch Borrower"), and Axalta Coating Systems U.S. Holdings, Inc. (the "U.S. Borrower" and together with the Dutch Borrower, collectively, the "Borrowers"), Axalta Coating Systems U.S., Inc. (f/k/a Coatings Co. U.S. Inc.) ("U.S. Holdings"), Axalta Coating Systems Dutch Holding A B.V. ("Holdings"), and Barclays Bank PLC, as administrative agent (in such capacity, the "Administrative Agent"), as collateral agent (in such capacity, the "Collateral Agent"), and as designated 2014 Specified Refinancing Term Lender (in such capacity, the "Designated 2014 Specified Refinancing Term Lender")
10.4**	Security Agreement, dated February 1, 2013, among the Grantors referred to therein and Barclays Bank PLC, as Collateral Agent
10.5**	Security Agreement, dated February 1, 2013, among the Grantors referred to therein and Wilmington Trust, National Association, as Collateral Agent
10.6**	Intellectual Property Security Agreement, dated February 1, 2013, between U.S. Coatings IP Co. LLC (n/k/a Axalta Coating Systems USA IP Co. LLC) and Barclays Bank PLC, as collateral agent
10.7**	Intellectual Property Security Agreement, dated February 1, 2013, between the U.S. Coatings IP Co. LLC (n/k/a Axalta Coating Systems USA IP Co. LLC) and Wilmington Trust, National Association, as collateral agent
10.8**	Subsidiary Guaranty, dated as of February 1, 2013, among the Guarantors named therein, the Additional Guarantors referred to therein and Barclays bank PLC as Administrative Agent
10.9**	Holdings Guaranty, dated as of February 1, 2013, between Flash Dutch 1 B.V. (n/k/a Axalta Coating Systems Dutch Holding A B.V.) and Barclays Bank PLC as Administrative Agent
10.10**	First Lien Intercreditor Agreement, dated as of February 1, 2013, among Barclays Bank PLC as Bank Collateral Agent under the Credit Agreement, and as Notes Foreign Collateral Agent under the Indenture, Wilmington Trust, National Association, as Notes Collateral Agent under the Indenture, each Grantor party thereto and each Additional Agent from time to time party thereto
10.11**	Share Pledge Agreement in respect of shares in DuPont Performance Coatings Belgium BVBA (n/k/a Axalta Coating Systems Belgium BVBA), dated 1 February 2013, between Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), Teodur B.V. and Barclays Bank PLC, as collateral agent
10.12**	Share Pledge Agreement in respect of shares in DuPont Performance Coatings Belgium BVBA (n/k/a Axalta Coating Systems Belgium BVBA), dated 1 February 2013, between Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), Teodur B.V. and Wilmington Trust, National Association, as collateral agent
10.13**	Bank Accounts Pledge Agreement, entered into September 17, 2013, among Axalta Coating Systems Brasil Ltda., Wilmington Trust, National Association, as Notes Collateral Agent, and Barclays Bank PLC, as Collateral Agent

Exhibit No.	Description of Exhibit
10.14**	Quota Pledge Agreement, entered into September 17, 2013, among Brazil Coatings Co. Participações Ltda., Axalta Coating Systems Dutch Holding 2 B.V., Barclays Bank PLC, as Collateral Agent, and Wilmington Trust, National Association, as Notes Collateral Agent
10.15**	Security Agreement, dated as of May 10, 2013, between Axalta Coating Systems Canada Company (f/k/a DuPont Performance Coatings Canada Company), Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), the additional grantors from time to time party thereto, and Barclays Bank PLC, as collateral agent for the secured parties
10.16**	Security Agreement, dated as of May 10, 2013, between Axalta Coating Systems Canada Company (f/k/a DuPont Performance Coatings Canada Company), Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), the additional grantors from time to time party thereto, and Wilmington Trust, National Association, as collateral agent for the secured parties
10.17**	Securities Account Pledge Agreement in relation to the shares issued by France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS), dated 26 April 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), Barclays Bank PLC, as notes foreign collateral agent, and France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS)
10.18**	Pledge of Receivables Agreement, dated 26 April 2013, between Lux FinCo Coatings S.à r.l. (n/k/a Axalta Coating Systems Finance 1 S.à r.l.) and Barclays Bank PLC, as notes foreign collateral agent
10.19**	Securities Account Pledge Agreement in relation to the shares issued by DuPont Performance Coatings France SAS (n/k/a Axalta Coating Systems France SAS), dated 26 April 2013, between France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS), Barclays Bank PLC, as notes foreign collateral agent, and DuPont Performance Coatings France SAS (n/k/a Axalta Coating Systems France SAS)
10.20**	Account Pledge Agreement, made on 29 July 2013, between Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Axalta Coating Systems Deutschland Holding GmbH & Co. KG (f/k/a Germany Coatings GmbH & Co. KG), Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH), Standox GmbH, Spies Hecker GmbH, Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.21**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Deutschland Holding GmbH & Co. KG (f/k/a Germany Coatings GmbH & Co. KG) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.22**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.23**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.24**	Global Assignment Agreement, made on 29 July 2013, between Spies Hecker GmbH and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.25**	Global Assignment Agreement, made on 29 July 2013, between Standox GmbH and Barclays Bank PLC, as collateral agent and collateral sub-agent

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Exhibit No.	Description of Exhibit
10.26**	Partnership Interest Pledge Agreement, made on 29 July 2013, between Axalta Coating Systems Luxembourg Holding 2 S.à r.l. (f/k/a Luxembourg Coatings S.à r.l.), Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.27**	Share Pledge Agreement, made on 24 July 2013, between Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.28**	Security Purpose Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.29**	Security Transfer Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.30**	Global Assignment Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.31**	Partnership Interest Pledge Agreement, made on 1 July 2014, between Axalta Coating Systems Germany GmbH, Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association as collateral agent under the EUR Note Indenture
10.32**	Account Pledge Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG, Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as collateral agent under the EUR Notes Indenture
10.33**	Security Transfer Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.34**	Pledge Agreement without Transfer of Possession, dated September 18, 2013, between Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.35**	Pledge Agreement without Transfer of Possession, dated September 18, 2013, between Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.36**	Equity Interest Pledge Agreement, dated September 18, 2013, among Axalta Coating Systems LA Holding II B.V. (f/k/a DuPont Performance Coatings LA Holding II B.V.), Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.), Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.37**	Equity Interest Pledge Agreement, dated September 18, 2013, among Axalta Coating Systems LA Holding II B.V. (f/k/a DuPont Performance Coatings LA Holding II B.V.), Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.), Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.38**	Share Pledge Agreement, dated September 18, 2013, between Axalta Powder Coating Systems USA, Inc. (f/k/a DuPont Powder Coatings USA, Inc.), Axalta Powder Coating Systems México, S.A. de C.V. (f/k/a DuPont Powder Coatings de México, S.A. de C.V.) and Barclays Bank PLC, as collateral agent

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
10.39**	Debenture, dated 1 February 2013, by Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), DuPont Performance Coatings (U.K.) Limited (n/k/a Axalta Coating Systems UK Limited), and DuPont Powder Coatings UK Limited (n/k/a Axalta Powder Coating Systems UK Limited), in favour of Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.40**	Debenture, dated 1 February 2013, by Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), DuPont Performance Coatings (U.K.) Limited (n/k/a Axalta Coating Systems UK Limited), and DuPont Powder Coatings UK Limited (n/k/a Axalta Powder Coating Systems UK Limited), in favour of Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.41**	Security Over Shares Agreement, dated 1 February 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.) and Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.42**	Security Over Shares Agreement, dated 1 February 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.) and Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.43**	Debenture, dated 25 March 2014, by Axalta Coating Systems U.K. (2) Limited in favour of Wilmington Trust, National Association, as collateral agent under the Secured Notes Indenture
10.44**	Debenture, dated 25 March 2014, by Axalta Coating Systems U.K. (2) Limited in favour of Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.45**	Security Over Shares Agreement, dated 25 March 2014, between Axalta Coating Systems Belgium BVBA and Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.46**	Security Over Shares Agreement, dated 25 March 2014, between Axalta Coating Systems Belgium BVBA and Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.47**	Amended and Restated Stockholders Agreement, dated July 31, 2013, among Axalta Coating Systems Bermuda Co., Ltd (n/k/a Axalta Coating Systems Ltd.), the Initial Carlyle Stockholders and the Management Stockholders party thereto
10.48	Form of Indemnification Agreement
10.49**	Employment Agreement between Charles W. Shaver and Coatings Co. U.S. Inc., dated October 26, 2012
10.50**	Employment Agreement between Robert W. Bryant and Coatings Co. U.S. Inc., dated January 12, 2013
10.51**	Employment Agreement between Steven R. Markevich and Coatings Co. U.S. Inc., dated May 2, 2013
10.52**	Employment Agreement between Joseph F. McDougall and Coatings Co. U.S. Inc., dated May 1, 2013
10.53**	Employment Agreement between Michael Finn and Coatings Co. U.S. Inc., dated March 26, 2013
10.54**	Axalta Coating Systems Bermuda Co., Ltd. 2013 Equity Incentive Plan
10.55**	Form of Stock Option Agreement under the Axalta Coating Systems Bermuda Co., Ltd. 2013 Equity Incentive Plan
10.56	Axalta Coating Systems Ltd. 2014 Equity Incentive Plan
10.57	Form of Stock Option Agreement under the Axalta Coating Systems Ltd. 2014 Equity Incentive Plan

Exhibit No.	Description of Exhibit
10.58	Form of Restricted Stock Agreement under the Axalta Coating Systems Ltd. 2014 Equity Incentive Plan
10.59	Form of Restricted Stock Unit Agreement under the Axalta Coating Systems Ltd. 2014 Equity Incentive Plan
10.60**	Axalta Coating Systems LLC Retirement Savings Restoration Plan
10.61**	Axalta Coating Systems, LLC Nonqualified Deferred Compensation Plan
10.62	Form of Principal Stockholders Agreement
21.1	List of Subsidiaries
23.1	Consent of Conyers Dill & Pearman Pte. Ltd. (included in Exhibit 5.1)
23.2	Consent of PricewaterhouseCoopers LLP
23.3**	Consent of Orr & Boss, Inc.
24.1**	Powers of Attorney (included in the signature pages to this registration statement)

* To be filed by amendment.
** Previously filed.

(B) Financial Statement Schedules

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers, and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer, or controlling person of us in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, we will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

We hereby undertake that:

(i) for purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(ii) for purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933 the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Philadelphia, state of Pennsylvania, on October 30, 2014.

AXALTA COATING SYSTEMS LTD.

By: /s/ Charles W. Shaver
Charles W. Shaver
Chairman of the Board and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and as of the dates indicated.

Signature	Title	Date
/s/ Charles W. Shaver Charles W. Shaver	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	October 30, 2014
/s/ Robert W. Bryant Robert W. Bryant	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	October 30, 2014
/s/ Sean M. Lannon Sean M. Lannon	Vice President and Global Controller (Principal Accounting Officer)	October 30, 2014
* Orlando A. Bustos	Director	October 30, 2014
* Robert M. McLaughlin	Director	October 30, 2014
* Andreas C. Kramvis	Director	October 30, 2014
* Martin W. Sumner	Director	October 30, 2014
* Wesley T. Bieligk	Director	October 30, 2014
* Gregor P. Böhm	Director	October 30, 2014
* Allan M. Holt	Director	October 30, 2014

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Signature	Title	Date
* Gregory S. Ledford	Director	October 30, 2014

*By : /s/ Robert W. Bryant
Robert W. Bryant
Attorney-in-fact

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
1.1	Form of Underwriting Agreement
2.1**	Purchase Agreement, dated as of August 30, 2012, by and between E. I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (n/k/a Axalta Coating Systems Ltd.)
2.2**	Amendment to Purchase Agreement, dated as of January 31, 2013, by and between E. I. du Pont de Nemours and Company and Flash Bermuda Co. Ltd. (n/k/a Axalta Coating Systems Ltd.)
3.1**	Amended Memorandum of Association of Axalta Coating Systems Ltd.
3.2	Form of Amended and Restated Bye-laws of Axalta Coating Systems Ltd.
4.1**	Indenture governing the 7.375% Senior Notes due 2021, dated February 1, 2013 (the "Dollar Senior Notes Indenture"), among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.2**	Form of 7.375% Senior Note due 2021 (included in Exhibit 4.1)
4.3**	First Supplemental Indenture to the Dollar Senior Notes Indenture, dated April 26, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.4**	First Supplemental Indenture to the Dollar Senior Notes Indenture, dated May 10, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.5**	Third Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.6**	Fourth Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 29, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.7**	Fifth Supplemental Indenture to the Dollar Senior Notes Indenture, dated September 17, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.8**	Sixth Supplemental Indenture to the Dollar Senior Notes Indenture dated September 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.9**	Seventh Supplemental Indenture to the Dollar Senior Notes Indenture, dated December 27, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee

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Exhibit No.	Description of Exhibit
4.10**	Eighth Supplemental Indenture to the Dollar Senior Notes Indenture, dated July 1, 2014, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee
4.11**	Indenture governing the 5.750% Senior Secured Notes due 2021, dated February 1, 2013 (the “Euro Senior Notes Indenture”), among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Issuers, the Guarantors named therein, Wilmington Trust, National Association, as Trustee and Collateral Agent, Citigroup Global Markets Deutschland AG, as registrar, and Citibank B.A. London Branch, as Paying Agent and Authenticating Agent
4.12**	Form of 5.750% Senior Secured Note due 2021 (included in Exhibit 4.11)
4.13**	First Supplemental Indenture to the Euro Senior Notes Indenture, dated April 26, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.14**	First Supplemental Indenture to the Euro Senior Notes Indenture, dated May 10, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.15**	Third Supplemental Indenture to the Euro Senior Notes Indenture, dated July 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.16**	Fourth Supplemental Indenture to the Euro Senior Notes Indenture, dated July 29, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.17**	Fifth Supplemental Indenture to the Euro Senior Notes Indenture, dated September 17, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.18**	Sixth Supplemental Indenture to the Euro Senior Notes Indenture, dated September 18, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.19**	Seventh Supplemental Indenture to the Euro Senior Notes Indenture, dated December 27, 2013, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent
4.20**	Eighth Supplemental Indenture to the Euro Senior Notes Indenture, dated July 1, 2014, among U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.) and Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.), as Issuers, the Guarantors named therein and Wilmington Trust, National Association, as Trustee and Collateral Agent

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
4.21	Specimen Common Share Certificate
5.1	Opinion of Conyers Dill & Pearman Pte. Ltd.
10.1**	Credit Agreement, dated as of February 1, 2013 (the “Credit Agreement”), among Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) and U.S. Coatings Acquisition Inc. (n/k/a Axalta Coating Systems U.S. Holdings, Inc.), as Borrowers, Flash Dutch 1 B.V. (n/k/a Axalta Coating Systems Dutch Holding A B.V.) as Holdings, Coatings Co. U.S. Inc. (n/k/a Axalta Coating Systems U.S., Inc.), as U.S. Holdings, Barclays Bank PLC as Administrative Agent, Collateral Agent, Swing Line Lender and L/C Issuer, and the other Lenders party thereto
10.2**	Amendment No. 1 Agreement, to the Credit Agreement, dated as of May 24, 2013, among Flash Dutch 2 B.V. (n/k/a Axalta Coating Systems Dutch Holding B B.V.) as Dutch Borrower, Axalta Coating Systems U.S. Holdings, Inc. as U.S. Borrower and Barclays Bank PLC, as Administrative Agent
10.3**	Second Amendment to Credit Agreement, dated as of February 3, 2014, by and among Axalta Coating Systems Dutch Holding B B.V. (the “Dutch Borrower”), and Axalta Coating Systems U.S. Holdings, Inc. (the “U.S. Borrower” and together with the Dutch Borrower, collectively, the “Borrowers”), Axalta Coating Systems U.S., Inc. (f/k/a Coatings Co. U.S. Inc.) (“U.S. Holdings”), Axalta Coating Systems Dutch Holding A B.V. (“Holdings”), and Barclays Bank PLC, as administrative agent (in such capacity, the “Administrative Agent”), as collateral agent (in such capacity, the “Collateral Agent”), and as designated 2014 Specified Refinancing Term Lender (in such capacity, the “Designated 2014 Specified Refinancing Term Lender”)
10.4**	Security Agreement, dated February 1, 2013, among the Grantors referred to therein and Barclays Bank PLC, as Collateral Agent
10.5**	Security Agreement, dated February 1, 2013, among the Grantors referred to therein and Wilmington Trust, National Association, as Collateral Agent
10.6**	Intellectual Property Security Agreement, dated February 1, 2013, between U.S. Coatings IP Co. LLC (n/k/a Axalta Coating Systems USA IP Co. LLC) and Barclays Bank PLC, as collateral agent
10.7**	Intellectual Property Security Agreement, dated February 1, 2013, between the U.S. Coatings IP Co. LLC (n/k/a Axalta Coating Systems USA IP Co. LLC) and Wilmington Trust, National Association, as collateral agent
10.8**	Subsidiary Guaranty, dated as of February 1, 2013, among the Guarantors named therein, the Additional Guarantors referred to therein and Barclays bank PLC as Administrative Agent
10.9**	Holdings Guaranty, dated as of February 1, 2013, between Flash Dutch 1 B.V. (n/k/a Axalta Coating Systems Dutch Holding A B.V.) and Barclays Bank PLC as Administrative Agent
10.10**	First Lien Intercreditor Agreement, dated as of February 1, 2013, among Barclays Bank PLC as Bank Collateral Agent under the Credit Agreement, and as Notes Foreign Collateral Agent under the Indenture, Wilmington Trust, National Association, as Notes Collateral Agent under the Indenture, each Grantor party thereto and each Additional Agent from time to time party thereto
10.11**	Share Pledge Agreement in respect of shares in DuPont Performance Coatings Belgium BVBA (n/k/a Axalta Coating Systems Belgium BVBA), dated 1 February 2013, between Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), Teodur B.V. and Barclays Bank PLC, as collateral agent
10.12**	Share Pledge Agreement in respect of shares in DuPont Performance Coatings Belgium BVBA (n/k/a Axalta Coating Systems Belgium BVBA), dated 1 February 2013, between Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), Teodur B.V. and Wilmington Trust, National Association, as collateral agent

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Exhibit No.	Description of Exhibit
10.13**	Bank Accounts Pledge Agreement, entered into September 17, 2013, among Axalta Coating Systems Brasil Ltda., Wilmington Trust, National Association, as Notes Collateral Agent, and Barclays Bank PLC, as Collateral Agent
10.14**	Quota Pledge Agreement, entered into September 17, 2013, among Brazil Coatings Co. Participações Ltda., Axalta Coating Systems Dutch Holding 2 B.V., Barclays Bank PLC, as Collateral Agent, and Wilmington Trust, National Association, as Notes Collateral Agent
10.15**	Security Agreement, dated as of May 10, 2013, between Axalta Coating Systems Canada Company (f/k/a DuPont Performance Coatings Canada Company), Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), the additional grantors from time to time party thereto, and Barclays Bank PLC, as collateral agent for the secured parties
10.16**	Security Agreement, dated as of May 10, 2013, between Axalta Coating Systems Canada Company (f/k/a DuPont Performance Coatings Canada Company), Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), the additional grantors from time to time party thereto, and Wilmington Trust, National Association, as collateral agent for the secured parties
10.17**	Securities Account Pledge Agreement in relation to the shares issued by France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS), dated 26 April 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.), Barclays Bank PLC, as notes foreign collateral agent, and France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS)
10.18**	Pledge of Receivables Agreement, dated 26 April 2013, between Lux FinCo Coatings S.à r.l. (n/k/a Axalta Coating Systems Finance 1 S.à r.l.) and Barclays Bank PLC, as notes foreign collateral agent
10.19**	Securities Account Pledge Agreement in relation to the shares issued by DuPont Performance Coatings France SAS (n/k/a Axalta Coating Systems France SAS), dated 26 April 2013, between France Coatings Co. (n/k/a Axalta Coating Systems France Holding SAS), Barclays Bank PLC, as notes foreign collateral agent, and DuPont Performance Coatings France SAS (n/k/a Axalta Coating Systems France SAS)
10.20**	Account Pledge Agreement, made on 29 July 2013, between Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Axalta Coating Systems Deutschland Holding GmbH & Co. KG (f/k/a Germany Coatings GmbH & Co. KG), Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH), Standox GmbH, Spies Hecker GmbH, Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.21**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Deutschland Holding GmbH & Co. KG (f/k/a Germany Coatings GmbH & Co. KG) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.22**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.23**	Global Assignment Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.24**	Global Assignment Agreement, made on 29 July 2013, between Spies Hecker GmbH and Barclays Bank PLC, as collateral agent and collateral sub-agent

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Exhibit No.	Description of Exhibit
10.25**	Global Assignment Agreement, made on 29 July 2013, between Standox GmbH and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.26**	Partnership Interest Pledge Agreement, made on 29 July 2013, between Axalta Coating Systems Luxembourg Holding 2 S.à r.l. (f/k/a Luxembourg Coatings S.à r.l.), Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.27**	Share Pledge Agreement, made on 24 July 2013, between Axalta Coating Systems Beteiligungs GmbH (f/k/a Germany Coatings Co GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as notes collateral agent under the EUR Notes Indenture
10.28**	Security Purpose Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.29**	Security Transfer Agreement, made on 29 July 2013, between Axalta Coating Systems Germany GmbH (f/k/a DuPont Performance Coatings GmbH) and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.30**	Global Assignment Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.31**	Partnership Interest Pledge Agreement, made on 1 July 2014, between Axalta Coating Systems Germany GmbH, Axalta Coating Systems Verwaltungs GmbH (f/k/a Flash German Co. GmbH), Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association as collateral agent under the EUR Note Indenture
10.32**	Account Pledge Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG, Barclays Bank PLC, as collateral agent under the Credit Agreement, and Wilmington Trust, National Association, as collateral agent under the EUR Notes Indenture
10.33**	Security Transfer Agreement, made on 1 July 2014, between Axalta Coating Systems Logistik Germany GmbH & Co. KG and Barclays Bank PLC, as collateral agent and collateral sub-agent
10.34**	Pledge Agreement without Transfer of Possession, dated September 18, 2013, between Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.35**	Pledge Agreement without Transfer of Possession, dated September 18, 2013, between Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.36**	Equity Interest Pledge Agreement, dated September 18, 2013, among Axalta Coating Systems LA Holding II B.V. (f/k/a DuPont Performance Coatings LA Holding II B.V.), Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.), Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent
10.37**	Equity Interest Pledge Agreement, dated September 18, 2013, among Axalta Coating Systems LA Holding II B.V. (f/k/a DuPont Performance Coatings LA Holding II B.V.), Axalta Coating Systems Servicios México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings Servicios México, S. de R.L. de C.V.), Axalta Coating Systems México, S. de R.L. de C.V. (f/k/a/ DuPont Performance Coatings México, S. de R.L. de C.V.) and Barclays Bank PLC, as collateral agent

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
10.38**	Share Pledge Agreement, dated September 18, 2013, between Axalta Powder Coating Systems USA, Inc. (f/k/a DuPont Powder Coatings USA, Inc.), Axalta Powder Coating Systems México, S.A. de C.V. (f/k/a DuPont Powder Coatings de México, S.A. de C.V.) and Barclays Bank PLC, as collateral agent
10.39**	Debenture, dated 1 February 2013, by Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), DuPont Performance Coatings (U.K.) Limited (n/k/a Axalta Coating Systems UK Limited), and DuPont Powder Coatings UK Limited (n/k/a Axalta Powder Coating Systems UK Limited), in favour of Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.40**	Debenture, dated 1 February 2013, by Coatings Co (UK) Limited (n/k/a Axalta Coating Systems UK Holding Limited), DuPont Performance Coatings (U.K.) Limited (n/k/a Axalta Coating Systems UK Limited), and DuPont Powder Coatings UK Limited (n/k/a Axalta Powder Coating Systems UK Limited), in favour of Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.41**	Security Over Shares Agreement, dated 1 February 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.) and Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.42**	Security Over Shares Agreement, dated 1 February 2013, between Flash Lux Co S.à r.l. (n/k/a Axalta Coating Systems Luxembourg Holding S.à r.l.) and Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.43**	Debenture, dated 25 March 2014, by Axalta Coating Systems U.K. (2) Limited in favour of Wilmington Trust, National Association, as collateral agent under the Secured Notes Indenture
10.44**	Debenture, dated 25 March 2014, by Axalta Coating Systems U.K. (2) Limited in favour of Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
10.45**	Security Over Shares Agreement, dated 25 March 2014, between Axalta Coating Systems Belgium BVBA and Wilmington Trust, National Association, as collateral agent appointed pursuant to the Secured Notes Indenture
10.46**	Security Over Shares Agreement, dated 25 March 2014, between Axalta Coating Systems Belgium BVBA and Barclays Bank PLC, as collateral agent appointed pursuant to the Credit Agreement
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Exhibit No.	Description of Exhibit
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23.1	Consent of Conyers Dill & Pearman Pte. Ltd. (included in Exhibit 5.1)
23.2	Consent of PricewaterhouseCoopers LLP
23.3**	Consent of Orr & Boss, Inc.
24.1**	Powers of Attorney (included in the signature pages to this registration statement)

* To be filed by amendment.
** Previously filed.

Exhibit 1.1

AXALTA COATING SYSTEMS LTD.

[•] Common Shares, $1.00 par value

Underwriting Agreement

[•], 2014

CITIGROUP GLOBAL MARKETS INC.
GOLDMAN, SACHS & CO.
DEUTSCHE BANK SECURITIES INC.
J.P. MORGAN SECURITIES LLC

As Representatives of
the several Underwriters listed in
Schedule 1 hereto

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, NY 10013

Goldman, Sachs & Co.
200 West Street
New York, NY 10282

Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005

J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

Ladies and Gentlemen:

Axalta Coating Systems Ltd., a company incorporated and organized under the laws of Bermuda (the "Company"), proposes to issue and sell to the several Underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), an aggregate of [•] common shares, par value $1.00 per share, of the Company, and the selling shareholders listed in Schedule 2 hereto, each a member of the Company (the "Selling Shareholders") propose to sell to the several Underwriters an aggregate of [•] common shares of the Company (collectively, the "Underwritten Shares"). In addition, the Selling Shareholders propose to sell, at the option of the Underwriters, up to an aggregate of [•] additional common shares of the Company (collectively, the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares". The common shares of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock".

The Company and each Selling Shareholder hereby confirm their agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement on Form S-1 (File No. 333-198271), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Any reference to the Registration Statement shall be deemed to refer to and include the exhibits filed therewith. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex B, the "Pricing Disclosure Package"): a Preliminary Prospectus dated [•], 2014 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex B hereto.

"Applicable Time" means [•], New York City time, on [•], 2014.

2. Purchase of the Shares by the Underwriters. (a) The Company agrees to issue and sell, and each Selling Shareholder agrees, severally and not jointly, to sell, its respective portion of the Underwritten Shares to the several Underwriters as provided in this Agreement, and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share (the "Purchase Price") of $[•] from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto and from the Selling Shareholders the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 3 hereto.

In addition, each Selling Shareholder agrees as and to the extent indicated in Schedule 3 hereto, to sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from the Selling Shareholders at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares. If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares that bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 3 hereto (or such number increased as set forth in Section 12 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company and the Selling Shareholders by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company and the Selling Shareholders (with a courtesy copy of such notice delivered to Latham & Watkins LLP). Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date or later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 12 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(a) The Company and the Selling Shareholders understand that the Underwriters intend to make a public offering of the Shares as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Shares on the terms set forth in the Prospectus. The Company and the Selling Shareholders acknowledge and agree that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(b) Payment for the Shares shall be made by wire transfer in immediately available funds to the accounts specified by the Company and the Selling Shareholders, in the case of the Underwritten Shares, at the offices of Cravath, Swaine & Moore LLP, 825 Eighth Avenue, New York, NY 10019 at 10:00 A.M., New York City time, on [•], 2014, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives, the Company and the Selling Shareholders may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date", and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date".

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date or the Additional

Closing Date, as the case may be, with any transfer taxes payable in connection with the initial sale of such Shares duly paid by the Company and the Selling Shareholders, as applicable. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("DTC") unless the Representatives shall otherwise instruct. The certificates for the Shares, in the event the Company or the Selling Shareholders choose to deliver such Shares in physical form, will be made available for inspection and packaging by the Representatives at the office of DTC or its designated custodian not later than 1:00 P.M., New York City time, on the business day prior to the Closing Date or the Additional Closing Date, as the case may be.

(c) Each of the Company and the Selling Shareholders acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company and the Selling Shareholders with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company, the Selling Shareholders or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company, the Selling Shareholders or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company and the Selling Shareholders shall consult with their own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company or the Selling Shareholders with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company or the Selling Shareholders.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter and each Selling Shareholder that:

(a) *Preliminary Prospectus*. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information furnished to the Company in writing by (i) any Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof or (ii) the Selling Shareholders expressly for use in the Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Selling Shareholder consists of (A) the legal name and address of such Selling Shareholder set forth in the footnote relating to such Selling Shareholder under the caption "Principal and Selling Shareholders" and (B) the number of common shares owned by such Selling Shareholder before and after the offering (excluding percentages) that appears in the table (and corresponding footnotes) under the caption "Principal and Selling Shareholders" (the "Selling Shareholders Information").

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information furnished to the Company in writing by (i) any Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof or (ii) the Selling Shareholders expressly for use in the Pricing Disclosure Package, it being understood and agreed that the only such information furnished by the Selling Shareholders consists of the Selling Shareholders Information.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, used, authorized, approved or referred to and will not prepare, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex B hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information furnished to the Company in writing by (i) any Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof (ii) the Selling Shareholders expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by the Selling Shareholders consists of the Selling Shareholders Information.

(d) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the Company's knowledge, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information furnished to the Company in writing by (i) any Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 9(c) hereof or (ii) the Selling Shareholders expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by the Selling Shareholders consists of the Selling Shareholders Information.

(e) *Financial Statements.* The financial statements and the related notes thereto of the Company and its consolidated subsidiaries and the DuPont Performance Coatings business (the "Predecessor") and its consolidated subsidiaries included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly the financial position of the Company and its consolidated subsidiaries and the Predecessor and its consolidated subsidiaries, respectively, as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis throughout the periods covered thereby, except as may be expressly stated in the related notes thereto, and any supporting schedules included in the Registration Statement present fairly, in all material respects, the information required to be stated therein; and the other financial information included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and the Predecessor and its consolidated subsidiaries, respectively, and presents fairly, in all material respects, the information shown thereby; and the pro forma financial information and the related notes thereto included in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been prepared in accordance with the Commission's rules and regulations and guidelines with respect to pro forma financial information and the assumptions underlying such pro forma financial information set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus are reasonable to give effect to the transactions and circumstances referred to therein.

(f) *No Material Adverse Change.* Except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus, since the date of the most recent financial statements of the Company and its subsidiaries included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus (i) there has not been any change in the capital stock of the Company (other than (i) adjustments of, distributions made on or exercises of the Company's outstanding equity awards and (ii) the grant of awards under Company Stock Plans (as defined herein), in each case, as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus) or material change in the long-term debt of the Company or any of its subsidiaries (on a consolidated basis), or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, properties, consolidated financial position or results of operations of the Company and its subsidiaries taken as a whole; (ii) neither the Company nor any of its subsidiaries has entered into any transaction or agreement or incurred any liability or obligation, direct or contingent, that, in either case, the Company would be required to report under Item 1.01 or Item 2.03 of Form 8-K (were the Company to be subject to the reporting requirements under the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Exchange Act")) that has not been disclosed prior to the date of this Agreement; and (iii) neither the Company nor any of its Subsidiaries (as defined below) has sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority.

(g) *Organization and Good Standing.* Each of the Company and its significant subsidiaries (as such term is defined in Rule 1-02 of Regulation S-X, each a "Subsidiary" and collectively, the "Subsidiaries") have been duly organized and are validly existing and in good standing under the laws of their respective jurisdictions of organization, are duly qualified to do business and are in good standing in each other jurisdiction in which their respective ownership or lease of property or the conduct of their respective businesses requires such qualification, and have all power and authority necessary to own or lease their respective properties and to conduct the businesses in which they are engaged, except where the failure to be so qualified, in good standing or have such power or authority would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business, properties, consolidated financial position or results of operations of the Company and its subsidiaries taken as a whole (a "Material Adverse Effect") or on the performance by the Company of its obligations under this Agreement. The subsidiaries listed on Schedule 4 to this Agreement are the only significant subsidiaries of the Company.

(h) *Capitalization.* The Company had an authorized capitalization as set forth in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization" as of the date(s) indicated; all the outstanding shares of capital stock of the Company (including the Shares to be sold by the Selling Shareholders) have been duly authorized and validly issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as described in or expressly contemplated by the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company or any of its subsidiaries, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company or any such subsidiary, any such convertible or exchangeable securities or any such rights, warrants or options; the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and all the outstanding shares of capital stock or other equity interests of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable (except as otherwise described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus) and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party (other than those incurred in connection with the 5.750% senior secured notes due 2021 issued by U.S. Coatings Acquisition Inc. and Flash Dutch 2 B.V. (the "Euro Senior Notes") and the Senior Secured Credit Facilities (as defined in the Registration Statement) or other Liens described in the Registration Statement, the Pricing Disclosure Package and the Prospectus).

(i) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(j) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform, in all material respects, to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(k) *No Violation or Default.* Neither the Company nor any of the Company's subsidiaries is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of the Company's subsidiaries is a party or by which the Company or any of the Company's subsidiaries is bound or to which any of the property or assets of the Company or any of the Company's subsidiaries is subject; or (iii) in violation of any applicable law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) (solely with respect to the Company's subsidiaries that are not Subsidiaries), (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(l) *No Conflicts.* The execution, delivery and performance by the Company of the Agreement and compliance by the Company with the terms thereof, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of the Company's subsidiaries pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of the Company's subsidiaries is a party or by which the Company or any of the Company's subsidiaries is bound or to which any of the property or assets of the Company or any of the Company's subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Company or any of the Company's Subsidiaries or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation or default that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m) *No Consents Required.* No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares, and compliance by, the Company with the terms thereof and the consummation by it of the transactions contemplated by this Agreement, except (i) as have been obtained or made, (ii) for the registration of the Shares under the Securities Act, (iii) for such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the New York Stock Exchange (the "NYSE"), the Financial Industry Regulatory Authority, Inc. ("FINRA") and under applicable state or foreign securities laws in connection with the purchase and distribution of the Shares by the Underwriters or (iv) as would not, individually or in the aggregate, reasonably be expected to materially adversely affect the consummation of the transactions contemplated by this Agreement or have a Material Adverse Effect.

(n) *Legal Proceedings.* Except as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there are no legal, governmental or regulatory investigations, actions, suits or proceedings pending to which the Company or any of the Company's subsidiaries is a party or to which any property of the Company or any of the Company's subsidiaries is or, to the Company's knowledge, may be the subject that, individually or in the aggregate, if determined adversely to the Company or any of its subsidiaries, could reasonably be expected to have a Material Adverse Effect and (ii) to the Company's knowledge no such investigations, actions, suits or proceedings have been threatened in writing by any governmental or regulatory authority or by others; and (i) there are no current or pending legal, governmental or regulatory actions, suits or proceedings that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(o) *Independent Accountants*. PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, has advised the Company that it is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(p) *Title to Real and Personal Property.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or (2) as would not reasonably be expected to have a Material Adverse Effect, the Company and its Subsidiaries have good and marketable title in fee simple (in the case of real property) to, or have valid rights to lease or otherwise use, all items of real and personal property of the Company and its Subsidiaries, in each case free and clear of all liens (other than any liens created pursuant to the terms of the indenture governing the Euro Senior Notes and the credit agreement governing the Senior Secured Credit Facilities), encumbrances, claims, defects and imperfections of title.

(q) *Title to Intellectual Property.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or (2) as would not reasonably be expected to have a Material Adverse Effect, (i) the Company and its subsidiaries own or possess adequate rights to use or are licensed to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (ii) the conduct of their respective businesses does not conflict in any material respect with any such rights of others and (iii) the Company and its subsidiaries have not received any written notice of any claim of infringement of or conflict with any such rights of others.

(r) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and, to the Company's knowledge, the directors, officers or stockholders of the Company or any of its subsidiaries, on the other, that is required by the Securities Act to be described in the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(s) *Investment Company Act.* The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof received by the Company as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(t) *Taxes.* Except as would not reasonably be expected to have a Material Adverse Effect, the Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all tax returns required to be paid or filed through the date hereof unless (i) such taxes are being contested in good faith, (ii) adequate reserves are being maintained for such taxes and (iii) such taxes can be lawfully withheld; and except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or would not reasonably be expected to have a Material Adverse Effect, there is no tax deficiency that has been, or could reasonably be expected to be, asserted against the Company or any of the Company's subsidiaries or any of their respective properties or assets.

(u) *Licenses and Permits.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or (2) in each case as would not reasonably be expected to have a Material Adverse Effect, (i) the Company and its subsidiaries possess all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of the properties of their respective businesses or the conduct of their respective businesses as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any such license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course.

(v) *No Labor Disputes.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or (2) as would not reasonably be expected to have a Material Adverse Effect, no labor disturbance by or dispute with employees of the Company or any of its Subsidiaries exists or, to the best knowledge of the Company, is contemplated or threatened and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of the Company's or any of the Company's Subsidiaries' principal suppliers, contractors or customers.

(w) *Compliance with Environmental Laws.* Other than as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, or except as would not reasonably be expected to have a Material Adverse Effect, (i) there are no claims against the Company or any of its subsidiaries alleging potential liability under or responsibility for violation of any Environmental Law (as defined below) related to their respective businesses, operations and properties, and their respective businesses, operations and properties are in compliance with applicable Environmental Laws; (ii) none of the properties currently or formerly owned or operated by the Company or any of its subsidiaries is listed or, to the knowledge of the Company, proposed for listing on the National Priorities List under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or on the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency or any analogous foreign, state or local list; (iii) there are no and, to the knowledge of the Company, never have been any underground or aboveground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by the Company or any of its subsidiaries; (iv) there is no asbestos or asbestos-containing material on or at any property currently owned or operated by the Company or any of its subsidiaries requiring investigation, remediation, mitigation, removal, or assessment, or other response, remedial or corrective action, pursuant to Environmental Law (as defined below); (v) there have been no Releases (as defined below) of Hazardous Material (as defined below) on, at, under or from any property currently or, to the knowledge of the Company, formerly owned or operated by the Company or any of its subsidiaries (vi) properties currently owned or operated by the Company or any of its subsidiaries do not contain any Hazardous Materials in amounts or concentrations that (x) constitute a violation of, (y) require response or other corrective action under, or (z) could be reasonably expected to give rise to liability under, Environmental Law (vii) none of the Company nor any of its subsidiaries is undertaking, and has not completed, either individually or together with other parties, any investigation, response or other corrective action relating to any actual or threatened Release of Hazardous Materials at any location, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; (viii) all Hazardous Materials generated, used, treated, handled, or stored at, or transported or arranged for transport to or from, any property or facility currently or, to the knowledge of the Company, formerly owned or operated by the Company or any of its subsidiaries have been disposed of in a manner that would not reasonably be expected to result in a liability under Environmental Law; (ix) the Company and its subsidiaries are and have been in compliance with all applicable Environmental Laws and have obtained, maintained and complied with all permits, licenses, certificates or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (x) none of the Company nor its subsidiaries has assumed or retained, by contract or operation of law, any liability or obligation that has resulted in a claim under Environmental law; and (2) none of the

Company nor its subsidiaries is aware of any facts relating to compliance with Environmental Law that would reasonably be expected to have a material effect on their capital expenditures, earnings or the competitive position, and there are no proceedings that are pending or known to be contemplated against the Company or its subsidiaries to which a governmental entity is also a party, other than such proceedings as to which the Company reasonably believes that no monetary sanctions of $100,000 or more will be imposed. As used herein: (i) "Environmental Laws" means any and all current or future federal, state, local and foreign statutes, laws, including common law, regulations or ordinances, rules, judgments, orders, decrees, permits licenses or restrictions imposed by a Governmental Authority relating to pollution or protection of the environment and protection of human health (to the extent relating to exposure to Hazardous Materials), including those relating to the generation, use, handling, storage, transportation, treatment or Release or threat of Release of Hazardous Materials; (ii) "Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, toxic mold, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated as "hazardous" or "toxic," or as a "pollutant" or a "contaminant," pursuant to any Environmental Law; (iii) "Release" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material) into the environment or into, from or through any building or structure and (iv) "Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

(x) *Compliance with ERISA.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus or (2) as would not reasonably be expected to have a Material Adverse Effect, (i) each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any organization that is a member of a controlled group of corporations within the meaning of Section 414 of the Code) would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (ii) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan excluding transactions effected pursuant to a statutory or administrative exemption; (iii) for each Plan that is subject to the funding rules of Section 412 or 430 of the Code or Section 302 of ERISA, no failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 or 430 of the Code or Section 302 of ERISA, applicable to such Pension Plan), whether or not waived, has occurred or is reasonably expected to occur; (iv) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (v) no “reportable event” (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur; and (vi) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the PBGC, in the ordinary course and without default) in respect of a Plan (including a “multiemployer plan”, within the meaning of Section 4001(a)(3) of ERISA).

(y) *Disclosure Controls*. The Company maintains, on behalf of itself and its subsidiaries, an effective system of “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company’s management as appropriate to allow timely decisions regarding required disclosure.

(z) *Accounting Controls.* The Company maintains a system of “internal control over financial reporting” (as defined in Rule 13a-15(f) of the Exchange Act) that has been designed by, or under the supervision of, their respective principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with United States generally accepted accounting principles, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with United States generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company is not aware of any material weakness or significant deficiency in its internal controls over financial reporting.

(aa) *Insurance.* Except (1) as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus (2) as would not reasonably be expected to have a Material Adverse Effect, the Company and its Subsidiaries have insurance covering their respective properties, operations, personnel and businesses as is customary in their respective industry, which insurance is in amounts and insures against such losses and risks as are customarily deemed adequate to protect the Company and its Subsidiaries and their respective businesses; and neither the Company nor any of its subsidiaries has (i) received written notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(bb) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries, nor, to the knowledge of the Company, any director, officer, employee, authorized agent or controlled affiliate, in each case, acting on behalf of the Company or any of its subsidiaries has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintained and enforced policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(cc) *Compliance with Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(dd) *No Conflicts with Sanctions Laws.* None of the Company, any of its subsidiaries or, in each case, to the knowledge of the Company and on behalf of the Company or any of its subsidiaries, any director, officer, employee, authorized agent or controlled affiliate of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, Her Majesty's Treasury ("HMT"), or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions, including, without limitation, Cuba, Iran, North Korea, Sudan and Syria (each, a "Sanctioned Country"); and the Company will not knowingly directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

(ee) *No Broker's Fees.* Neither the Company nor any of the Company's subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(ff) *No Registration Rights*. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus or those that have been exercised or waived, no person has the right to require the Company to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission, the issuance and sale of the Shares by the Company or, to the knowledge of the Company, the sale of the Shares to be sold by any Selling Shareholder hereunder.

(gg) *No Stabilization.* The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(hh) *Margin Rules*. The application of the proceeds received by the Company from the issuance, sale and delivery of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(ii) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(jj) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(kk) *Sarbanes-Oxley Act*. The Company has taken all necessary actions to ensure that, upon the effectiveness of the Registration Statement, it will be in compliance with all provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder or implementing the provisions thereof (the "Sarbanes-Oxley Act") that are then in effect and with which the Company is required to comply as of the effectiveness of the Registration Statement.

(ll) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act.

(mm) *Stamp Taxes*. Except for any net income, capital gains, branch profits or franchise taxes imposed on the Underwriters by Bermuda, the United States or any political subdivision or taxing authority thereof or therein as a result of any present or former connection (other than any connection resulting solely from the transactions contemplated by this Agreement and in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus) between the Underwriters and the jurisdiction imposing such tax, no stamp duties or other issuance or transfer taxes are payable by or on behalf of the Underwriters in Bermuda, the United States or any political subdivision or taxing authority thereof solely in connection with (A) the execution, delivery and performance of this Agreement, the Registration Statement, the Pricing Disclosure Package and the Prospectus, (B) the issuance and delivery of the Shares in the manner contemplated by this Agreement and the Prospectus or (C) the sale and delivery by the Underwriters of the Shares as contemplated herein and in the Prospectus.

(nn) *No Immunity*. Neither the Company nor any of its subsidiaries or their properties or assets has immunity under Bermuda, U.S. federal or New York state law from any legal action, suit or proceeding, from the giving of any relief in any such legal action, suit or proceeding, from set-off or counterclaim, from the jurisdiction of any Bermuda, U.S. federal or New York state court, from service of process, attachment upon or prior to judgment, or attachment in aid of execution of judgment, or from execution of a judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of a judgment, in any such court with respect to their respective obligations, liabilities or any other matter under or arising out of or in connection herewith; and, to the extent that the Company or any of its subsidiaries or any of its properties, assets or revenues may have or may hereafter become entitled to any such right of immunity in any such court in which proceedings arising out of, or relating to the transactions contemplated by this Agreement, the Registration Statement, the Pricing Disclosure Package and the Prospectus, may at any time be commenced, the Company has, pursuant to Section 18(d) of this Agreement, waived, and it will waive, or will cause its subsidiaries to waive, such right to the extent permitted by law.

(oo) *Enforcement of Foreign Judgments*. Any final judgment for a fixed or determined sum of money rendered by any U.S. federal or New York state court located in the State of New York having jurisdiction under its own laws in respect of any suit, action or proceeding against the Company based upon this Agreement, the Registration Statement, the Pricing Disclosure Package and the Prospectus would be declared enforceable against the Company by the courts of Bermuda, without reconsideration or reexamination of the merits.

(pp) *Valid Choice of Law*. The choice of laws of the State of New York as the governing law of this Agreement, the Registration Statement, the Pricing Disclosure Package and the Prospectus is a valid choice of law under the laws of Bermuda and will be honored by the courts of Bermuda, subject to the restrictions described under the caption "Enforceability of Judgments" in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The Company has the power to submit, and pursuant to Section 18(c) of this Agreement, has legally, validly, effectively and irrevocably submitted, to the personal jurisdiction of each New York state and United States federal court sitting in the Borough of Manhattan in the City of New York and has validly and irrevocably waived any objection to the laying of venue of any suit, action or proceeding brought in such court.

(qq) *Indemnification and Contribution*. The indemnification and contribution provisions set forth in Section 9 hereof do not contravene Bermuda law or the public policy thereof.

(rr) *Passive Foreign Investment Company*. Subject to the qualifications, limitations, exceptions and assumptions set forth in the Preliminary Prospectus and the Prospectus, the Company does not believe that it is a passive foreign investment company (a "PFIC"), as defined in section 1297 of the Internal Revenue Code of 1986, as amended.

(ss) *Dividends*. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no approvals are currently required in Bermuda in order for the Company to pay dividends or other distributions declared by the Company to the holders of Shares. Under current laws and regulations of Bermuda and any political subdivision thereof, any amount payable with respect to the Shares upon liquidation of the Company or upon redemption thereof and dividends and other distributions declared and payable on the share capital of the Company may be paid by the Company in United States dollars and freely transferred out of Bermuda, and no such payments made to the holders thereof or therein who are non-residents of Bermuda will be subject to income, withholding or other taxes under laws and regulations of Bermuda or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in Bermuda or any political subdivision or taxing authority thereof or therein.

(tt) *Legality*. The legality, validity, enforceability or admissibility into evidence of any of the Registration Statement, the Pricing Disclosure Package, the Prospectus, this Agreement or the Shares in any jurisdiction in which the Company is organized or does business is not dependent upon such document being submitted into, filed or recorded with any court or other authority in any such jurisdiction on or before the date hereof or that any tax, imposition or charge be paid in any such jurisdiction on or in respect of any such document.

(uu) *Legal Action*. A holder of the Shares and each Underwriter are each entitled to sue as plaintiff in the court of the jurisdiction of formation and domicile of the Company for the enforcement of their respective rights under this Agreement and the holder of the Shares and such access to such courts will not be subject to any conditions which are not applicable to residents of such jurisdiction or a company incorporated in such jurisdiction except that plaintiffs not residing in Bermuda may be required to guarantee payment of a possible order for payment of costs or damages at the request of the defendant.

4. Representations and Warranties of the Selling Shareholders. Each Selling Shareholder, severally and not jointly, represents and warrants to each Underwriter and the Company that:

(a) *Required Consents; Authority*. Except (i) as will have been obtained on or prior to the Applicable Time for the registration under the Securities Act of the Shares, (ii) as may be required under foreign or state securities (or Blue Sky) laws or by FINRA or by the NYSE in connection with the purchase and distribution of the Shares by the Underwriters and (iii) as would not impair in any material respect the ability of any such selling Shareholder to consummate its obligations hereunder, all consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Shareholder of this Agreement, and for the sale and delivery of the Shares to be sold by such Selling Shareholder hereunder, have been obtained; and such Selling Shareholder has full right, power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Shareholder hereunder; this Agreement has been duly authorized, executed and delivered by such Selling Shareholder.

(b) *No Conflicts*. The execution, delivery and performance by such Selling Shareholder of this Agreement, the sale of the Shares to be sold by such Selling Shareholder and the consummation by such Selling Shareholder of the transactions contemplated herein or therein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Selling Shareholder pursuant to, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Selling Shareholder is a party or by which the Selling Shareholder is bound or to which any of the property or assets of the Selling Shareholder is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the Selling Shareholder, if applicable, or (iii) result in the violation of any applicable law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory agency having jurisdiction over the Selling Shareholder or any of its properties, except in the case of (i) and (iii), as would not, individually or in the aggregate, reasonably be expected to materially impact such Selling Shareholder's ability to perform its obligations under this Agreement.

(c) *Title to Shares.* The Selling Shareholder has, and will have, immediately prior to the Closing Date or the Additional Closing Date, as the case may be, valid title to the Shares to be sold at the Closing Date or the Additional Closing Date, as the case may be, by such Selling Shareholder hereunder, free and clear of all liens, encumbrances, equities or adverse claims, and all authorization and approval required by law, to enter into this Agreement and to sell, transfer and deliver the Shares to be sold by such Selling Shareholder; and, upon payment for the Shares to be sold by such Selling Shareholder pursuant to this Agreement, delivery of such Shares, as directed by the Representatives, to Cede & Co. ("Cede") or such other nominee as may be designated by DTC, registration of such Shares in the name of Cede or such other nominee and the crediting of such Shares on the books of DTC to securities accounts of the Representatives (assuming that neither DTC nor any such Underwriter has notice of any adverse claim (within the meaning of Section 8-105 of the UCC) to such Shares)), (A) under Section 8-501 of the UCC, the Representatives will acquire a valid security entitlement in respect of such Shares and (B) no action based on any "adverse claim," within the meaning of Section 8-102 of the UCC, to such Shares may be asserted against the Representatives with respect to such security entitlement; for purposes of this representation, such Selling Shareholder may assume that when such payment, delivery and crediting occur, (x) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (y) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC and (z) appropriate entries to the accounts of the Representatives on behalf of the several Underwriters on the records of DTC will have been made pursuant to the UCC.

(d) *No Stabilization.* Such Selling Shareholder has not taken and will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(e) *Pricing Disclosure Package*. The Pricing Disclosure Package, at the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that such representations and warranties set forth in this Section 4(e) apply only to statements or omissions made in reliance upon and in conformity with the Selling Shareholders Information.

(f) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, such Selling Shareholder (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, used, authorized, approved or referred to and will not prepare, use, authorize, approve or refer to any Issuer Free Writing Prospectus, other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex B or Annex D hereto, each electronic road show and any other written communications approved in writing in advance by the Company and the Representatives.

(g) *Registration Statement and Prospectus*. As of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that such representations and warranties set forth in this Section 4(g) apply only to statements or omissions made in reliance upon and in conformity with the Selling Shareholders Information

(h) *Material Information*. As of the date hereof and as of the Closing Date, as the case may be, the sale of the Shares by such Selling Shareholder is not and will not be prompted by any material information known to such Selling Shareholder concerning the Company or any of its subsidiaries that is not set forth in the Registration Statement, the Pricing Disclosure Package or the Prospectus.

5. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings*. The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies*. The Company will deliver, without charge, (i) to the Representatives, two signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses*. Before preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement or the Prospectus, the Company will furnish to the Representatives and counsel for the

Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably objects.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing, (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Prospectus or any Issuer Free Writing Prospectus or any amendment to the Prospectus has been filed; (iv) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information; (v) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, the Pricing Disclosure Package or any Issuer Free Writing Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package or any such Issuer Free Writing Prospectus is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or suspending any such qualification of the Shares and, if any such order is issued, to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with applicable law, the Company will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law and (2) if at any time prior to the Closing

Date (i) any event shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with applicable law, the Company will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with applicable law.

(f) *Blue Sky Compliance.* The Company will use its reasonable best efforts to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* Beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement, the Company will make generally available to its security holders and the Representatives as soon as practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder; it being agreed that such obligation may be satisfied by filings made with the Commission's Electronic Data Gathering, Analysis, and Retrieval system (or any successor system) ("EDGAR").

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus, the Company will not (i) offer, pledge, announce the intention to sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, publicly disclose the intention to make any offer, sale, pledge, disposition or filing or file with the Commission a registration statement under the Securities Act with respect to any of the foregoing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without both (x) the prior written consent of two of the four Representatives and (y) the prior written notice to the other Representatives, other than (a) the Shares to be sold hereunder, (b) the grant by the Company of awards under Company Stock Plans described in the Registration Statement, Pricing Disclosure Package and Prospectus, (c) any shares of Stock of the Company issued upon the exercise of options or settlement of awards granted under Company Stock Plans described in the Registration Statement, Pricing Disclosure Package and Prospectus, (d) the filing of any registration statement on Form S-8 in connection with Company Stock Plans described in or contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus or (e) the entry into an agreement providing for the issuance of Stock or any securities convertible into or exercisable or exchangeable for Stock, and the issuance of any such securities pursuant to such an agreement, in connection with (i) the acquisition by the Company or any of its subsidiaries of the securities, business, property or other assets of another person or entity, including pursuant to an employee benefit plan assumed by the Company in connection with such acquisition, or (ii) joint ventures, commercial relationships or other strategic transactions, and the issuance of any such securities pursuant to any such agreement, provided that the aggregate number of shares issued or issuable pursuant to this clause (e) does not exceed 10% of the number of shares of Stock outstanding immediately after the offering of the Shares pursuant to this Agreement and prior to such issuance each recipient of any such securities shall execute and deliver to the Representatives a "lock-up" agreement substantially in the form of Exhibit A hereto. Notwithstanding the foregoing, if (1) during the last 17 days of the 180-day restricted period, the Company issues an earnings release or material news or a material event relating to the Company occurs; or (2) prior to the expiration of the 180-day restricted period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the 180-day period, the Company must provide the Representatives and each person subject to the 180-day lock-up period pursuant to the lock-up letters described in Section 8(m) hereof with prior notice of any such announcement (with a courtesy copy of such notice delivered to Cravath, Swaine & Moore LLP) and then, upon notice by two of the four Representatives to the Company prior to the expiration of the 180-day lock-up period, the restrictions imposed by this Agreement shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

If two of the four Representatives, in their sole discretion, agree to release or waive the restrictions set forth in Section 6(a) or a lock-up letter described in Section 8(m) hereof for an executive officer or director of the Company and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds*. The Company will apply the net proceeds from the sale of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of Proceeds."

(j) *No Stabilization.* The Company will not take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list for quotation the Shares on the NYSE.

(l) *Reports.* For a period of three years from the date of this Agreement, so long as the Shares are outstanding, the Company will furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; *provided* the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Tax Indemnity*. The Company will indemnify and hold harmless the Underwriters against any documentary, stamp, registration or similar issuance tax, including any interest and penalties, on the sale of the Shares by the Company to the Underwriters and on the execution and delivery of this Agreement. All indemnity payments to be made by the Company hereunder in respect of this Section 5(o) shall be made without withholding or deduction for or on account of any present or future Bermuda taxes, duties or governmental charges whatsoever unless the Company is compelled by law to deduct or withhold such taxes, duties or charges. In that event, except for any net income, capital gains, branch profits or franchise taxes imposed on the Underwriters by Bermuda or the United States or any political subdivision of taxing authority thereof or therein as a result of any present or former connection (other than any connection resulting solely from the transactions contemplated by this Agreement) between the Underwriters and the jurisdiction imposing such withholding or deductions, the Company shall pay such additional amounts as may be necessary in order to ensure that the net amounts received after such withholding or deductions shall equal the amounts that would have been received if no such withholding or deduction had been made.

6. Further Agreements of the Selling Shareholders. Each Selling Shareholder, severally and not jointly, covenants and agrees with each Underwriter that:

(a) *Clear Market*. For a period of 180 days after the date of the initial public offering of the Shares, the Selling Shareholder will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock (including without limitation, Stock or such other securities that may be deemed to be beneficially owned by such Selling Shareholder in accordance with the rules and regulations of the Commission and securities that may be issued upon exercise of a stock option or warrant) (collectively the "Lock-up Securities"), publicly disclose the intention to make any offer, sale, pledge, disposition or filing or file with the Commission a registration statement under the Securities Act with respect to any of the foregoing, (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-up Securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise or (iii) make any demand for or exercise any right with respect to the registration of any of the Lock-up Securities, without both (x) the prior written consent of two of the four Representatives and (y) the prior written notice to the other Representatives, in each case other than (a) the Shares to be sold by the Selling Shareholder hereunder, (b) transfers to (1) any of its stockholders, partners, members or affiliates (as such term is defined in Rule 501(b) under the Securities Act (each, an "Affiliate")) or any of its Affiliates' directors, officers and employees or (2) to any investment fund or other entity controlled or managed by the Selling Shareholder; provided that (A) such donee, trustee, distributee or transferee, as the case may be, shall execute and deliver to the Representatives a lock-up letter in the form of this paragraph for the balance of the lock-up period, (B) such transfer shall not involve a disposition for value and (C) no filing by any party (donor, donee, transferor or transferee) under Section 16 of the Exchange Act or other public report or filing shall be required or shall be made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 made after the expiration of the lock-up period), (c) shares of Stock of the Company purchased by the Selling Shareholder on the open market following this offering if and only if no filing by any party under Section 16 of the Exchange Act or other report or filing shall be required or shall be made voluntarily in connection with such sale (other than a filing on a Form 5 made after the expiration of the lock-up period), (d) the establishment of any contract, instruction or plan (a "Plan") that satisfies all of the requirements of Rule 10b5-1(c)(1) under the Exchange Act; provided that no sales of the Lock-up Securities shall be made pursuant to such a Plan prior to the expiration of the lock-up period, and such a Plan may only be established if no public announcement of the establishment or existence thereof and no filing with the Commission or other regulatory authority in respect thereof or transactions thereunder or contemplated thereby, by the Selling Shareholder, the Company or any other person, shall be required, and no such announcement or filing is made voluntarily, by the Selling Shareholder, the Company or any other person, prior to the expiration of the lock-up period and (e) dispositions of shares of Stock to the Company (i) to satisfy tax withholding obligations in connection with the exercise of options to purchase Stock or (ii) to effect the cashless exercise of options to purchase Stock; provided that such dispositions shall only be permitted with respect to options that would otherwise terminate or expire prior to the expiration of the lock-up period. Notwithstanding the foregoing, if (1) during the last 17 days of the 180-day restricted period, the Company issues an earnings release or material news or a material event relating to the Company occurs; or (2) prior to the expiration of the 180-day restricted period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the 180-day period, the Company must provide the Representatives and each person subject to the 180-day lock-up period pursuant to the lock-up letters described in Section 8(m) hereof with prior notice of any such announcement (with a courtesy copy of such notice delivered to Cravath, Swaine & Moore LLP) and then, upon notice by two of the four Representatives to the Company prior to the expiration of the 180-day lock-up period, the restrictions imposed by this Agreement shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event.

(b) *Tax Form.* It will deliver to the Representatives prior to or at the Closing Date a properly completed and executed United States Treasury Department Form W-8-BEN-E (or other applicable form or statement specified by the Treasury Department regulations in lieu thereof) in order to facilitate the Underwriters' documentation of their compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated.

(c) *Tax Indemnity*. It will indemnify and hold harmless the Underwriters against any documentary, stamp, registration or similar issuance tax, including any interest and penalties, on the sale of the Shares by such Selling Shareholder to the Underwriters and on the execution and delivery of this Agreement. All indemnity payments to be made by such Selling Shareholder hereunder in respect of this Section 6(c) shall be made without withholding or deduction for or on account of any present or future Bermuda taxes, duties or governmental charges whatsoever unless such Selling Shareholder is compelled by law to deduct or withhold such taxes, duties or charges. In that event, except for any net income, capital gains, branch profits or franchise taxes imposed on the Underwriters by Bermuda or the United States or any political subdivision of taxing authority thereof or therein as a result of any present or former connection (other than any connection resulting solely from the transactions contemplated by this Agreement) between the Underwriters and the jurisdiction imposing such withholding or deductions, such Selling Shareholder shall pay such additional amounts as may be necessary in order to ensure that the net amounts received after such withholding or deductions shall equal the amounts that would have been received if no such withholding or deduction had been made.

(d) *Use of Proceeds*. It will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to a subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject of target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

7. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not used, authorized use of, referred to or participated in the planning for use of, and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex B or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission.

8. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Closing Date or the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company and the Selling Shareholders of their respective covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order*. No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The respective representations and warranties of the Company and the Selling Shareholders contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers and of each of the Selling Shareholders and their officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Downgrade.* Subsequent to the earlier of (A) the Applicable Time and (B) the execution and delivery of this Agreement, if there are any debt securities or preferred stock of, or guaranteed by, the Company or any of its subsidiaries that are rated by a "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of § 3(a)(62) under the Exchange Act, (i) no downgrading shall have occurred in the rating accorded any such debt securities or preferred stock and (ii) no such organization shall have publicly announced that it has under surveillance or review, or has changed its outlook with respect to, its rating of any such debt securities or preferred stock (other than an announcement with positive implications of a possible upgrading).

(d) *No Material Adverse Change.* No event or condition of a type described in Section 3(f) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(e) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be (x) a certificate of the chief financial officer or chief accounting officer of the Company and one additional executive officer of the Company who is satisfactory to the Representatives (i) confirming that such officers have carefully reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) confirming that the representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a), (c) and (d) above and (y) a certificate of each Selling Shareholder, in form and substance reasonably satisfactory to the Representatives, confirming that the representations and warranties of such Selling Shareholder in this agreement are true and correct and that such Selling Shareholder has complied with all agreements and satisfied all conditions on their part to be performed or satisfied hereunder at or prior to such Closing Date.

(f) *Comfort Letters.* (i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, PricewaterhouseCoopers LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than three business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(ii) *Management Financial Certificate*. On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives certificates providing "management comfort" with respect to certain financial data contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus, dated the respective dates of delivery thereof, in form and substance reasonably satisfactory to the Representatives of the Company's chief financial officer.

(g) *Opinion and 10b-5 Statement of Counsel for the Company.* Latham & Watkins LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and 10b-5 statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-1 hereto and (ii) Michael F. Finn, general counsel for the Company, shall have furnished to the Representatives, at the request of the Company, his written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-2 hereto.

(h) *Opinion of Local Counsel.* Conyers Dill & Pearman Pte. Ltd., Bermuda counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-3 hereto.

(i) *Opinion of Counsel for the Selling Shareholders.* (i) Latham & Watkins LLP, U.S. counsel for the Selling Shareholders, (ii) Conyers Dill & Pearman Pte. Ltd., counsel for certain of the Selling Shareholders and (iii) Walkers, counsel for certain of the Selling Shareholders, each shall have furnished to the Representatives, at the request of the Selling Shareholders, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, to the effect set forth in Annex A-4, A-5 and A-6 hereto, respectively.

(j) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement of Cravath, Swaine & Moore LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *No Legal Impediment to Issuance and/or Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Shareholders; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares by the Company or the sale of the Shares by the Selling Shareholders.

(l) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company and its subsidiaries in their respective jurisdictions of organization and their good standing as foreign entities in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(m) *Exchange Listing.* The Shares to be delivered on the Closing Date or Additional Closing Date, as the case may be, shall have been approved for listing on the NYSE, subject to official notice of issuance.

(n) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit A hereto, between you and certain shareholders, executive officers and directors of the Company relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or Additional Closing Date, as the case may be.

(o) *Additional Documents.* On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company and the Selling Shareholders shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

9. Indemnification and Contribution.

(a) *Indemnification of the Underwriters by the Company.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, employees, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable and documented expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule

433(d) under the Securities Act, any materials or information (when taken together with the Pricing Disclosure Package) provided to investors by, or with the approval of, the Company in connection with the marketing of the offering of the Shares (the "Marketing Materials"), including any "road show" (as defined in Rule 433(h) under the Securities Act) or investor presentations made to investors by the Company (whether in person or electronically) or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information furnished to the Company in writing by any Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (c) below.

(b) *Indemnification of the Underwriters by the Selling Shareholders.* Each of the Selling Shareholders, severally and not jointly, agrees to indemnify and hold harmless each Underwriter, its affiliates, employees, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any such losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information furnished to the Company in writing by or on behalf of such Selling Shareholder expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any Marketing Materials or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed that the only such information furnished by or on behalf of such Selling Shareholder consists of such Selling Stockholder's Selling Shareholders Information. The Selling Shareholder shall not be liable under the indemnity agreement contained in this paragraph and the contribution provisions of this Section 9 in excess of an amount equal to the aggregate net proceeds (after deducting underwriting commissions and discounts, but before deducting expenses) applicable to the Shares sold by the Selling Shareholder pursuant to this Agreement (the "Selling Shareholders Proceeds").

(c) *Indemnification of the Company and the Selling Shareholders.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act and the Selling Shareholders to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: (i) the concession and reallowance figures appearing in the first sentence of the fifth paragraph under the caption "Underwriting", (ii) the information in the fifteenth paragraph under the caption "Underwriting" relating to sales to discretionary accounts and (iii) the information contained in the second sentence of the sixteenth paragraph and the seventeenth, eighteenth and nineteenth paragraphs under the caption "Underwriting" relating to stabilization transactions.

(d) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 9, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 9. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the reasonable and documented fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives, any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company and any such separate firm for the Selling Shareholders shall be designated in writing by the Selling Shareholders. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification or contribution could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(e) *Contribution.* If the indemnification provided for in paragraphs (a), (b) and (c) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Shareholders, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company and the Selling Shareholders, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Shareholders, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (after deducting underwriting commissions and discounts, but before deducting expenses) received by the Company and the Selling Shareholders from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company and the Selling Shareholders, on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and each Selling Shareholder or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. No Selling Shareholder shall be liable under the contribution agreement contained in this paragraph and the indemnification provisions of this Section 9 in excess of an amount equal to such Selling Shareholder's respective portion of the Selling Shareholders Proceeds.

(f) *Limitation on Liability.* The Company, the Selling Shareholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Selling Shareholders or the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (e) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (e) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 9, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to this Section 9 are several in proportion to their respective purchase obligations hereunder and not joint. For the avoidance of doubt, the aggregate liability of each Selling Shareholder under the indemnity and contribution agreements contained in this Section 9 shall not exceed such Selling Shareholder's respective portion of the Selling Shareholders Proceeds.

(g) *Non-Exclusive Remedies.* The remedies provided for in this Section 9 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any Indemnified Person at law or in equity.

10. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

11. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company and the Selling Shareholders, if after the execution and delivery of this Agreement and prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange, the American Stock Exchange, The Nasdaq Stock Market, the Chicago Board Options Exchange, the Chicago Mercantile Exchange or the Chicago Board of Trade; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by U.S. federal or New York State authorities; (iv) a material disruption in securities settlement or clearance services in the United States that could reasonably be expected to affect the settlement of the Shares shall have occurred; or (v) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

12. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company and the Selling Shareholders on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Shares, then the Company and the Selling Shareholders shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company and the Selling Shareholders may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company, counsel for the Selling Shareholders or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 12, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Shareholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company and the Selling Shareholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters, the Company and the Selling Shareholders as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company and the Selling Shareholders shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 12 shall be without liability on the part of the Company and the Selling Shareholders except that the provisions of Section 9 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company, the Selling Shareholders or any non-defaulting Underwriter for damages caused by its default.

13. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company and the Selling Shareholders will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any stamp duties or other issuance or transfer taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (iv) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the state or foreign securities or blue sky laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the reasonable related fees and expenses of counsel for the Underwriters not to exceed $15,000); (v) the cost of preparing stock certificates; (vi) the costs and charges of any transfer agent and any registrar; (vii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (but with respect to related fees and expenses of counsel for the Underwriters not to exceed $20,000); (viii) all non-transportation-related expenses incurred by the Company in connection with any "road show" presentation to potential investors and 50% of the out-of-pocket costs and expenses of aircraft and other transportation used in connection with the road show; and (x) all expenses and application fees related to the listing of the Shares on the NYSE. It is understood, however, that except as provided in this Section 13, Section 9 entitled "Indemnity and Contribution," and Section 11 entitled "Termination" above, the Underwriters will pay all of their costs and expenses, including fees and disbursements of their counsel.

(b) If (i) this Agreement is terminated pursuant to clause (ii) of Section 11, (ii) the Company or the Selling Shareholders for any reason fail to tender the Shares for delivery to the Underwriters (other than pursuant to clauses (i), (iii), (iv) or (v) of Section 11 or Section 12) or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement (other than pursuant to clauses (i), (iii), (iv) or (v) of Section 11 or Section 12), the Company and the Selling Shareholders agree to reimburse the Underwriters for all out-of-pocket costs and expenses (including the reasonable fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby; provided that, if any Selling Shareholder fails to tender its Shares for delivery to the Underwriters, such Selling Shareholder agrees to reimburse the Underwriters only for its pro rata portion of such out-of-pocket costs and expenses (including the reasonable fees and expenses of their counsel) based upon the number of Shares agreed to be sold by such Selling Shareholder pursuant to this Agreement relative to the total number of Shares agreed to be sold by the Selling Shareholder pursuant to this agreement with the remainder of such expenses being the responsibility of the Company.

(c) This Section 13 shall not affect any separate agreement relating to the allocation of payment of expenses between the Company, on the one hand, and the Selling Shareholders, on the other hand.

14. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the affiliates, employees, officers and directors and any controlling persons referred to in Section 9 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

15. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Selling Shareholders and the Underwriters contained in this Agreement or made by or on behalf of the Company, the Selling Shareholders or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company, the Selling Shareholders or the Underwriters.

16. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act; and (d) the term "significant subsidiary" has the meaning set forth in Rule 1-02(a) of Regulation S-X under the Exchange Act.

17. Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Shareholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

18. Miscellaneous.

(a) *Notices*. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o Citigroup Global Markets Inc. General Counsel (fax: (212) 816-7912) and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel; Goldman, Sachs & Co., Attention: Prospectus Department, 200 West Street, New York, NY 10282 (fax: (212) 902-9316); Deutsche Bank Securities Inc., 60 Wall Street, 2nd Floor, New York, New York 10005, Attention: Equity Capital Markets – Syndicate Desk (fax: (212) 797-9344), with a copy to Deutsche Bank Securities Inc., 60 Wall Street, 36th Floor, New York, New York 10005, Attention: General Counsel (fax: (212) 797-4564); J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358). Notices to the Company shall be given to it at Axalta Coating Systems Ltd., Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, Pennsylvania 19103 (fax: (215) 255-7949); Attention: General Counsel. Notices to the Selling Shareholders, shall be given to them at The Carlyle Group, 1001 Pennsylvania Avenue, NW, Suite 220 South, Washington, District of Columbia 20004-2505, (fax: (202) 729-5266); Attention: R. Rainey Hoffman. Copies of any notice given to the Company or the Selling Shareholders shall be given to Latham & Watkins LLP at 555 Eleventh Street, NW, Suite 1000, Washington, District of Columbia, (fax: (202) 637-2201); Attention: Patrick H. Shannon.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be performed in such state.

(c) *Judgment Currency*. The Company agrees to indemnify each Underwriter, its directors, officers, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, against any loss incurred by such Underwriter as a result of any judgment or order being given or made for any amount due hereunder and such judgment or order being expressed and paid in a currency (the "judgment currency") other than U.S. dollars and as a result of any variation as between (i) the rate of exchange at which the U.S. dollar amount is converted into the judgment currency for the purpose of such judgment or order, and (ii) the rate of exchange at which such indemnified person is able to purchase U.S. dollars with the amount of the judgment currency actually received by the indemnified person. The foregoing indemnity shall constitute a separate and independent obligation of the Company and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, the relevant currency.

(d) *Waiver of Immunity*. To the extent that the Company has or hereafter may acquire any immunity (sovereign or otherwise) from jurisdiction of any court of Bermuda, or any political subdivision thereof, with respect to itself or this Agreement, the Company hereby irrevocably waives such immunity in respect of its obligations under this Agreement to the fullest extent permitted by applicable law.

(e) *Submission to Jurisdiction*. The Company hereby submits to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the offering of the Shares. The Company waives any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. The Company agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company, as applicable, and may be enforced in any court to the jurisdiction of which Company, as applicable, is subject by a suit upon such judgment. The Company irrevocably appoints Axalta Coating Systems U.S. Co. LLC, located at Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, Pennsylvania 19103, as its authorized agent upon which process may be served in any such suit or proceeding, and agrees that service of process upon such authorized agent, and written notice of such service to the Company by the person serving the same to the address provided in this Section 18(e), shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding. The Company hereby represents and warrants that such authorized agent has accepted such appointment and has agreed to act as such authorized agent for service of process. The Company further agrees to take any and all action as may be necessary to maintain such designation and appointment of such authorized agent in full force and effect for a period of seven years from the date of this Agreement.

(f) *Counterparts*. This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(g) *Amendments or Waivers*. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) *Headings*. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

AXALTA COATING SYSTEMS LTD.

By: ______________________________

Name:

Title:

[Signature Page to Underwriting Agreement]

CARLYLE PARTNERS V SA1 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CARLYLE PARTNERS V SA2 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CARLYLE PARTNERS V SA3 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CARLYLE PARTNERS V-A CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

CP V COINVESTMENT A CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

CP V COINVESTMENT B CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

[Signature Page to Underwriting Agreement]

CARLYLE COATINGS PARTNERS, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

CEP III PARTICIPATIONS S.À R.L. SICAR

____
Represented by Erica K. Herberg, as Manager and authorized representative of CEP III Managing GP Holdings, Ltd., Manager

[Signature Page to Underwriting Agreement]

Accepted: [•], 2014
For themselves and on behalf of the
several Underwriters listed
in Schedule 1 hereto.

CITIGROUP GLOBAL MARKETS INC.

By: ______________________________
Name:
Title:

GOLDMAN, SACHS & CO.

By: ______________________________
Name:
Title:

DEUTSCHE BANK SECURITIES INC.

By: ______________________________
Name:
Title:

By: ______________________________
Name:
Title:

J.P. MORGAN SECURITIES LLC

By: ______________________________
Name:
Title:

Schedule 1

Underwriter	Number of Shares
Citigroup Global Markets Inc.	
Goldman, Sachs & Co.	
Deutsche Bank Securities Inc.	
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
Morgan Stanley & Co. LLC	
Jefferies LLC	
UBS Securities LLC	
Robert W. Baird & Co. Incorporated	
BB&T Capital Markets, a division of BB&T Securities, LLC	
Nomura Securities International, Inc.	
SMBC Nikko Securities America, Inc.	
Total	

Schedule 2

List of Selling Shareholders

Carlyle Partners V SA1 Cayman, L.P.
Carlyle Partners V SA2 Cayman, L.P.
Carlyle Partners V SA3 Cayman, L.P.
Carlyle Partners V-A Cayman L.P.
CP V Coinvestment A Cayman, L.P.
CP V Coinvestment B Cayman, L.P.
Carlyle Coatings Partners, L.P.
CEP III Participations S.à. r.l. SICAR

Schedule 3

Underwriter	Number of Shares
Citigroup Global Markets Inc.	
Goldman, Sachs & Co.	
Deutsche Bank Securities Inc.	
J.P. Morgan Securities LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
Morgan Stanley & Co. LLC	
Jefferies LLC	
UBS Securities LLC	
Robert W. Baird & Co. Incorporated	
BB&T Capital Markets, a division of BB&T Securities, LLC	
Nomura Securities International, Inc.	
SMBC Nikko Securities America, Inc.	
Total	

Schedule 4

Entity Name	Jurisdiction
AXALTA COATING SYSTEMS DUTCH HOLDING B B.V.	Netherlands
AXALTA COATING SYSTEMS U.S. HOLDINGS, INC.	Delaware (USA)
AXALTA COATING SYSTEMS DUTCH HOLDING A B.V.	Netherlands
AXALTA COATING SYSTEMS U.S., INC.	Delaware (USA)
AXALTA COATING SYSTEMS ASIA HOLDING B.V.	Netherlands
AXALTA COATING SYSTEMS BETEILIGUNGS GMBH	Germany
AXALTA COATING SYSTEMS DEUTSCHLAND HOLDING GMBH & CO. KG	Germany
AXALTA COATING SYSTEMS EMEA HOLDING B.V.	Netherlands
AXALTA COATING SYSTEMS FINANCE 1 S.À R.L.	Luxembourg
AXALTA COATING SYSTEMS FINANCE 2 S.À R.L.	Luxembourg
AXALTA COATING SYSTEMS GERMANY GMBH	Germany
COATINGS FOREIGN IP CO. LLC	Delaware (USA)
AXALTA COATING SYSTEMS IP CO. LLC	Delaware (USA)
AXALTA COATING SYSTEMS LUXEMBOURG HOLDING 2 S.À R.L.	Luxembourg
AXALTA COATING SYSTEMS LUXEMBOURG HOLDING S.À R.L.	Luxembourg
AXALTA COATING SYSTEMS SINGAPORE HOLDING PTE. LTD.	Singapore
AXALTA COATING SYSTEMS UK HOLDING LIMITED	United Kingdom
AXALTA COATING SYSTEMS VERWALTUNGS GMBH	Germany
AXALTA COATING SYSTEMS, LLC	Delaware (USA)
AXALTA COATING SYSTEMS BELGIUM BVBA	Belgium
DUTCH COATINGS CO. 1 B.V.	Netherlands
AXALTA COATING SYSTEMS DUTCH CO. TOP COOPERATIEF U.A.	Netherlands
AXALTA COATING SYSTEMS (CHANGCHUN) CO. LTD.	China

Annex B

a. **Pricing Disclosure Package**

None

b. **Pricing Information Provided Orally by Underwriters**

$[•] per share

Exhibit C

Form of Press Release

Axalta Coating Systems Ltd.
[Date]

Axalta Coating Systems Ltd. (the "Company") announced today Citigroup Global Markets Inc./Goldman, Sachs & Co./Deutsche Bank Securities Inc./J.P. Morgan Securities LLC, the lead book-running managers in the Company's recent public sale of shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain [executive] officers or directors] [an [executive] officer or director] of the Company. The [waiver] [release] will take effect on , 20 , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit 3.2

AMENDED AND RESTATED

BYE-LAWS

OF

Axalta Coating Systems Ltd.

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INTERPRETATION

1. Definitions

1.1 In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Act	the Companies Act 1981;
Auditor	includes an individual or partnership;
Board	the board of directors (including, for the avoidance of doubt, a sole director) appointed or elected pursuant to these Bye-laws;
Carlyle Funds	has the meaning set out in Bye-law 34.7(b);
Company	Axalta Coating Systems Ltd.;
Director	a director of the Company;
Exchange	the New York Stock Exchange for so long as the shares of the Company are listed or quoted on the New York Stock Exchange, or such other stock exchange which is an appointed stock exchange for the purposes of the Act in respect of which the shares of the Company are listed or quoted and where such appointed stock exchange deems such listing or quotation to be the primary listing or quotation of the shares of the Company;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;

notice	written notice as further provided in these Bye-laws unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Register of Directors and Officers	the Register of Directors and Officers referred to in these Bye-laws;
Register of Members	the register of Members referred to in these Bye-laws;
Resident Representative	any person appointed to act as resident representative and includes any deputy or assistant resident representative;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary;
Treasury Share	a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.

1.2 In these Bye-laws, where not inconsistent with the context:

(a) words denoting the plural number include the singular number and *vice versa*;

(b) words denoting the masculine gender include the feminine and neuter genders;

(c) words importing persons include companies, associations or bodies of persons whether corporate or not;

(d) the words:-

(i) "may" shall be construed as permissive; and

(ii) "shall" shall be construed as mandatory;

(e) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;

(f) the word "corporation" means a corporation whether or not a company within the meaning of the Act; and

(g) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

1.3 In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

1.4 Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

2.1 Subject to these Bye-laws, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine from time to time.

2.2 Without limitation to the provisions of Bye-law 4, subject to the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion of such shares).

3. Power of the Company to Purchase its Shares

3.1 The Company may from time to time purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.

3.2 The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

4. Rights Attaching to Shares

4.1 At the date these Bye-laws are adopted, the share capital of the Company is divided into two classes: (i) common shares (the “Common Shares”) and (ii) preference shares (the “Preference Shares”).

4.2 The holders of Common Shares shall, subject to these Bye-laws (including, without limitation, the rights attaching to any Preference Shares):

(a) be entitled to one vote per share;

(b) be entitled to such dividends and other distributions as the Board may from time to time declare;

(c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and

(d) generally be entitled to enjoy all of the rights attaching to shares.

4.3 The Board is authorised to provide for the issuance of the Preference Shares in one or more series, and to establish from time to time the number of shares to be included in each such series, to allot and re-designate such portion of the unissued share capital to such series as it shall determine to be appropriate and to fix the terms, including designation, powers, preferences, rights, qualifications, limitations and restrictions of the shares of each such series (and, for the avoidance of doubt, such matters and the issuance of such Preference Shares shall not be deemed to vary the rights attached to the Common Shares or, subject to the terms of any other series of Preference Shares, to vary the rights attached to any other series of Preference Shares). The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

(a) the number of shares constituting that series and the distinctive designation of that series;

(b) the dividend rate on the shares of that series, whether dividends shall be cumulative and, if so, from which date or dates, and the relative rights of priority, if any, of the payment of dividends on shares of that series;

(c) whether the series shall have voting rights, in addition to the voting rights provided by law and, if so, the terms of such voting rights;

(d) whether the series shall have conversion or exchange privileges (including, without limitation, conversion into Common Shares) and, if so, the terms and conditions of such conversion or exchange, including provision for adjustment of the conversion or exchange rate in such events as the Board shall determine;

(e) whether or not the shares of that series shall be redeemable or repurchaseable and, if so, the terms and conditions of such redemption or repurchase, including the manner of selecting shares for redemption or repurchase if less than all shares are to be redeemed or repurchased, the date or dates upon or after which they shall be redeemable or repurchaseable, and the amount per share payable in case of redemption or repurchase, which amount may vary under different conditions and at different redemption or repurchase dates;

(f) whether that series shall have a sinking fund for the redemption or repurchase of shares of that series and, if so, the terms and amount of such sinking fund;

(g) the right of the shares of that series to the benefit of conditions and restrictions upon the creation of indebtedness of the Company or any subsidiary, upon the issue of any additional shares (including additional shares of such series or any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the Company or any subsidiary of any issued shares of the Company;

(h) the rights of the shares of that series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company, and the relative rights of priority, if any, of payment in respect of shares of that series; and

(i) any other relative participating, optional or other special rights, qualifications, limitations or restrictions of that series.

4.4 Any Preference Shares of any series which have been redeemed (whether through the operation of a sinking fund or otherwise) or which, if convertible or exchangeable, have been converted into or exchanged for shares of any other class or classes shall have the status of authorised and unissued Preference Shares of the same series and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of Preference Shares to be created by resolution or resolutions of the Board or as part of any other series of Preference Shares, all subject to the conditions and the restrictions on issuance set forth in the resolution or resolutions adopted by the Board providing for the issue of any series of Preference Shares.

4.5 At the discretion of the Board, whether or not in connection with the issuance and sale of any shares or other securities of the Company, the Company may issue securities, contracts, warrants or other instruments evidencing any shares, option rights, securities having conversion or option rights, or obligations on such terms, conditions and other provisions as are fixed by the Board including, without limiting the generality of this authority, conditions that preclude or limit any person or persons owning or offering to acquire a specified number or percentage of the issued Common Shares, other shares, option rights, securities having conversion or option rights, or obligations of the Company or transferee of the person or persons from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights, or obligations.

4.6 All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

5. Calls on Shares

5.1 The Board may make such calls as it deems fit upon the Members in respect of any monies (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.

5.2 Any amount which, by the terms of issue of a share, becomes payable upon issue or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Bye-laws be deemed to be an amount on which a call has been duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of these Bye-laws as to payment of interest, cost and expenses, forfeiture or otherwise shall apply as if such amount had become payable by virtue of a duly made and notified call.

5.3 The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.

5.4 The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

6. Forfeiture of Shares

6.1 If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in such form as may be approved by the Board, requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and stating that if the notice is not complied with the shares on which the call was made will be liable to be forfeited.

6.2 If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.

6.3 A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.

6.4 The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

7. Share Certificates

7.1 Subject to Bye-law 7.4, every Member shall be entitled to a certificate under the common seal (or a facsimile thereof) of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.

7.2 The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.

7.3 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

7.4 Notwithstanding any provisions of these Bye-laws:

(a) the Board shall, subject always to the Act and any other applicable laws and regulations and the facilities and requirements of any relevant system concerned, have power to implement any arrangements it may, in its absolute discretion, deem fit in relation to the evidencing of title to and transfer of uncertificated shares and to the extent such arrangements are so implemented, no provision of these Bye-laws shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of shares in uncertificated form; and

(b) unless otherwise determined by the Board and as permitted by the Act and any other applicable laws and regulations, no person shall be entitled to receive a certificate in respect of any share for so long as the title to that share is evidenced otherwise than by a certificate and for so long as transfers of that share may be made otherwise than by a written instrument.

8. Fractional Shares

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

REGISTRATION OF SHARES

9. Register of Members

9.1 The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.

9.2 The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

10. Registered Holder Absolute Owner

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

11. Transfer of Registered Shares

11.1 Shares may be transferred without a written instrument if transferred by an appointed agent or otherwise in accordance with the Act.

11.2 An instrument of transfer for shares which may not be transferred pursuant to either Bye-law 11.1 or Bye-law 11.7 shall be in writing in such form as the Board may accept.

11.3 Such instrument of transfer shall be signed by (or, in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.

11.4 The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.

11.5 The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.

11.6 The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share, which is not fully paid up. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. The Board shall have the authority to request any Member, and such Member shall provide, such information as the Board may reasonably request for the purpose of determining whether the transfer of any share requires such consent, authorization or permission and whether the same has been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

11.7 Notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.

12. Transmission of Registered Shares

12.1 In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member’s interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.

12.2 Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case, unless the shares may be transferred pursuant to either Bye-law 11.1 or Bye-law 11.7, the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in such form as the Board may approve.

12.3 On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

12.4 Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

13. Power to Alter Capital

13.1 The Company may if authorised by resolution of the Members increase change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.

13.2 The Board may, subject to these Bye-laws and in accordance with the Act, consolidate and divide all or any of its share capital into shares of larger amount than its existing shares or subdivide its shares, or any of them, into shares of smaller amount in any manner permitted by the Act or the Bye-laws.

13.3 Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

14. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

15. Dividends

15.1 The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company unless otherwise provided by the rights attached to such shares.

15.2 The Board may fix any date as the record date for determining the Members entitled to receive any dividend.

15.3 The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.

15.4 The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company unless otherwise provided by the rights attached to such share.

16. Power to Set Aside Profits

The Board may, before declaring a dividend or distribution, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies, for equalising dividends, securing equality of distribution or for any other purpose.

17. Method of Payment

17.1 Any dividend, interest, or other monies payable in cash may be paid in such manner as the Board shall determine, including by wire transfer, or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct. Every such cheque or draft shall be made payable to the order of the person to whom it is sent or to such person as the Member may direct, and payment of the cheque or draft shall be good discharge to the Company. Every such cheque or draft shall be sent at the risk of the person entitled to the money represented thereby.

17.2 In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct at least 30 days prior to such payment or for such other time period as the Board shall determine. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.

17.3 The Board may deduct from the dividends or distributions payable to any Member all monies due from such Member to the Company on account of calls or otherwise.

17.4 Any dividend, distribution and/or other monies payable in respect of a share which has remained unclaimed for a period of six years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company. The payment of any unclaimed dividend, distribution or other monies payable in respect of a share may (but need not) be paid by the Company into an account separate from the Company's own account. Such payment shall not constitute the Company a trustee in respect thereof.

17.5 The Company shall be entitled to cease sending dividend cheques and drafts by post or otherwise to a Member if those instruments have been returned undelivered to, or left uncashed by, that Member on at least two consecutive occasions or, following one such occasion, reasonable enquiries have failed to establish the Member's new address. The entitlement conferred on the Company by this Bye-law in respect of any Member shall cease if the Member claims a dividend or cashes a dividend cheque or draft.

18. Capitalisation

18.1 The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for dividend or distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata (except in connection with the conversion of shares of one class to shares of another class) to the Members.

18.2 The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

19. Annual General Meetings

An annual general meeting shall be held in each year (other than the year of incorporation) at such time and place as the Board shall appoint.

20. Special General Meetings

The President or the Chairman (if any) or a majority of the Directors may convene a special general meeting whenever in their judgment such a meeting is necessary.

21. Requisitioned General Meetings and Other Business

21.1 The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

21.2 In addition to any rights of Members under the Act or these Bye-laws, business may be brought before any annual general meeting or any special general meeting by any person who: (i) is a Member of record on the date of the giving of the notice provided for in this Bye-law 21, on the record date for the determination of Members entitled to receive notice of and vote at such meeting and on the date of such meeting; and (ii) complies with the notice procedures set forth in this Bye-law 21.

21.3 In addition to any other applicable requirements, for other business to be proposed by a Member pursuant to Bye-law 21.2, such Member must have given timely notice thereof in proper written form to the Secretary.

21.4 To be timely, a notice given to the Secretary pursuant to Bye-law 21.3 must be delivered to or mailed and received by the Secretary at the principal executive offices of the Company as set forth in the Company's filings with the U.S. Securities and Exchange Commission: (i) in the case of an annual general meeting, not less than 90 days nor more than 120 days before the anniversary of the last annual general meeting or, in the event the annual general meeting is called for a date that is greater than 30 days before or after such anniversary, the notice must be so delivered or mailed and received not later than 10 days following the earlier of the date on which notice of the annual general meeting was posted to Members or the date on which public disclosure of the date of the annual general meeting was made; and (ii) in the case of a special general meeting, not later than 7 days following the earlier of the date on which notice of the special general meeting was posted to Members or the date on which public disclosure of the date of the special general meeting was made.

21.5 To be in proper written form, a notice given to the Secretary pursuant to Bye-law 21.3 must set forth as to each matter such Member proposed to bring before the general meeting: (i) a brief description of the business desired to be brought before the general meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the Bye-laws of the Company, the language of the proposed amendment) and the reasons for conducting such business at the general meeting; (ii) the name and record address of such Member and the beneficial owner, if any, on whose behalf the business is being proposed; (iii) the class or series and number of shares of the Company which are registered in the name of or beneficially owned by such Member and such beneficial owner (including any shares as to which such Member or such beneficial owner has a right to acquire ownership at any time in the future); (iv) a description of all derivatives, swaps or other transactions or series of transactions engaged in, directly or indirectly, by such Member or such beneficial owner, the purpose or effect of which is to give such Member or such beneficial owner economic risk similar to ownership of shares of the Company; (v) a description of all agreements, arrangements, understandings or relationships engaged in, directly or indirectly, by such Member or such beneficial owner, the purpose or effect of which is to mitigate loss to, reduce the economic risk (or ownership or otherwise) of any class or series of shares of the Company, manage the risk of share price changes for, or increase or decrease the voting power of, such Member or beneficial owner, or which provides, direct or indirectly, such Member or beneficial owner with the opportunity to profit from any decrease in the price or value of the shares of any class or series of shares of the Company; (vi) a description of all agreements, arrangements, understandings or relationships between such Member or such beneficial owner and any other person or persons (including their names) in connection with the proposal of such business by such Member and any material interest of such Member or such beneficial owner in such business; and (vii) a representation that such Member intends to appear in person or by proxy at the general meeting to bring such business before the general meeting.

21.6 Once business has been properly brought before the general meeting in accordance with the procedures set forth in this Bye-law 21 and the Member proposing such business is present in person or by proxy at the general meeting, nothing in this Bye-law shall be deemed to preclude discussion by any Member of such business. If the chairman of a general meeting determines that business was not properly brought before the meeting in accordance with this Bye-law 21, the chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

21.7 No business may be transacted at a general meeting, other than business that is either (i) properly brought before the general meeting by or at the direction of the Board (or any duly authorised committee thereof); or (ii) properly brought before the general meeting by any Member or Members in accordance with the Act or these Bye-laws.

22. Notice

22.1 At least fourteen days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, and as far as practicable, the business to be conducted at the meeting.

22.2 At least ten days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.

22.3 The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.

22.4 A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.

22.5 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

23. Giving Notice and Access

23.1 A notice may be given by the Company to a Member:

(a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or

(b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served five days after the date on which it is deposited, with postage prepaid, in the mail; or

(c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or

(d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or

(e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.

23.2 Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.

23.3 In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

24. Postponement of General Meeting

The Secretary may, and on the instructions of the Chairman the Secretary shall, postpone any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Bye-laws.

25. Electronic Participation in Meetings

25.1 The Board may, but shall not be required to, make arrangements permitting members to participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

25.2 The Board may, and at any general meeting, the chairman of such meeting may, make any arrangement and impose any requirement or restriction the Board or such chairman considers appropriate to ensure the security of a general meeting including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place. The Board and, at any general meeting, the chairman of such meeting are entitled to refuse entry to a person who refuses to comply with such arrangements, requirements or restrictions.

26. Quorum at General Meetings

26.1 Subject to the rules of the Exchange, at any general meeting two or more persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company at the commencement of the meeting shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.

26.2 If within such time as the chairman of the meeting may determine after the time appointed for the meeting a quorum is not present in accordance with Bye-law 26.1, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Board or the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

27. Chairman to Preside at General Meetings

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the Chairman, if there be one, and if not the President, if there be one, shall act as chairman at all general meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by the Directors present at the meeting and in their absence, by a majority of those present at the meeting and entitled to vote.

28. Voting on Resolutions

28.1 Subject to the Act, these Bye-laws and the rules of the Exchange, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail.

28.2 No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.

28.3 At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.

28.4 In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means permitted by the Board pursuant to Bye-law 25.1, the chairman of the meeting shall direct the manner in which such Member may cast his vote in the form of an electronic record or otherwise on a show of hands.

28.5 At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

28.6 At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

29. Power to Demand a Vote on a Poll

29.1 Notwithstanding the foregoing, a poll may be demanded by any of the following persons:

(a) the chairman of such meeting; or

(b) at least three Members present in person or represented by proxy; or

(c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or

(d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.

29.2 Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting including persons present by telephone, electronic or other communications facilities shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

29.3 A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.

29.4 Where a vote is taken by poll, each person present and entitled to vote, including each person present by telephone, electronic or other communications facilities, shall record his vote in such manner as the chairman of the meeting may direct having regard to the nature of the question on which the vote is taken. Each ballot shall be marked so as to identify the voter and the registered holder in the case of a proxy. At the conclusion of the poll, the votes cast in accordance with such directions shall be examined and counted by one or more inspectors of votes or a committee appointed by the chairman of the meeting for the purpose. The result of the poll shall be declared by the chairman of the meeting.

30. Voting by Joint Holders of Shares

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. Instrument of Proxy

31.1 A Member may appoint a proxy by:

(a) such telephonic, electronic or other means as may be approved by the Board from time to time; or

(b) an instrument appointing a proxy shall be in writing in such form as the Board may determine from time to time

31.2 The instrument appointing a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person named in the instrument appointing a proxy proposes to vote, and an instrument appointing a proxy which is not received in the manner so prescribed shall be invalid.

31.3 A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.

31.4 The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

32. Representation of Corporate Member

32.1 A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

32.2 Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

33. Adjournment of General Meeting

33.1 The chairman of a general meeting may adjourn a meeting to another time and place without the consent or direction of the Members if the chairman determines that it is appropriate to adjourn the meeting.

33.2 Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

34. Written Resolutions

34.1 Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Bye-law.

34.2 Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.

34.3 A written resolution is passed when it is signed by (or in the case of a Member that is a corporation, on behalf of) the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.

34.4 A resolution in writing may be signed in any number of counterparts.

34.5 A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.

34.6 A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.

34.7 This Bye-law shall not apply to:

(a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or

(b) a resolution proposed at any time that investment funds affiliated with The Carlyle Group ("Carlyle Funds") own in aggregate less than 50% of the Common Shares in issue.

34.8 For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation, on behalf of) the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

35. Directors Attendance at General Meetings

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

36. Election of Directors

36.1 Only persons who are proposed or nominated in accordance with this Bye-law shall be eligible for election as Directors. The Board may propose any person for election as Director. In addition, any Member holding not less than 10% in nominal value of the shares giving a right to attend and vote at general meetings of the Company ("Relevant Member") may propose one person for election as Director at a general meeting. Where any person, other than a Director retiring at the meeting or a person proposed for re-election or election as a Director by the Board, is to be proposed for election as a Director at a general meeting of the Company, notice must be given to the Secretary of the intention to propose him and of his willingness to serve as a Director, as set out in this Bye-law. Where any such person is to be elected:

(a) at an annual general meeting, such notice must be given not less than 90 days nor more than 120 days before the anniversary of the last annual general meeting or, in the event the annual general meeting is called for a date that is greater than 30 days before or after such anniversary, the notice must be given not later than 10 days following the earlier of the date on which notice of the annual general meeting was posted to Members or the date on which public disclosure of the date of the annual general meeting was made;

(b) at a special general meeting, such notice must be given not later than 7days following the earlier of the date on which notice of the special general meeting was posted to Members or the date on which public disclosure of the date of the special general meeting was made;

(c) in the case of an election at any general meeting, such notice must set forth: (i) as to the person whom the Relevant Member proposes to nominate for election as a Director, (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of the Company owned beneficially or of record by the person and (D) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of Directors pursuant to applicable laws or regulations or that the Company may reasonably request in order to determine the eligibility of such person to serve as a Director of the Company; (ii) the name and record address of the Relevant Member and the beneficial owner, if any, on whose behalf the nomination is proposed; (iii) the class or series and number of shares of the Company which are registered in the name of or beneficially owned by such Relevant Member and such beneficial owner (including any shares as to which such Relevant Member or such beneficial owner has a right to acquire ownership at any time in the future); (iv) a description of all derivatives, swaps or other transactions or series of transactions engaged in, directly or indirectly, by such Relevant Member or such beneficial owner, the purpose or effect of which is to give such Relevant Member or such beneficial owner economic risk similar to ownership of shares of the Company; (v) a description of all agreements, arrangements, understandings or relationships engaged in directly or indirectly, by such Relevant Member or such beneficial owner, the purpose or effect of which is to mitigate loss to, reduce the economic risk (or ownership or otherwise) of any class or series of shares of the Company, manage the risk of share price changes for, or increase or decrease the voting power of, such Relevant Member or beneficial owner, or which provides, directly or indirectly, such Relevant Member or beneficial owner with the opportunity to profit from any decrease in the price or value of the shares of any class or series of shares of the Company; (vi) a description of all agreements, arrangements, understandings or relationships between such Relevant Member or such beneficial owner and any other person or persons (including their names) in connection with the proposed nomination by such Relevant Member and any material relationship between such Relevant Member or such beneficial owner and the person proposed to be nominated for election; and (vii) a representation that such Relevant Member intends to appear in person or by proxy at the general meeting to propose such nomination; and

(d) in the case of an election at any general meeting, such notice must be accompanied by a written consent of the person whom the Relevant Member proposes to nominate for election as a Director to being named as a nominee and to serve as a Director if elected.

36.2 Where persons are validly proposed for re-election or election as a Director, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors, and an absolute majority of the votes cast shall not be a prerequisite to the election of such Directors.

36.3 The Board may fill any vacancy in their number left unfilled at a general meeting or otherwise.

37. Number of Directors

The Board shall consist of such number of Directors as the Board may determine from time to time.

38. Classes of Directors

From the time of adoption of these Bye-laws, the Directors shall be divided by the Members, into three classes designated Class I, Class II and Class III. Each class of Directors shall consist, as nearly as possible, of one third of the total number of Directors constituting the entire Board.

39. Term of Office of Directors

At the first annual general meeting which is held after the date of adoption of these Bye-laws, the term of office of the Class I Directors shall expire and the Class I Directors shall be elected for a three year term of office. At the second annual general meeting which is held after the date of adoption of these Bye-laws, the term of office of the Class II Directors shall expire and the Class II Directors shall be elected for a three year term of office. At the third annual general meeting which is held after the date of adoption of these Bye-laws, the term of office of the Class III Directors shall expire and the Class III Directors shall be elected for a three year term of office. At each succeeding annual general meeting, successors to the class of Directors whose term expires at that annual general meeting shall be elected for a three year term. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of Directors in each class as nearly equal as possible, and any Director of any class elected to fill a vacancy shall hold office for a term that shall coincide with the remaining term of the other Directors of that class but in no case shall a decrease in the number of Directors shorten the term of any Director then in office. A Director shall hold office until the annual general meeting for the year in which his term expires, subject to his office being vacated pursuant to Bye-law 42.

40. Alternate Directors

40.1 The election or appointment of a person or persons to act as a Director in the alternative to any one or more Directors shall not be permitted.

41. Removal of Directors

41.1 Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may:

(a) during any time that the Carlyle Funds own more than 50% of the Common Shares in issue, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director, provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director’s removal; and

(b) at such time after the Carlyle Funds cease to own more than 50% of the Common Shares in issue, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director only with cause, provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do including details of cause, and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.

41.2 If a Director is removed from the Board under this Bye-law, the Board may fill the vacancy resulting therefrom.

41.3 For the purpose of this Bye-law 41, "cause" shall mean (i) conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony, indictable offense or crime involving moral turpitude; (ii) commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company of any of its subsidiaries; or (iii) failure to meet the requirements for service as a director as set forth in the rules and regulates promulgated by the U.S. Securities and Exchange Commission or the Exchange; (iv) the Board's determination that Director failed to substantially perform the Director's duties (other than any such failure resulting from the Director's disability); (v) the Board's determination that the Director failed to carry out, or comply with any lawful and reasonable directive of the Board; or (vi) the Director's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its subsidiaries or while performing the Director's duties and responsibilities.

42. Vacancy in the Office of Director

42.1 The office of Director shall be vacated if the Director:

(a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;

(b) is or becomes an undischarged bankrupt, or has an order made against him pursuant to Section 94 of the Act;

(c) is or becomes of unsound mind or dies;

(d) resigns his office by notice to the Company; or

(e) is delivered a request in writing signed by all the other Directors to resign and he does not do so within 30 days of the date of such request pursuant to paragraph (d) of this Bye-law.

42.2 The Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director.

43. Remuneration of Directors

Directors may receive compensation for their services as Director, including, without limitation, compensation for service on any committee appointed by the Board and any additional fees for committee chairs, in amounts, and on such basis, as shall be established from time to time by the Board. The Directors may also be paid all travel, hotel and other expenses properly incurred by them (or in the case of a director that is a corporation, by its representative or representatives) in attending and returning from Board meetings, any committee appointed by the Board, general meetings, or in connection with the business of the Company or their duties as Directors generally.

44. Defect in Appointment

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

45. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Members.

46. Powers of the Board of Directors

46.1 The Board may:

(a) appoint, suspend, or remove any manager, Secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;

(b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;

(c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;

(d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;

(e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;

(f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;

(g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;

(h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;

(i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;

(j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and

(k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company.

47. Register of Directors and Officers

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

48. Appointment of Officers

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

49. Appointment of Secretary

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

50. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time, provided always that the execution of those powers and the performance of those duties remain subject to the general oversight of the Board.

51. Remuneration of Officers

The Officers shall receive such remuneration as the Board may determine.

52. Conflicts of Interest

52.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed between the parties. Nothing herein contained shall authorise a Director or a Director's firm, partner or company to act as Auditor to the Company.

52.2 A Director who is directly or indirectly interested in a contract or proposed contract with the Company (an "Interested Director") shall declare the nature of such interest as required by the Act.

52.3 Following a declaration of interest being made pursuant to Bye-law 52.2, the Interested Director shall not be disqualified from participating in the discussion or voting on the matter unless the chairman of the meeting determines that such Interested Director shall be disqualified as such. In the event the chairman of the meeting is the Interested Director making a declaration under Bye-law 52.2, the determination as to whether or not he should be disqualified may be made by a majority of the votes cast by the Directors not having such interest. In addition, an Interested Director may, but shall not be required to, recuse himself from the discussion or voting on any particular matter because of a possible conflict or for any other reason disclosed to the other Directors. Any Interested Director that is so disqualified or that elects to be recused shall nevertheless be counted toward a quorum for the meeting.

In the event that one or more Interested Directors are disqualified or elect to be recused from voting on a matter, or one or more Directors are later found to have an interest or conflict that should have been declared, the matter shall be approved or stand approved if it is or was approved by a majority of the votes cast by the Directors that do not have any interest or conflict in the matter, even if less than a quorum.

53. Indemnification and Exculpation of Directors and Officers

53.1 The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party", shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any monies or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any monies of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.

53.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

53.3 The Company may advance monies to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

MEETINGS OF THE BOARD OF DIRECTORS

54. Board Meetings

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

55. Notice of Board Meetings

The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a Board meeting on not less than 48 hours' notice. Notice shall be deemed to have been given in accordance with this Bye-law, notwithstanding it is held on less than 48 hours' notice, if all Directors attend the meeting in respect of which such notice is given. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

56. Electronic Participation in Meetings

Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

57. Quorum at Board Meetings

The quorum necessary for the transaction of business at a Board meeting shall be a majority of the Directors, provided that if there is only one Director for the time being in office the quorum shall be one.

58. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

59. Chairman to Preside

Unless otherwise agreed by a majority of the Directors attending, the Chairman, if there be one, and if not, the President, if there be one, shall act as chairman at all Board meetings at which such person is present. In their absence, a chairman shall be appointed or elected by the Directors present at the meeting, unless otherwise determined in accordance with procedures adopted by the Board.

60. Written Resolutions

A resolution signed by all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by the last Director.

61. Validity of Prior Acts of the Board

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

62. Minutes

The Board shall cause minutes to be duly entered in books provided for the purpose:

(a) of all elections and appointments of Officers;

(b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and

(c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

63. Place Where Corporate Records Kept

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

64. Form and Use of Seal

64.1 The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.

64.2 A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.

64.3 A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

65. Records of Account

65.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:

(a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;

(b) all sales and purchases of goods by the Company; and

(c) all assets and liabilities of the Company.

65.2 Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.

65.3 Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

66. Financial Year End

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

AUDITS

67. Annual Audit

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

68. Appointment of Auditor

68.1 Subject to the Act, the appointment of an auditor to the Company for each such fiscal year shall be submitted to the Members for their approval at the annual general meeting and at a subsequent general meeting.

68.2 The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

69. Remuneration of Auditor

69.1 The remuneration of an Auditor shall be fixed by the Members or by the Board (or a committee appointed by the Board), if it is authorised to do so by the Members, save that the remuneration of an Auditor appointed by the Board to fill a casual vacancy in accordance with these Bye-laws shall be fixed by the Board.

70. Duties of Auditor

70.1 The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

70.2 The generally accepted auditing standards referred to in this Bye-law may be U.S. Generally Accepted Accounting Principles or those of a country or a jurisdiction other than Bermuda or such other generally accepted accounting standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted accounting standards used.

71. Access to Records

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

72. Financial Statements and the Auditor's Report

72.1 Subject to the following Bye-law, the financial statements and/or the auditor's report as required by the Act shall be laid before the Members at the annual general meeting.

72.2 If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

73. Vacancy in the Office of Auditor

The Board may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION

74. Winding-Up

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

75. Changes to Bye-laws

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a resolution of the Members.

76. Changes to the Memorandum of Association

No alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members.

77. Discontinuance

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.

Exhibit 4.21


AXTA

COMMON SHARES

INCORPORATED UNDER THE LAWS OF BERMUDA

Axalta Coating Systems Ltd.

COMMON SHARES

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP

THIS CERTIFIES THAT

SPECIMEN

IS THE RECORD HOLDER OF

FULLY PAID AND NON-ASSESSABLE COMMON SHARES, $1.00 PAR VALUE PER SHARE, OF

AXALTA COATING SYSTEMS LTD.

transferable on the books of the Company in person or by duly authorized attorney upon surrender of this certificate properly endorsed.

This certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.

WITNESS the facsimile seal of the Company and the facsimile signatures of its duly authorized officer.

CERTIFICATE OF STOCK

Dated:

AXALTA COATING SYSTEMS LTD. BERMUDA 2012

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

COUNTERSIGNED AND REGISTERED

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC

(Brooklyn, NY)

TRANSFER AGENT AND REGISTRAR

BY

AUTHORIZED SIGNATURE

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT- ____________ Custodian ____________
(Cust) (Minor)
under Uniform Gifts to Minors
Act ____________
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, ________________________ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

____

____

____ Common Shares
represented by the within Certificate, and do hereby irrevocably constitute and appoint

____ Attorney
to transfer the said shares on the books of the within named Company with full power of substitution in the premises.

Dated ____________________________

X ____

X ____

NOTICE: THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Signature(s) Guaranteed

By ____

SIGNATURE(S) MUST BE GUARANTEED BY A FIRM WHICH IS A MEMBER OF A REGISTERED NATIONAL STOCK EXCHANGE OR BY A BANK (OTHER THAN A SAVINGS BANK) OR A TRUST COMPANY. THE GUARANTEEING FIRM MUST BE A MEMBER OF THE MEDALLION GUARANTEE PROGRAM. PURSUANT TO S.E.C. RULE 17Ad-15.

Exhibit 5.1

October 30, 2014

Axalta Coating Systems Ltd.
Clarendon House
2 Church Street
Hamilton, HM11
Bermuda

Dear Sirs,

Re: Axalta Coating Systems Ltd. **(the "Company")**

We have acted as special Bermuda legal counsel to the Company in connection with a registration statement on form S-1, as amended (Registration No. 333-198271**),** filed with the U.S. Securities and Exchange Commission (the "Commission") on August 20, 2014 (the "Registration Statement", which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto) relating to the registration under the U.S. Securities Act of 1933, as amended, (the "Securities Act") of an aggregate of 51,570,000 common shares, par value US$1.00 each of which 45,000,000 are being offered by certain selling shareholders of the Company (the "Selling Shareholders") together with an additional 6,750,000 common shares, par value US$1.00 each subject to an option granted to the underwriters by the Selling Shareholders (collectively, the "Common Shares").

For the purposes of giving this opinion, we have examined a copy of the Registration Statement. We have also reviewed the memorandum of association and the bye-laws of the Company, each certified by the secretary of the Company on October 30, 2014, and minutes of a meeting of its directors held on 19 August 2014, and a copy of resolutions approved at a meeting of its directors held on 22 October 2014, as certified by the assistant secretary of the Company on October 29, 2014, (together, the "Resolutions") and such other documents and made such enquiries as to questions of law as we have deemed necessary in order to render the opinion set forth below.

We have assumed (a) the genuineness and authenticity of all signatures and the conformity to the originals of all copies (whether or not certified) examined by us and the authenticity and completeness of the originals from which such copies were taken, (b) that where a document has been examined by us in draft form, it will be or has been executed and/or filed in the form of that draft, and where a number of drafts of a document have been examined by us all changes thereto have been marked or otherwise drawn to our attention,

(c) the accuracy and completeness of all factual representations made in the Registration Statement and other documents reviewed by us, (d) that the Resolutions were passed at one or more duly convened, constituted and quorate meetings, or by unanimous written resolutions, remain in full force and effect and have not been rescinded or amended, and (e) that there is no provision of the law of any jurisdiction, other than Bermuda, which would have any implication in relation to the opinions expressed herein.

We have made no investigation of and express no opinion in relation to the laws of any jurisdiction other than Bermuda. This opinion is to be governed by and construed in accordance with the laws of Bermuda and is limited to and is given on the basis of the current law and practice in Bermuda. This opinion is issued solely for the purposes of the filing of the Registration Statement and the offering of the Common Shares by the Company and is not to be relied upon in respect of any other matter.

On the basis of and subject to the foregoing, we are of the opinion that:

1. The Company is duly incorporated and existing under the laws of Bermuda in good standing (meaning solely that it has not failed to make any filing with any Bermuda government authority or to pay any Bermuda government fees or tax which would make it liable to be struck off the Register of Companies and thereby cease to exist under the laws of Bermuda).

2. Based solely upon a review of the register of members of the Company dated October 30, 2014, prepared by the secretary of the Company, the Common Shares are validly issued, fully paid and non-assessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to our firm under the caption **"**LEGAL MATTERS**"** in the prospectus forming a part of the Registration Statement. In giving this consent, we do not hereby admit that we are experts within the meaning of Section 11 of the Securities Act or that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission promulgated thereunder.

Yours faithfully,

/s/ Conyers Dill & Pearman Pte. Ltd.

Conyers Dill & Pearman Pte. Ltd.

INDEMNIFICATION AGREEMENT

This Indemnification and Advancement Agreement (“Agreement”) is made as of , 2014 by and between Axalta Coating Systems Ltd., a Bermuda exempted company, (the “Company”), and (“Indemnitee”).

RECITALS:

WHEREAS, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself;

WHEREAS, highly competent persons have become more reluctant to serve as directors or in other capacities unless they are provided with adequate protection through insurance and adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board of Directors of the Company (the “Board”) has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, Section 98 of the Companies Act of Bermuda empowers the Company to indemnify by agreement its directors, officers, employees, and agents, and persons who serve at the request of the Corporation as directors, officers, employees or agents of other corporations or enterprises;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bye-Laws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder, and

WHEREAS, (i) Indemnitee may not regard the protection available under the Bye-Laws and insurance as adequate in the present circumstances, (ii) Indemnitee may not be willing to serve or continue to serve as a director without adequate protection, (iii) the Company desires Indemnitee to serve in such capacity, and (iv) Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he be so indemnified.

AGREEMENT:

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions.

(a) As used in this Agreement:

"Affiliate" of any specified Person shall mean any other Person controlling, controlled by or under common control with such specified Person.

"Corporate Status" describes the Indemnitee's past, present or future status as a director, officer, fiduciary, trustee, employee or agent of (i) the Company or (ii) any other Enterprise of which such person is or was serving at the request of the Company.

"Companies Act" means the Companies Act 1981.

"Disinterested Director" means a director of the Company who is not or was not a party to a Proceeding in respect of which indemnification is sought by Indemnitee.

"Enterprise" shall mean the Company and any of its subsidiaries and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent, fiduciary or trustee.

"Expenses" shall mean all reasonable direct and indirect costs, expenses, fees and charges (including without limitation attorneys' fees, retainers, court costs, transcript costs, fees and cost of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses) of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also shall include, without limitation, (i) expenses incurred in connection with any appeal resulting from, incurred by Indemnitee in connection with, arising out of respect of or relating to, any Proceeding, including without limitation, the premium, security for, and other costs relating to any cost bond, supersedes bond, or other appeal bond or its equivalent, (ii) for purposes of Section 9(d) only, expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise, (iii) any United States federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, and (iv) any interest, assessments or other charges in respect of the foregoing.

"Indemnity Obligations" shall mean all obligations of the Company to Indemnitee under this Agreement, including the Company's obligations to provide indemnification to Indemnitee and advance Expenses to Indemnitee under this Agreement.

"Independent Counsel" shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder; provided, however, that the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

"Liabilities" means all claims, liabilities, damages, losses, judgments (including pre- and post-judgment interest), orders, fines, penalties and other amounts payable in connection with, arising out of, or in respect of or relating to any Proceeding, including, without limitation, amounts paid in settlement in any Proceeding and all costs and expenses in complying with any judgment, order or decree issued or entered in connection with any Proceeding or any settlement agreement, stipulation or consent decree entered into or issued in settlement of any Proceeding.

"Person" shall mean any individual, corporation, partnership, limited partnership, limited liability company, trust, governmental agency or body or any other legal entity.

"Proceeding" shall mean any actual threatened, pending or completed action, claim, suit, arbitration, alternate dispute resolution mechanism, formal or informal hearing, inquiry or investigation, litigation, inquiry, administrative hearing or any other actual, threatened, pending or completed judicial, administrative or arbitration proceeding (including, without limitation, any such proceeding under the United States Securities Act of 1933, as amended, or the United States Securities Exchange Act of 1934 or any other United States federal law, state law, statute or regulation), whether brought by or in the name or right of the Company or otherwise, and whether of a civil, criminal, administrative or investigative nature, in each case, in which Indemnitee was, is or will be, or is threatened to be, involved as a party, witness or otherwise by reason of the Indemnitee's Corporate Status, or by reason of any actual or alleged action taken by Indemnitee or of any inaction on Indemnitee's part while having any Corporate Status, in each case, whether or not serving in such capacity at the time any Liability or Expense is incurred for which indemnification, reimbursement, or advancement of expenses can be provided under this Agreement.

"Sponsor Entities" means (i) Carlyle Partners V SA1 Cayman, L.P., Carlyle Partners V SA2 Cayman, L.P., Carlyle Partners V SA3 Cayman, L.P., Carlyle Partners V-A Cayman, L.P., CP V Coinvestment A Cayman, L.P., CP V Coinvestment B Cayman, L.P., Carlyle Coatings Partners, L.P., and CEP III Participations, S.à r.l. SICAR; and (ii) any Affiliate of any Person referenced in the preceding clause (i); provided, however, that neither the Company nor any of its subsidiaries shall be considered Sponsor Entities hereunder.

(b) For the purpose hereof, references to "fines" shall include any excise tax assessed with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, fiduciary, trustee, employee or agent of the

Company which imposes duties on, or involves services by, such director, officer, fiduciary, trustee, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a Person who acted in good faith and in a manner he reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

Section 2. Indemnity.

(a) Subject to Section 8, the Company shall indemnify the Indemnitee if the Indemnitee is a party or is threatened to be made a party to any threatened, pending or completed Proceeding, including a Proceeding brought by or in the right of the Company, by reason of the fact that the Indemnitee is or was a director, officer, employee, agent, or fiduciary of the Company or is or was serving at the request of the Company as a director, officer, employee, agent, or fiduciary of any other company, corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other entity or enterprise or by reason of anything done or not done by the Indemnitee in any such capacity. Subject to Section 8, pursuant to this Section 2, the Indemnitee shall be indemnified from and against all Liabilities and Expenses actually and reasonably incurred by the Indemnitee in connection with such Proceeding (including, but not limited to, the investigation, defense, settlement or appeal thereof).

(b) Notwithstanding any other provision of this Agreement other than Section 8, the Indemnitee shall be indemnified against all expenses (including attorneys' fees and disbursements) actually and reasonably incurred by the Indemnitee or on the Indemnitee's behalf in defending any Proceedings referred to in Section 2(a) in which judgment is given in his favor, in which he is acquitted, or in respect of which relief is granted to him by the Court under section 281 of the Companies Act.

(c) Without limiting the scope of the indemnity provided under any other provision of this Agreement, if the Indemnitee has reason to apprehend that any claim will or might be made against him in respect of any negligence, default, breach of duty or breach of trust, he may apply to the Court for relief pursuant to section 281 of the Companies Act and, to the extent that the Court relieves him, either wholly or partly, from his liability in accordance with section 281 of the Companies Act, the Indemnitee shall be indemnified against any liability incurred by him in defending any Proceedings in accordance with section 98(2)(b) of the Companies Act.

Section 3. Indemnification For Expenses as a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness in any Proceeding to which Indemnitee is not a party, he shall be indemnified against all Liabilities and Expenses suffered or incurred by him or on his behalf in connection therewith.

Section 4. Additional Indemnification. Notwithstanding any limitation in Section 2, the Company shall indemnify Indemnitee to the fullest extent permitted by applicable law if Indemnitee is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the name or right of the Company to procure a judgment in its favor) against all Liabilities and Expenses suffered or incurred by Indemnitee in connection with such Proceeding:

i. to the fullest extent permitted by the provision of the Companies Act that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the Companies Act, and

ii. to the fullest extent authorized or permitted by any amendments to or replacements of the Companies Act adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

Section 5. Advances of Expenses. In accordance with the pre-existing provision of Section 52.3 of the Bye-Laws, and notwithstanding Section 8 and any other provision of this Agreement to the contrary, the Company shall advance, to the extent not prohibited by law, the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made no later than thirty (30) days after the receipt by the Company of a statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest-free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall include any and all Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. The Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement. Indemnitee agrees to repay any amounts advanced if any allegation of fraud or dishonesty is proved against Indemnitee.

Section 6. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall notify the Company in writing of any Proceeding with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. The written notification to the Company shall include a description of the nature of the Proceeding and the facts underlying the Proceeding. To obtain indemnification or advancement of Expenses under this Agreement, Indemnitee shall submit to the Company a written request therefor, including therein or therewith such documentation and information as is reasonably available to Indemnitee. Subject to Section 8, upon making such request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification hereunder and the Company shall have the burden of proof in the making of any determination contrary to such presumption. Any delay or failure by Indemnitee to notify the Company hereunder will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay or failure in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification or advancement of Expenses, advise the Board in writing that Indemnitee has made such a request.

(b) In the event Indemnitee is entitled to indemnification or advancement of Expenses with respect to any Proceeding, Indemnitee may, at Indemnitee's option, (i) retain counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld, conditioned or delayed) to represent Indemnitee in, and with respect to, such Proceeding, at the sole expense of the Company, or (ii) have the Company assume the defense of Indemnitee in such Proceeding, in which case the Company shall assume the defense of such Proceeding with counsel selected by the Company and approved by Indemnitee (which approval shall not be unreasonably withheld, conditioned or delayed) within ten (10) days of the Company's receipt of written notice of Indemnitee's election to cause the Company to do so. If the Company is required to assume the defense of any such Proceeding, it shall engage legal counsel for such defense, and the Company shall be solely responsible for all fees and expenses of such legal counsel and otherwise of such defense. Such legal counsel may represent both Indemnitee and the Company (and/or any other party or parties entitled to be indemnified by the Company with respect to such matter) unless, in the reasonable opinion of Indemnitee (after consultation with legal counsel), there is an actual or potential conflict of interest between Indemnitee and the Company (or any other such party or parties) or there are legal defenses available to Indemnitee that are not available to the Company (or any such other party or parties). Notwithstanding either party's assumption of responsibility for defense of a Proceeding, each party shall have the right to engage separate counsel at its own expense. The party having responsibility for defense of a Proceeding shall provide the other party and its counsel with all copies of pleadings and material correspondence relating to the Proceeding. Indemnitee and the Company shall reasonably cooperate in the defense of any Proceeding with respect to which indemnification is sought hereunder, regardless of whether the Company or Indemnitee assumes the defense thereof. Indemnitee may not settle or compromise any Proceeding without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. The Company may not settle or compromise any Proceeding without the prior written consent of Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 7. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 6(a), subject to Section 8, the Company shall advance all reasonable fees and expenses necessary to defend against a Claim. If any determination by the Company is required by applicable law with respect to Indemnitee's ultimate entitlement to indemnification, such determination shall be made by the following person or persons who shall be empowered to make such determination:

(i) the Board, by a majority vote of the Disinterested Directors; or

(ii) if such vote is not obtainable or, even if obtainable, if such Disinterested Directors so direct by majority vote, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee.

For the purposes of Section 7(a)(ii), Independent Counsel shall be selected by the Board and approved by the Indemnitee. Upon failure of the Board to so select such Independent Counsel or upon failure of the Indemnitee to so approve, such Independent Counsel shall be selected by a single arbitrator pursuant to the rules of the American Arbitration Association. Such determination of entitlement shall be made no later than thirty (30) days after receipt of Indemnitee's written request for indemnification pursuant to this Agreement. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Subject to Section 8, any costs or Expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. The Company will not deny any written request for indemnification hereunder made by Indemnitee unless an adverse determination as to Indemnitee's entitlement to such indemnification described in this Section 7 has been made. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto. The Company shall be bound by and shall have no right to challenge a favorable determination of Indemnitee's entitlements.

(b) In the event any determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 7(a)(ii) hereof, (i) the Independent Counsel shall be selected by the Company within ten (10) days of the Submission Date (as defined below) (the cost of each such counsel to be paid by the Company), (ii) the Company shall give written notice to Indemnitee advising it of the identity of the Independent Counsel so selected and (iii) Indemnitee may, within ten (10) days after such written notice of selection shall have been given, deliver to the Company Indemnitee's written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1 of this Agreement. Absent a timely objection, the person so selected shall act as Independent Counsel. If a written objection is so made by Indemnitee, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit. If no Independent Counsel shall have been selected and not objected to before the later of (i) thirty (30) days after the submission by Indemnitee of a written request for indemnification pursuant to Section 7(a) hereof (the "Submission Date") and (ii) ten (10) days after the final disposition of the Proceeding, each of the Company and Indemnitee shall select a law firm or member of a law firm meeting the qualifications to serve as Independent Counsel, and such law firms or members of law firms shall select the Independent Counsel. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 9(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding; provided that, in absence of any such determination with respect to such Proceeding, the Company shall pay Liabilities and advance Expenses with respect to such Proceeding as if the Company had determined the Indemnitee to be entitled to indemnification and advancement of Expenses with respect to such Proceeding.

Section 8. Limitation of Indemnification. Notwithstanding any other terms of this Agreement, nothing herein shall indemnify the Indemnitee against, or exempt the Indemnitee from, any liability in respect of the Indemnitee's fraud or dishonesty.

Section 9. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 6(a) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the person, persons or entity empowered or selected under Section 7 of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent a prohibition of such indemnification under applicable law; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if (i) the determination is to be made by Independent Counsel and Indemnitee objects to the Company's selection of Independent Counsel and (ii) the Independent Counsel ultimately selected requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee is not entitled to indemnification under this Agreement.

(d) Reliance as Safe Harbor. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers, employees, boards (or committees thereof) or agents of the Enterprise in the course of their duties, or on the advice of legal counsel or other advisors (including financial advisors and accountants) for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser, actuary or other expert or advisor selected with reasonable care by the Enterprise. The provisions of this Section 9(e) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) Actions of Others. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 10. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 7 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 7(a) of this Agreement within forty-five (45) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 3 or the second to last sentence of Section 7(a) of this Agreement within ten (10) days after receipt by the Company of a written request therefor, (v) payment of indemnification pursuant to Section 2 or 4 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of competent jurisdiction of Indemnitee's entitlement to such indemnification and/or advancement of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 7 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 10 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 10, the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) If a determination shall have been made pursuant to Section 7(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 10, absent a prohibition of such indemnification under applicable law.

(d) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 10 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement. It is the intent of the Company that the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the extent not prohibited by law, such Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action or proceeding brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement, any other agreement, or the Bye-Laws, or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

Section 11. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Bye-Laws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Bermuda law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Bye-Laws and/or this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of Expenses and/or insurance provided by one or more Persons with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity). The Company hereby acknowledges and agrees that (i) the Company shall be the indemnitor of first resort with respect to any Proceeding, Expense, Liability or matter that is the subject of the Indemnity Obligations, (ii) the Company shall be primarily liable for all Indemnity Obligations and any indemnification afforded to Indemnitee in respect of any Proceeding, Expense, Liability or matter that is the subject of Indemnity Obligations, whether created by law, organizational or constituent documents, contract (including this Agreement) or otherwise, (iii) any obligation of any other Persons with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) to indemnify Indemnitee and/or advance Expenses to Indemnitee in respect of any proceeding shall be secondary to the obligations of the Company hereunder, (iv) the Company shall be required to indemnify Indemnitee and advance Expenses to Indemnitee hereunder to the fullest extent provided herein without regard to any rights Indemnitee may have against any other Person with whom or which Indemnitee may be associated (including, any Sponsor Entity) or insurer of any such Person and (v) the Company irrevocably waives, relinquishes and releases (1) any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) from any claim of contribution, subrogation, reimbursement, exoneration or indemnification, or any other recovery of any kind in respect of amounts paid by the Company hereunder; and (2) any right to participate in any claim or remedy of Indemnitee against any Sponsor Entity (or former Sponsor Entity), whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Sponsor Entity (or former Sponsor Entity), directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right. In the event any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) or their insurers advances or extinguishes any liability or loss which is the subject of any Indemnity Obligation owed by the Company or payable under any insurance policy provided under this Agreement, the payor shall have a right of subrogation against the Company or its insurer or insurers for all amounts so paid which would otherwise be payable by the Company or its insurer or insurers under this Agreement. In no event will payment of an Indemnity Obligation of the Company under this Agreement by any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) or their insurers affect the obligations of the Company hereunder or shift primary liability for any Indemnity Obligation to any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity). Any indemnification and/or insurance or advancement of Expenses provided by any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) with respect to any liability arising as a result of Indemnitee's Corporate Status or capacity as an officer or director of any Person is specifically in excess over any Indemnity Obligation of the Company or any valid and collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Company under this Agreement, and any obligation to provide indemnification and/or insurance or advance Expenses of any other Person with whom or which Indemnitee may be associated (including, without limitation, any Sponsor Entity) shall be reduced by any amount that Indemnitee collects from the Company as an indemnification payment or advancement of Expenses pursuant to this Agreement.

(c) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, fiduciaries, trustees or agents of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise for which such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee, fiduciary, trustee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(d) In the event of any payment under this Agreement, the Company shall not be subrogated to and hereby waives any rights to be subrogated to any rights of recovery of Indemnitee, including rights of indemnification provided to Indemnitee from any other person or entity with whom Indemnitee may be associated (including, without limitation, any Sponsor Entity) as well as any rights to contribution that might otherwise exist; provided, however, that the Company shall be subrogated to the extent of any such payment of all rights of recovery of Indemnitee under insurance policies of the Company or any of its subsidiaries.

(e) The indemnification and contribution provided for in this Agreement will remain in full force and effect regardless of any investigation made by or on behalf of Indemnitee.

Section 12. Duration of Agreement; Not Employment Contract. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and Indemnitee's heirs, executors and administrators. The Company shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee. Indemnitee specifically acknowledges that Indemnitee's employment with the Company (or any of its subsidiaries or any Enterprise), if any, is at will, and the Indemnitee may be discharged at any time for any reason, with or without cause, except as may be otherwise provided in any written employment contract between Indemnitee and the Company (or any of its subsidiaries or any Enterprise), other applicable formal severance policies duly adopted by the Board, or, with respect to service as a director of the Company, by the Memorandum of Association of the Company, the Bye-Laws, and the Companies Act.

Section 13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 14. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director, officer, employee, fiduciary, trustee or agent of the Company or (at the request of the Company) any other Enterprise.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Bye-Laws and applicable law, and shall not be deemed a substitute therefore, nor to diminish or abrogate any rights of Indemnitee thereunder.

(c) The parties hereto agree that each party hereto may enforce this Agreement by seeking specific performance hereof, without any necessity of showing irreparable harm or posting a bond, which requirements are hereby waived, and that by seeking specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which he or she may be entitled.

Section 15. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all of the parties hereto. Except as otherwise expressly provided herein, the rights of a party hereunder (including the right to enforce the obligations hereunder of the other parties) may be waived only with the written consent of such party, and no waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 16. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee shall provide to the Company.

(b) If to the Company to

Axalta Coating Systems
Two Commerce Square
2001 Market Street
Suite 3600
Philadelphia, Pennsylvania 19103
Attention: General Counsel

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

The Carlyle Group
1001 Pennsylvania Avenue, NW
Washington, DC 20004-2505
Attention: Gregory S. Ledford

and

Latham & Watkins LLP
555 11th Street NW
Suite 1000
Washington, DC 20004-1304
Attention: Patrick H. Shannon, Esq.

or to any other address as may have been furnished to Indemnitee by the Company.

Section 17. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company and any other Enterprise (and their other respective directors, officers, employees, fiduciaries, trustees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 18. Applicable Law and Consent to Jurisdiction. The terms and conditions of this Agreement and the rights of the parties hereunder shall be governed by and construed in all respects in accordance with the laws of the Islands of Bermuda. The parties to this Agreement hereby irrevocably agree that the courts of Bermuda shall have non-exclusive jurisdiction in respect of any dispute, suit, action, arbitration or proceedings (“Agreement Proceedings”) which may arise out of or in connection with this Agreement and waive any objection to Agreement Proceedings in the courts of Bermuda on the grounds of venue or on the basis that the Agreement Proceedings have been brought in an inconvenient forum.

Section 19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 20. Third-Party Beneficiaries. The Sponsor Entities are intended third-party beneficiaries of this Agreement.

Section 21. Miscellaneous. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

AXALTA COATING SYSTEMS LTD.

By: ______________________________________
Name:
Title:

INDEMNITEE

____

Name:	[ ]
Address:	[ ]
	[ ]
	[ ]

Signature Page to Indemnification Agreement

Exhibit 10.56

AXALTA COATING SYSTEMS LTD.
2014 INCENTIVE AWARD PLAN

ARTICLE 1.

PURPOSE

The purpose of the Axalta Coating Systems Ltd. 2014 Incentive Award Plan (as it may be amended or restated from time to time, the "Plan") is to promote the success and enhance the value of Axalta Coating Systems Ltd. (the "Company") by linking the individual interests of the members of the Board, Employees, and Consultants to those of Company shareholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company shareholders. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of members of the Board, Employees, and Consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent.

ARTICLE 2.

DEFINITIONS AND CONSTRUCTION

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 "Administrator" shall mean the entity that conducts the general administration of the Plan as provided in Article 12. With reference to the duties of the Committee under the Plan which have been delegated to one or more persons pursuant to Section 12.6, or as to which the Board has assumed, the term "Administrator" shall refer to such person(s) unless the Committee or the Board has revoked such delegation or the Board has terminated the assumption of such duties.

2.2 "Applicable Accounting Standards" shall mean Generally Accepted Accounting Principles in the United States, International Financial Reporting Standards or such other accounting principles or standards as may apply to the Company's financial statements under United States federal securities laws from time to time.

2.3 "Applicable Law" shall mean any applicable law, including without limitation: (a) provisions of the Code, the Securities Act, the Exchange Act and any rules or regulations thereunder; (b) corporate, securities, tax or other laws, statutes, rules, requirements or regulations, whether federal, state, local or foreign; and (c) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded.

2.4 "Award" shall mean an Option, a Restricted Stock award, a Restricted Stock Unit award, a Performance Award, a Dividend Equivalent award, a Stock Payment award or a Stock Appreciation Right, which may be awarded or granted under the Plan (collectively, "Awards").

2.5 “Award Agreement” shall mean any written notice, agreement, terms and conditions, contract or other instrument or document evidencing an Award, including through electronic medium, which shall contain such terms and conditions with respect to an Award as the Administrator shall determine consistent with the Plan.

2.6 “Board” shall mean the Board of Directors of the Company.

2.7 “Carlyle Shareholders” shall mean (i) Carlyle Partners V SA1 Cayman, L.P., Carlyle Partners V SA2 Cayman, L.P., Carlyle Partners V SA3 Cayman, L.P., Carlyle Partners V-A Cayman, L.P., CP V Coinvestment A Cayman, L.P., CP V Coinvestment B Cayman, L.P., CEP III Participations, S.à r.l. SICAR, and Carlyle Coatings Partners, L.P.; and (ii) any of their affiliates, to which (a) any of the Carlyle Shareholders or any other person transfers Common Stock or (b) the Company issues Common Stock.

2.8 “Change in Control” shall mean and includes each of the following:

(a) A transaction or series of transactions whereby any “person” or related “group” of “persons” (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a “person” that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company’s securities outstanding immediately after such acquisition; or

(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Section 2.9(a) or 2.9(c)) whose election by the Board or nomination for election by the Company’s shareholders was approved by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company’s assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company’s voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company’s assets or otherwise succeeds to the business of the Company (the Company or such person, the “Successor Entity”)) directly or indirectly, at least a majority of the combined voting power of the Successor Entity’s outstanding voting securities immediately after the transaction, and

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.9(c)(ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; or

(d) The Company's shareholders approve a liquidation or dissolution of the Company.

Notwithstanding the foregoing, no transaction, event or occurrence shall constitute a Change in Control if, immediately following such transaction, event or occurrence, Carlyle Shareholders own at least 50% of the combined voting power of the Company or the Successor Entity.

In addition, if a Change in Control constitutes a payment event with respect to any portion of an Award that provides for the deferral of compensation and is subject to Section 409A of the Code, the transaction or event described in subsection (a), (b), (c) or (d) with respect to such Award (or portion thereof) must also constitute a "change in control event," as defined in Treasury Regulation Section 1.409A-3(i)(5) to the extent required by Section 409A.

The Committee or the Board shall have full and final authority, which shall be exercised in its sole discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a "change in control event" as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

2.9 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, together with the regulations and official guidance promulgated thereunder.

2.10 "Committee" shall mean the Compensation Committee of the Board, or another committee or subcommittee of the Board or the Compensation Committee of the Board, appointed as provided in Section 12.1.

2.11 "Common Stock" shall mean the common shares of the Company.

2.12 "Company" shall have the meaning set forth in Article 1.

2.13 "Consultant" shall mean any consultant or adviser engaged to provide services to the Company or any Subsidiary that qualifies as a consultant under the applicable rules of the Securities and Exchange Commission for registration of shares on a Form S-8 Registration Statement.

2.14 "Director" shall mean a member of the Board, as constituted from time to time.

2.15 “Dividend Equivalent” shall mean a right to receive the equivalent value (in cash or Shares) of dividends paid on Shares, awarded under Section 9.2.

2.16 “DRO” shall mean a domestic relations order as defined by the Code or Title I of the Employee Retirement Income Security Act of 1974, as amended from time to time, or the rules thereunder.

2.17 “Effective Date” shall mean the day prior to the Public Trading Date.

2.18 “Eligible Individual” shall mean any person who is an Employee, a Consultant or a Non-Employee Director, as determined by the Committee.

2.19 “Employee” shall mean any officer or other employee (as determined in accordance with Section 3401(c) of the Code and the Treasury Regulations thereunder) of the Company or of any Subsidiary.

2.20 “Equity Restructuring” shall mean a nonreciprocal transaction between the Company and its then-current shareholders, such as a share dividend, share split, spin-off, or recapitalization through a large, nonrecurring cash dividend, that affects the number or kind of Shares (or other securities of the Company) or the share price of Common Stock (or other securities) and causes a change in the per-share value of the Common Stock underlying outstanding Awards.

2.21 “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended from time to time.

2.22 “Expiration Date” shall have the meaning given to such term in Section 13.1.

2.23 “Fair Market Value” shall mean, as of any given date, the value of a Share determined as follows:

(a) If the Common Stock is listed on any (i) established securities exchange (such as the New York Stock Exchange, the NASDAQ Global Market and the NASDAQ Global Select Market), (ii) national market system or (iii) automated quotation system on which the Shares are listed, quoted or traded, its Fair Market Value shall be the closing sales price for a Share as quoted on such exchange or system for such date or, if there is no closing sales price for a Share on the date in question, the closing sales price for a Share on the last preceding date for which such quotation exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(b) If the Common Stock is not listed on an established securities exchange, national market system or automated quotation system, but the Common Stock is regularly quoted by a recognized securities dealer, its Fair Market Value shall be the mean of the high bid and low asked prices for such date or, if there are no high bid and low asked prices for a Share on such date, the high bid and low asked prices for a Share on the last preceding date for which such information exists, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(c) If the Common Stock is neither listed on an established securities exchange, national market system or automated quotation system nor regularly quoted by a recognized securities dealer, its Fair Market Value shall be established by the Administrator in good faith.

2.24 "Greater Than 10% Shareholder" shall mean an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of shares of the Company or any subsidiary corporation (as defined in Section 424(f) of the Code) or parent corporation thereof (as defined in Section 424(e) of the Code).

2.25 "Holder" shall mean a person who has been granted an Award.

2.26 "Incentive Stock Option" shall mean an Option that is intended to qualify as an incentive stock option and conforms to the applicable provisions of Section 422 of the Code.

2.27 "Non-Employee Director" shall mean a Director of the Company who is not an Employee.

2.28 "Non-Employee Director Equity Compensation Policy" shall have the meaning set forth in Section 4.5.

2.29 "Non-Qualified Stock Option" shall mean an Option that is not an Incentive Stock Option.

2.30 "Option" shall mean a right to purchase Shares at a specified exercise price, granted under Article 5. An Option shall be either a Non-Qualified Stock Option or an Incentive Stock Option; provided, however, that Options granted to Non-Employee Directors and Consultants shall only be Non-Qualified Stock Options.

2.31 "Option Term" shall have the meaning set forth in Section 5.4.

2.32 "Performance Award" shall mean a cash bonus award, stock bonus award, performance award or incentive award that is paid in cash, Shares or a combination of both, awarded under Section 9.1.

2.33 "Performance Criteria" shall mean the criteria (and adjustments) that the Committee selects for an Award for purposes of establishing the Performance Goal or Performance Goals for a Performance Period, determined as follows:

(a) The Performance Criteria that shall be used to establish Performance Goals are limited to the following: (i) net earnings or losses or adjusted net earnings or losses (in any case either before or after one or more or none of the following: (A) interest, (B) taxes, (C) depreciation and (D) amortization) (including for the avoidance of doubt Adjusted EBITDA); (ii) gross or net sales or revenue or sales or revenue growth; (iii) net income (either before or after taxes); (iv) adjusted net income; (v) operating earnings or profit (either before or after taxes); (vi) cash flow (including, but not limited to, operating cash flow and free cash flow); (vii) return on assets; (viii) return on capital (or invested capital) and cost of capital; (ix) return on shareholders' equity; (x) total shareholder return; (xi) return on sales; (xii) gross or net or adjusted profit or operating margin, including EBITDA margin and EBIT margin (including for the avoidance of doubt Adjusted EBITDA Margin); (xiii) costs, reductions in costs and cost control measures; (xiv) expenses; (xv) working capital; (xvi) earnings or loss per share; (xvii) adjusted earnings or loss per share; (xviii) price per share or dividends per share (or appreciation in and/or maintenance of such price or dividends); (xix) regulatory achievements or compliance (including, without limitation, regulatory body approval for commercialization of a product); (xx) implementation or completion of critical projects; (xxi) market share; (xxii) return on capital; (xxiii) return on net assets; (xxiv) sales and sales unit volume; (xxv) brand recognition and acceptance; (xxvi) inventory turns or cycle time; (xxvii) market penetration and geographic business expansion; (xxviii) customer satisfaction/growth; (xxix) employee satisfaction; (xxx) recruitment and maintenance of personnel; (xxxi) human resources management; (xxxii) supervision of litigation and other legal matters; (xxxiii) strategic; (xxxiv) partnerships and transactions; (xxxv) financial ratios (including those measuring liquidity or activity); and (xxxvi) economic value, any of which may be measured either in absolute terms or as compared to any incremental increase or decrease or as compared to results of a peer group or to market performance indicators or indices.

(b) The Administrator, in its sole discretion, may provide that one or more objectively determinable adjustments shall be made to one or more of the Performance Goals. Such adjustments may include one or more of the following: (i) items related to a change in accounting principle; (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions; (vi) items attributable to the business operations of any entity acquired by the Company during the Performance Period; (vii) items related to the disposal of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under Applicable Accounting Standards; (ix) items attributable to any share dividend, share split, combination or exchange of shares occurring during the Performance Period; (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of the Company’s core, on-going business activities; (xiv) items related to acquired in-process research and development; (xv) items relating to changes in tax laws; (xvi) items relating to major licensing or partnership arrangements; (xvii) items relating to asset impairment charges; (xviii) items relating to gains or losses for litigation, arbitration and contractual settlements; (xix) items attributable to expenses incurred in connection with a reduction in force or early retirement initiative; or (xx) items relating to any other unusual or nonrecurring events or changes in Applicable Law, accounting principles or business conditions.

2.34 “Performance Goals” shall mean, for a Performance Period, one or more goals established by the Administrator for the Performance Period based upon one or more Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance or the performance of a Subsidiary, division, business unit, or an individual.

2.35 “Performance Period” shall mean one or more periods of time, which may be of varying and overlapping durations, as the Administrator may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Holder’s right to, and the payment of, an Award.

2.36 “Performance Stock Unit” shall mean a Performance Award awarded under Section 9.1 which is denominated in units of value including dollar value of Shares.

2.37 “Permitted Transferee” shall mean, with respect to a Holder, any “family member” of the Holder, as defined in the instructions to Form S-8 under the Securities Act, or any other transferee specifically approved by the Administrator, after taking into account Applicable Law.

2.38 “Plan” shall have the meaning set forth in Article 1.

2.39 “Prior Plan” shall mean the Axalta Coating Systems Bermuda Co., Ltd. 2013 Equity Incentive Plan, as such plan may be amended from time to time.

2.40 “Prior Plan Award” shall mean an award outstanding under the Prior Plan as of the Effective Date.

2.41 “Program” shall mean any program adopted by the Administrator pursuant to the Plan containing the terms and conditions intended to govern a specified type of Award granted under the Plan and pursuant to which such type of Award may be granted under the Plan.

2.42 “Public Trading Date” shall mean the first date upon which Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

2.43 “Restricted Stock” shall mean Common Stock awarded under Article 7 that is subject to certain restrictions and may be subject to risk of forfeiture or repurchase.

2.44 “Restricted Stock Units” shall mean the right to receive Shares awarded under Article 8.

2.45 “Securities Act” shall mean the Securities Act of 1933, as amended.

2.46 “Shares” shall mean shares of Common Stock.

2.47 “Stock Appreciation Right” shall mean a stock appreciation right granted under Article 10.

2.48 “Stock Appreciation Right Term” shall have the meaning set forth in Section 10.4.

2.49 “Stock Payment” shall mean (a) a payment in the form of Shares, or (b) an option or other right to purchase Shares, as part of a bonus, deferred compensation or other arrangement, awarded under Section 9.3.

2.50 "Subsidiary" shall mean any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least fifty percent (50%) of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

2.51 "Substitute Award" shall mean an Award granted under the Plan upon the assumption of, or in substitution for, outstanding equity awards previously granted by a company or other entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock; provided, however, that in no event shall the term "Substitute Award" be construed to refer to an award made in connection with the cancellation and repricing of an Option or Stock Appreciation Right.

2.52 "Termination of Service" shall mean:

(a) As to a Consultant, the time when the engagement of a Holder as a Consultant to the Company or a Subsidiary is terminated for any reason, with or without cause, including, without limitation, by resignation, discharge, death or retirement, but excluding terminations where the Consultant simultaneously commences or remains in employment or service as an Employee or Non-Employee Director with the Company or any Subsidiary.

(b) As to a Non-Employee Director, the time when a Holder who is a Non-Employee Director ceases to be a Director for any reason, including, without limitation, a termination by resignation, failure to be elected, death or retirement, but excluding terminations where the Holder simultaneously commences or remains in employment or service as a Consultant or Employee with the Company or any Subsidiary.

(c) As to an Employee, the time when the employee-employer relationship between a Holder and the Company or any Subsidiary is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement; but excluding terminations where the Holder simultaneously commences or remains in employment or service as a Consultant or Non-Employee Director with the Company or any Subsidiary.

The Administrator, in its sole discretion, shall determine the effect of all matters and questions relating to any Termination of Service, including, without limitation, the question of whether a Termination of Service resulted from a discharge for cause and all questions of whether particular leaves of absence constitute a Termination of Service; provided, however, that, with respect to Incentive Stock Options, unless the Administrator otherwise provides in the terms of the Program, the Award Agreement or otherwise, or as otherwise required by Applicable Law, a leave of absence, change in status from an employee to an independent contractor or other change in the employee-employer relationship shall constitute a Termination of Service only if, and to the extent that, such leave of absence, change in status or other change interrupts employment for the purposes of Section 422(a)(2) of the Code and the then-applicable regulations and revenue rulings under said Section. For purposes of the Plan, a Holder's employee-employer relationship or consultancy relations shall be deemed to be terminated in the event that the Subsidiary employing or contracting with such Holder ceases to remain a Subsidiary following any merger, sale of stock or other corporate transaction or event (including, without limitation, a spin-off).

ARTICLE 3.

SHARES SUBJECT TO THE PLAN

3.1 Number of Shares.

(a) Subject to adjustment as provided in Sections 3.1(b) and 13.2, the aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan is 7,000,000. From and after the Effective Date, no future awards shall be granted under the Prior Plan; however, any Prior Plan Award shall continue to be subject to the terms and conditions of the Prior Plan.

(b) To the extent all or a portion of an Award or a Prior Plan Award is forfeited, expires or lapses for any reason, or is settled for cash without delivery of Shares to the Holder, any Shares subject to such Award, Prior Plan Award or portion thereof, to the extent of such forfeiture, expiration, lapse or cash settlement, shall again be or shall become, as applicable, available for the future grant of an Award pursuant to the Plan. Any Shares repurchased by or surrendered to the Company pursuant to Section 7.4 or in connection with any Prior Plan Award so that such Shares are returned to the Company shall again be or shall become, as applicable, available for the future grant of an Award pursuant to the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not be counted against the Shares available for issuance under the Plan. Notwithstanding the provisions of this Section 3.1(b), no Shares may again be or, as applicable, may become eligible to be, optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code.

(c) Substitute Awards shall not reduce the Shares authorized for grant under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan; provided that Awards using such available Shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not employed by or providing services to the Company or its Subsidiaries immediately prior to such acquisition or combination.

3.2 Stock Distributed. Any Shares distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Common Stock, treasury Common Stock or Common Stock purchased on the open market.

ARTICLE 4.

GRANTING OF AWARDS

4.1 Participation. The Administrator may, from time to time, select from among all Eligible Individuals, those to whom an Award shall be granted and shall determine the nature and amount of each Award, which shall not be inconsistent with the requirements of the Plan. Except as provided in Section 4.5 regarding the grant of Awards pursuant to the Non-Employee Director Equity Compensation Policy, no Eligible Individual shall have any right to be granted an Award pursuant to the Plan.

4.2 Award Agreement. Each Award shall be evidenced by an Award Agreement that sets forth the terms, conditions and limitations for such Award, which may include the term of the Award, the provisions applicable in the event of the Holder's Termination of Service, and the Company's authority to amend, modify, suspend, cancel or rescind an Award. Award Agreements evidencing Incentive Stock Options shall contain such terms and conditions as may be necessary to meet the applicable provisions of Section 422 of the Code.

4.3 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any individual who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including Rule 16b-3 of the Exchange Act and any amendments thereto) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

4.4 At-Will Employment; Voluntary Participation. Nothing in the Plan or in any Program or Award Agreement hereunder shall confer upon any Holder any right to continue in the employ of, or as a Director or Consultant for, the Company or any Subsidiary, or shall interfere with or restrict in any way the rights of the Company and any Subsidiary, which rights are hereby expressly reserved, to discharge any Holder at any time for any reason whatsoever, with or without cause, and with or without notice, or to terminate or change all other terms and conditions of employment or engagement, except to the extent expressly provided otherwise in a written agreement between the Holder and the Company or any Subsidiary. Participation by each Holder in the Plan shall be voluntary and nothing in the Plan shall be construed as mandating that any Eligible Individual shall participate in the Plan.

4.5 Non-Employee Director Awards. The Administrator, in its sole discretion, may provide that Awards granted to Non-Employee Directors shall be granted pursuant to a written nondiscretionary formula established by the Administrator (the "Non-Employee Director Equity Compensation Policy"), subject to the limitations of the Plan. The Non-Employee Director Equity Compensation Policy shall set forth the type of Award(s) to be granted to Non-Employee Directors, the number of Shares to be subject to Non-Employee Director Awards, the conditions on which such Awards shall be granted, become exercisable and/or payable and expire, and such other terms and conditions as the Administrator shall determine in its sole discretion. The Non-Employee Director Equity Compensation Policy may be modified by the Administrator from time to time in its sole discretion.

4.6 Stand-Alone and Tandem Awards. Awards granted pursuant to the Plan may, in the sole discretion of the Administrator, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

ARTICLE 5.

GRANTING OF OPTIONS

5.1 Granting of Options to Eligible Individuals. The Administrator is authorized to grant Options to Eligible Individuals from time to time, in its sole discretion, on such terms and conditions as it may determine, which shall not be inconsistent with the Plan.

5.2 Qualification of Incentive Stock Options. No Incentive Stock Option shall be granted to any person who is not an Employee. No person who qualifies as a Greater Than 10% Shareholder may be granted an Incentive Stock Option unless such Incentive Stock Option conforms to the applicable provisions of Section 422 of the Code. Any Incentive Stock Option granted under the Plan may be modified by the Administrator, with the written consent of the Holder, to disqualify such Option from treatment as an "incentive stock option" under Section 422 of the Code. To the extent that the aggregate Fair Market Value of Shares with respect to which "incentive stock options" (within the meaning of Section 422 of the Code, but without regard to Section 422(d) of the Code) are exercisable for the first time by a Holder during any calendar year under the Plan, and all other plans of the Company and any parent or subsidiary corporation thereof (each as defined in Section 424(e) and 424(f) of the Code, respectively), exceeds $100,000, the Options shall be treated as Non-Qualified Stock Options to the extent required by Section 422 of the Code. The rule set forth in the immediately preceding sentence shall be applied by taking Options and other "incentive stock options" into account in the order in which they were granted and the Fair Market Value of Shares shall be determined as of the time the respective options were granted.

5.3 Option Exercise Price. The exercise price per Share subject to each Option shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value of a Share on the date the Option is granted (or, as to Incentive Stock Options, on the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code). In addition, in the case of Incentive Stock Options granted to a Greater Than 10% Shareholder, such price shall not be less than 110% of the Fair Market Value of a Share on the date the Option is granted (or the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code).

5.4 Option Term. The term of each Option (the "Option Term") shall be set by the Administrator in its sole discretion; provided, however, that the Option Term shall not be more than ten (10) years from the date the Option is granted, or five (5) years from the date an Incentive Stock Option is granted to a Greater Than 10% Shareholder. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Holder has the right to exercise the vested Options, which time period may not extend beyond the last day of the Option Term. Except as limited by the requirements of Section 409A or Section 422 of the Code and regulations and rulings thereunder or the first sentence of this Section 5.4, the Administrator may extend the Option Term of any outstanding Option, and may extend the time period during which vested Options may be exercised, in connection with any Termination of Service of the Holder, and may amend, subject to Section 13.1, any other term or condition of such Option relating to such a Termination of Service.

5.5 Option Vesting.

(a) The period during which the right to exercise, in whole or in part, an Option vests in the Holder shall be set by the Administrator and the Administrator may determine that an Option may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based on service with the Company or any Subsidiary, any of the Performance Criteria, or any other criteria selected by the Administrator, and, except as limited by the Plan, at any time after the grant of an Option, the Administrator, in its sole discretion and subject to whatever terms and conditions it selects, may accelerate the period during which an Option vests.

(b) No portion of an Option which is unexercisable at a Holder’s Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator either in the applicable Program, the Award Agreement evidencing the grant of an Option, or by action of the Administrator following the grant of the Option. Unless otherwise determined by the Administrator in the Award Agreement or by action of the Administrator following the grant of the Option, the portion of an Option that is unexercisable at a Holder’s Termination of Service shall automatically expire thirty (30) days following such Termination of Service, or, in the event of a Holder’s Termination of Service for Cause (as such term may be defined in an applicable Award Agreement), immediately upon such Termination of Service.

5.6 Substitute Awards. Notwithstanding the foregoing provisions of this Article 5 to the contrary, in the case of an Option that is a Substitute Award, the price per share of the Shares subject to such Option may be less than the Fair Market Value per share on the date of grant; provided that the excess of: (a) the aggregate Fair Market Value (as of the date such Substitute Award is granted) of the Shares subject to the Substitute Award, over (b) the aggregate exercise price thereof does not exceed the excess of: (x) the aggregate fair market value (as of the time immediately preceding the transaction giving rise to the Substitute Award, such fair market value to be determined by the Administrator) of the shares of the predecessor entity that were subject to the grant assumed or substituted for by the Company, over (y) the aggregate exercise price of such shares.

5.7 Substitution of Stock Appreciation Rights. The Administrator may provide in the applicable Program or the Award Agreement evidencing the grant of an Option that the Administrator, in its sole discretion, shall have the right to substitute a Stock Appreciation Right for such Option at any time prior to or upon exercise of such Option; provided that such Stock Appreciation Right shall be exercisable with respect to the same number of Shares for which such substituted Option would have been exercisable, and shall also have the same exercise price, vesting schedule and remaining term as the substituted Option.

ARTICLE 6.

EXERCISE OF OPTIONS

6.1 Partial Exercise. An exercisable Option may be exercised in whole or in part. However, an Option shall not be exercisable with respect to fractional Shares and the Administrator may require that, by the terms of the Option, a partial exercise must be with respect to a minimum number of Shares.

6.2 Manner of Exercise. All or a portion of an exercisable Option shall be deemed exercised upon delivery of all of the following to the Secretary of the Company, the plan administrator of the Company or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Option, or a portion thereof, is exercised. The notice shall be signed by the Holder or other person then entitled to exercise the Option or such portion of the Option;

(b) Such representations and documents as the Administrator, in its sole discretion, deems necessary or advisable to effect compliance with Applicable Law. The Administrator, in its sole discretion, may also take whatever additional actions it deems appropriate to effect such compliance including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Option shall be exercised pursuant to Section 11.3 by any person or persons other than the Holder, appropriate proof of the right of such person or persons to exercise the Option, as determined in the sole discretion of the Administrator; and

(d) Full payment of the exercise price and applicable withholding taxes to the plan administrator of the Company for the Shares with respect to which the Option, or portion thereof, is exercised, in a manner permitted by Sections 11.1 and 11.2.

6.3 Notification Regarding Disposition. The Holder shall give the Company prompt written or electronic notice of any disposition of Shares acquired by exercise of an Incentive Stock Option which occurs within (a) two years from the date of granting (including the date the Option is modified, extended or renewed for purposes of Section 424(h) of the Code) such Option to such Holder, or (b) one year after the transfer of such Shares to such Holder.

ARTICLE 7.

AWARD OF RESTRICTED STOCK

7.1 Award of Restricted Stock.

(a) The Administrator is authorized to grant Restricted Stock to Eligible Individuals, and shall determine the terms and conditions, including the restrictions applicable to each award of Restricted Stock, which terms and conditions shall not be inconsistent with the Plan, and may impose such conditions on the issuance of such Restricted Stock as it deems appropriate.

(b) The Administrator shall establish the purchase price, if any, and form of payment for Restricted Stock; provided, however, that if a purchase price is charged, such purchase price shall be no less than the par value, if any, of the Shares to be purchased, unless otherwise permitted by Applicable Law. In all cases, legal consideration shall be required for each issuance of Restricted Stock.

7.2 Rights as Shareholders. Subject to Section 7.4, upon issuance of Restricted Stock, the Holder shall have, unless otherwise provided by the Administrator, all the rights of a shareholder with respect to said Shares, subject to the restrictions in the applicable Program or in each individual Award Agreement, including the right to receive all dividends and other distributions paid or made with respect to the Shares; provided, however, that, in the sole discretion of the Administrator, any extraordinary distributions with respect to the Shares shall be subject to the restrictions set forth in Section 7.3.

7.3 Restrictions. All shares of Restricted Stock (including any shares received by Holders thereof with respect to shares of Restricted Stock as a result of share dividends, share splits or any other form of recapitalization) shall, in the terms of the applicable Program or in each individual Award Agreement, be subject to such restrictions and vesting requirements as the Administrator shall provide. Such restrictions may include, without limitation, restrictions concerning voting rights and transferability and such restrictions may lapse separately or in combination at such times and pursuant to such circumstances or based on such criteria as selected by the Administrator, including, without limitation, criteria based on the Holder’s duration of employment, directorship or consultancy with the Company, the Performance Criteria, Company performance, individual performance or other criteria selected by the Administrator. By action taken after the Restricted Stock is issued, the Administrator may, on such terms and conditions as it may determine to be appropriate, accelerate the vesting of such Restricted Stock by removing any or all of the restrictions imposed by the terms of the applicable Program or Award Agreement. Restricted Stock may not be sold or encumbered until all restrictions are terminated or expire.

7.4 Repurchase or Forfeiture of Restricted Stock. Except as otherwise determined by the Administrator at the time of the grant of the Award or thereafter, if no price was paid by the Holder for the Restricted Stock, upon a Termination of Service during the applicable restriction period, the Holder’s rights in unvested Restricted Stock then subject to restrictions shall lapse, and such Restricted Stock shall be surrendered to the Company and cancelled without consideration. If a price was paid by the Holder for the Restricted Stock, upon a Termination of Service during the applicable restriction period, the Company shall have the right to repurchase from the Holder the unvested Restricted Stock then subject to restrictions at a cash price per share equal to the price paid by the Holder for such Restricted Stock or such other amount as may be specified in the applicable Program or Award Agreement. Notwithstanding the foregoing, the Administrator, in its sole discretion, may provide that upon certain events, including a Change in Control, the Holder’s death or disability or any other specified Termination of Service or any other event, the Holder’s rights in unvested Restricted Stock shall not lapse, such Restricted Stock shall vest and, if applicable, the Company shall not have a right of repurchase.

7.5 Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Administrator shall determine. Certificates or book entries evidencing shares of Restricted Stock shall include an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock. The Company, in its sole discretion, may (a) retain physical possession of any certificate evidencing shares of Restricted Stock until the restrictions thereon shall have lapsed and/or (b) require that the certificates evidencing shares of Restricted Stock be held in custody by a designated escrow agent (which may but need not be the Company) until the restrictions thereon shall have lapsed, and that the Holder deliver a stock power, endorsed in blank, relating to such Restricted Stock.

7.6 Section 83(b) Election. If a Holder makes an election under Section 83(b) of the Code to be taxed with respect to the Restricted Stock as of the date of transfer of the Restricted Stock rather than as of the date or dates upon which the Holder would otherwise be taxable under Section 83(a) of the Code, the Holder shall be required to deliver a copy of such election to the Company promptly after filing such election with the Internal Revenue Service along with proof of the timely filing thereof with the Internal Revenue Service.

ARTICLE 8.

AWARD OF RESTRICTED STOCK UNITS

8.1 Grant of Restricted Stock Units. The Administrator is authorized to grant Awards of Restricted Stock Units to any Eligible Individual selected by the Administrator in such amounts and subject to such terms and conditions as determined by the Administrator.

8.2 Purchase Price. The Administrator shall specify the purchase price, if any, to be paid by the Holder to the Company with respect to any Restricted Stock Unit award; provided, however, that value of the consideration shall not be less than the par value of a Share, unless otherwise permitted by Applicable Law.

8.3 Vesting of Restricted Stock Units. At the time of grant, the Administrator shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate, including, without limitation, vesting based upon the Holder’s duration of service to the Company or any Subsidiary, one or more Performance Criteria, Company performance, individual performance or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Administrator.

8.4 Maturity and Payment. At the time of grant, the Administrator shall specify the maturity date applicable to each grant of Restricted Stock Units, which shall be no earlier than the vesting date or dates of the Award and may be determined at the election of the Holder (if permitted by the applicable Award Agreement); provided that, except as otherwise determined by the Administrator or set forth in any applicable Award Agreement, and subject to compliance with Section 409A of the Code, in no event shall the maturity date relating to each Restricted Stock Unit occur following the later of (a) the 15th day of the third month following the end of the calendar year in which the applicable portion of the Restricted Stock Unit vests; or (b) the 15th day of the third month following the end of the Company's fiscal year in which the applicable portion of the Restricted Stock Unit vests. On the maturity date, the Company shall, subject to Section 11.4(e), transfer to the Holder one unrestricted, fully transferable Share for each Restricted Stock Unit scheduled to be paid out on such date and not previously forfeited, or in the sole discretion of the Administrator, an amount in cash equal to the Fair Market Value of such Shares on the maturity date or a combination of cash and Common Stock as determined by the Administrator.

8.5 No Rights as a Shareholder. Unless otherwise determined by the Administrator, a Holder of Restricted Stock Units shall possess no incidents of ownership with respect to the Shares represented by such Restricted Stock Units, unless and until such Shares are transferred to the Holder pursuant to the terms of this Plan and the applicable Award Agreement.

8.6 Dividend Equivalents. Subject to Section 9.2, the Administrator, in its sole discretion, may provide that Dividend Equivalents shall be earned by a Holder of Restricted Stock Units based on dividends declared on the Common Stock, to be credited as of dividend payment dates during the period between the date an Award of Restricted Stock Units is granted to a Holder and the maturity date of such Award.

ARTICLE 9.

AWARD OF PERFORMANCE AWARDS, DIVIDEND EQUIVALENTS, STOCK PAYMENTS

9.1 Performance Awards.

(a) The Administrator is authorized to grant Performance Awards, including Awards of Performance Stock Units, to any Eligible Individual. The value of Performance Awards, including Performance Stock Units, may be linked to one or more of the Performance Criteria or other specific criteria determined by the Administrator on a specified date or dates or over any period or periods and in such amounts as may be determined by the Administrator. Performance Awards, including Performance Stock Unit awards may be paid in cash, Shares, or a combination of cash and Shares, as determined by the Administrator.

(b) Without limiting Section 9.1(a), the Administrator may grant Performance Awards to any Eligible Individual in the form of a cash bonus payable upon the attainment of objective Performance Goals, or such other criteria, whether or not objective, which are established by the Administrator, in each case on a specified date or dates or over any period or periods determined by the Administrator.

9.2 Dividend Equivalents. Dividend Equivalents may be granted by the Administrator based on dividends declared on the Common Stock, to be credited as of dividend payment dates with respect to dividends with record dates that occur during the period between the date an Award is granted to a Holder and the date such Award vests, is exercised, is distributed or expires, as determined by the Administrator. Such Dividend Equivalents shall be converted to cash or additional Shares by such formula and at such time and subject to such restrictions and limitations as may be determined by the Administrator.

9.3 Stock Payments. The Administrator is authorized to make Stock Payments to any Eligible Individual. The number or value of Shares of any Stock Payment shall be determined by the Administrator and may be based upon one or more Performance Criteria or any other specific criteria, including service to the Company or any Subsidiary, determined by the Administrator. Shares underlying a Stock Payment which is subject to a vesting schedule or other conditions or criteria set by the Administrator shall not be issued until those conditions have been satisfied. Unless otherwise provided by the Administrator, a Holder of a Stock Payment shall have no rights as a Company shareholder with respect to such Stock Payment until such time as the Stock Payment has vested and the Shares underlying the Award have been issued to the Holder. Stock Payments may, but are not required to, be made in lieu of base salary, bonus, fees or other cash compensation otherwise payable to such Eligible Individual.

9.4 Term. The term of a Performance Award, Dividend Equivalent award, and/or Stock Payment award shall be established by the Administrator in its sole discretion.

9.5 Purchase Price. The Administrator may establish the purchase price of a Performance Award or Shares distributed as a Stock Payment award; provided, however, that value of the consideration shall not be less than the par value of a Share, unless otherwise permitted by Applicable Law.

9.6 Termination of Service. A Performance Award, Dividend Equivalent award, and/or Stock Payment award is distributable only while the Holder is an Employee, Director or Consultant, as applicable. The Administrator, however, in its sole discretion, may provide that the Performance Award, Dividend Equivalent award, and/or Stock Payment award may be distributed subsequent to the Holder's Termination of Service subject to terms and conditions determined by the Administrator.

ARTICLE 10.

AWARD OF STOCK APPRECIATION RIGHTS

10.1 Grant of Stock Appreciation Rights.

(a) The Administrator is authorized to grant Stock Appreciation Rights to Eligible Individuals from time to time, in its sole discretion, on such terms and conditions as it may determine, which shall not be inconsistent with the Plan.

(b) A Stock Appreciation Right shall entitle the Holder (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount determined by multiplying the difference obtained by subtracting the exercise price per share of the Stock Appreciation Right from the Fair Market Value on the date of exercise of the Stock Appreciation Right by the number of Shares with respect to which the Stock Appreciation Right shall have been exercised, subject to any limitations the Administrator may impose. Except as described in (c) below, the exercise price per Share subject to each Stock Appreciation Right shall be set by the Administrator, but shall not be less than 100% of the Fair Market Value on the date the Stock Appreciation Right is granted.

(c) Notwithstanding the foregoing provisions of Section 10.1(b) to the contrary, in the case of a Stock Appreciation Right that is a Substitute Award, the exercise price per share of the Shares subject to such Stock Appreciation Right may be less than 100% of the Fair Market Value per share on the date of grant; provided that the excess of: (i) the aggregate Fair Market Value (as of the date such Substitute Award is granted) of the Shares subject to the Substitute Award, over (ii) the aggregate exercise price thereof does not exceed the excess of: (x) the aggregate fair market value (as of the time immediately preceding the transaction giving rise to the Substitute Award, such fair market value to be determined by the Administrator) of the shares of the predecessor entity that were subject to the grant assumed or substituted for by the Company, over (y) the aggregate exercise price of such shares.

10.2 Stock Appreciation Right Vesting.

(a) The period during which the right to exercise, in whole or in part, a Stock Appreciation Right vests in the Holder shall be set by the Administrator and the Administrator may determine that a Stock Appreciation Right may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based on service with the Company or any Subsidiary, any of the Performance Criteria, or any other criteria selected by the Administrator. Except as limited by the Plan, at any time after grant of a Stock Appreciation Right, the Administrator, in its sole discretion and subject to whatever terms and conditions it selects, may accelerate the period during which a Stock Appreciation Right vests.

(b) No portion of a Stock Appreciation Right which is unexercisable at a Holder's Termination of Service shall thereafter become exercisable, except as may be otherwise provided by the Administrator in the applicable Program, the Award Agreement evidencing the grant of a Stock Appreciation Right, or by action of the Administrator following the grant of the Stock Appreciation Right. Unless otherwise determined by the Administrator in the Award Agreement or by action of the Administrator following the grant of the Stock Appreciation Right, the portion of a Stock Appreciation Right that is unexercisable at a Holder's Termination of Service shall automatically expire thirty (30) days following such Termination of Service, or, in the event of a Holder's Termination of Service for Cause (as such term may be defined in an applicable Award Agreement), immediately upon such Termination of Service.

10.3 Manner of Exercise. All or a portion of an exercisable Stock Appreciation Right shall be deemed exercised upon delivery of all of the following to the Secretary of the Company, the plan administrator of the Company, or such other person or entity designated by the Administrator, or his, her or its office, as applicable:

(a) A written or electronic notice complying with the applicable rules established by the Administrator stating that the Stock Appreciation Right, or a portion thereof, is exercised. The notice shall be signed by the Holder or other person then entitled to exercise the Stock Appreciation Right or such portion of the Stock Appreciation Right;

(b) Such representations and documents as the Administrator, in its sole discretion, deems necessary or advisable to effect compliance with Applicable Law. The Administrator, in its sole discretion, may also take whatever additional actions it deems appropriate to effect such compliance, including, without limitation, placing legends on share certificates and issuing stop-transfer notices to agents and registrars;

(c) In the event that the Stock Appreciation Right shall be exercised pursuant to this Section 10.3 by any person or persons other than the Holder, appropriate proof of the right of such person or persons to exercise the Stock Appreciation Right, as determined in the sole discretion of the Administrator; and

(d) Full payment of the exercise price (if any) and applicable withholding taxes to the plan administrator of the Company for the Shares with respect to which the Stock Appreciation Right, or portion thereof, is exercised, in a manner permitted by Sections 11.1 and 11.2.

10.4 Stock Appreciation Right Term. The term of each Stock Appreciation Right (the "Stock Appreciation Right Term") shall be set by the Administrator in its sole discretion; provided, however, that the Stock Appreciation Right Term shall not be more than ten (10) years from the date the Stock Appreciation Right is granted. The Administrator shall determine the time period, including the time period following a Termination of Service, during which the Holder has the right to exercise the vested Stock Appreciation Rights, which time period may not extend beyond the last day of the Stock Appreciation Right Term applicable to such Stock Appreciation Right. Except as limited by the requirements of Section 409A of the Code and regulations and rulings thereunder or the first sentence of this Section 10.4, the Administrator may extend the Stock Appreciation Right Term of any outstanding Stock Appreciation Right, and may extend the time period during which vested Stock Appreciation Rights may be exercised, in connection with any Termination of Service of the Holder, and may amend, subject to Section 13.1, any other term or condition of such Stock Appreciation Right relating to such a Termination of Service.

10.5 Payment. Payment of the amounts payable with respect to Stock Appreciation Rights pursuant to this Article 10 shall be in cash, Shares (based on its Fair Market Value as of the date the Stock Appreciation Right is exercised), or a combination of both, as determined by the Administrator.

ARTICLE 11.

ADDITIONAL TERMS OF AWARDS

11.1 Payment. The Administrator shall determine the methods by which payments by any Holder with respect to any Awards granted under the Plan shall be made, including, without limitation: (a) cash or check, (b) Shares (including, in the case of payment of the exercise price of an Award, Shares issuable pursuant to the exercise of the Award) or Shares held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences, in each case, having a Fair Market Value on the date of delivery equal to the aggregate payments required, (c) delivery of a written or electronic notice that the Holder has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise or vesting of an Award, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the aggregate payments required; provided that payment of such proceeds is then made to the Company upon settlement of such sale, or (d) other form of legal consideration acceptable to the Administrator in its sole discretion. The Administrator shall also determine the methods by which Shares shall be delivered or deemed to be delivered to Holders. Notwithstanding any other provision of the Plan to the contrary, no Holder who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under the Plan, or continue any extension of credit with respect to such payment, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

11.2 Tax Withholding. The Company or any Subsidiary may require a Holder to remit to the Company an amount sufficient to satisfy federal, state, local and foreign taxes (including the Holder's FICA, employment tax or other social security contribution obligation) required by law to be withheld with respect to any taxable event concerning a Holder arising as a result of the Plan. The Administrator, in its sole discretion and in satisfaction of the foregoing requirement, may allow a Holder to elect to have the Company withhold Shares otherwise issuable under an Award (or allow the surrender of Shares). The number of Shares which may be so withheld or surrendered shall be limited to the number of Shares which have a fair market value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The Administrator shall determine the fair market value of the Shares, consistent with applicable provisions of the Code, for tax withholding obligations due in connection with a broker-assisted cashless Option or Stock Appreciation Right exercise involving the sale of Shares to pay the Option or Stock Appreciation Right exercise price or any tax withholding obligation. With respect to any withholding taxes arising in connection with an Award, in the event Holder fails to provide timely payment of all such taxes, the Company shall have the right and option, but not the obligation, to (i) cancel an exercise, in the case of an Option or Stock Appreciation Right, (ii) deduct such amounts from other compensation payable to the Holder or (iii) treat such failure as an election by Holder to pay such taxes in accordance with any payment method, or combination of payment methods, permitted by the applicable Award Agreement, as determined by the Administrator.

11.3 Transferability of Awards.

(a) Except as otherwise provided in Sections 11.3(b) and 11.3(c):

(i) No Award under the Plan may be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO, unless and until such Award has been exercised, or the Shares underlying such Award have been issued, and all restrictions applicable to such Shares have lapsed;

(ii) No Award or interest or right therein shall be liable for the debts, contracts or engagements of the Holder or the Holder's successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, hypothecation, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by Section 11.3(a)(i); and

(iii) During the lifetime of the Holder, only the Holder may exercise an Award (or any portion thereof) granted to such Holder under the Plan, unless it has been disposed of pursuant to a DRO or as expressly set forth herein. After the death or disability of the Holder, any exercisable portion of an Award may, prior to the time when such portion becomes unexercisable under the Plan or the applicable Program or Award Agreement, be exercised by the Holder's personal representative or by any person empowered to do so under the Holder's will or under the then-applicable laws.

(b) Notwithstanding Section 11.3(a), the Administrator, in its sole discretion, may determine to permit a Holder to transfer an Award other than an Incentive Stock Option to any one or more Permitted Transferees, subject to the following terms and conditions: (i) an Award transferred to a Permitted Transferee without the consent of the Administrator shall not be assignable or transferable by the Permitted Transferee other than by will or the laws of descent and distribution or pursuant to a DRO; (ii) an Award transferred to a Permitted Transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Holder (other than the ability to further transfer the Award); and (iii) the Holder and the Permitted Transferee shall execute any and all documents requested by the Administrator, including, without limitation documents to (A) confirm the status of the transferee as a Permitted Transferee, (B) satisfy any requirements for an exemption for the transfer under Applicable Law and (C) evidence the transfer.

(c) Notwithstanding Section 11.3(a), a Holder may, in the manner determined by the Administrator, designate a beneficiary to exercise the rights of the Holder and to receive any distribution with respect to any Award upon the Holder's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Program or Award Agreement applicable to the Holder, except to the extent the Plan, the Program and the Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Administrator. If the Holder is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than the Holder's spouse or domestic partner, as applicable, as the Holder's beneficiary with respect to more than 50% of the Holder's interest in the Award shall not be effective without the prior written or electronic consent of the Holder's spouse or domestic partner. If no beneficiary has been designated or survives the Holder, payment shall be made to the person entitled thereto pursuant to the Holder's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Holder at any time; provided that the change or revocation is filed with the Administrator prior to the Holder's death.

11.4 Conditions to Issuance of Shares.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares pursuant to the exercise of any Award, unless and until the Board or the Committee has determined, with advice of counsel, that the issuance of such Shares is in compliance with Applicable Law and the Shares are covered by an effective registration statement or applicable exemption from registration. In addition to the terms and conditions provided herein, the Board or the Committee may require that a Holder make such reasonable covenants, agreements and representations as the Board or the Committee, in its sole discretion, deems advisable in order to comply with Applicable Law.

(b) All share certificates delivered pursuant to the Plan and all Shares issued pursuant to book entry procedures are subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with Applicable Law. The Administrator may place legends on any share certificate or book entry to reference restrictions applicable to the Shares.

(c) The Administrator shall have the right to require any Holder to comply with any timing or other restrictions with respect to the settlement, distribution or exercise of any Award, including a window-period limitation, as may be imposed in the sole discretion of the Administrator.

(d) No fractional Shares shall be issued and the Administrator, in its sole discretion, shall determine whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding down.

(e) Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by Applicable Law, the Company shall not deliver to any Holder certificates evidencing Shares issued in connection with any Award and instead such Shares shall be recorded in the books of the Company (or, as applicable, its transfer agent or plan administrator).

11.5 Forfeiture and Claw-Back Provisions. All Awards (including any proceeds, gains or other economic benefit actually or constructively received by the Holder upon any receipt or exercise of any Award or upon the receipt or resale of any Shares underlying the Award) shall be subject to the provisions of any claw-back policy implemented by the Company after the Effective Date to comply with the requirements of Applicable Law, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder. In addition, pursuant to its general authority to determine the terms and conditions applicable to Awards under the Plan, the Administrator shall have the right to provide, in an Award Agreement for additional claw-back or forfeiture provisions to apply to an Award.

ARTICLE 12.

ADMINISTRATION

12.1 Administrator. The Compensation Committee of the Board (or another committee or a subcommittee of the Board or the Compensation Committee of the Board assuming the functions of the Committee under the Plan) shall administer the Plan (except as otherwise permitted herein). To the extent necessary to comply with Rule 16b-3 of the Exchange Act, the Compensation Committee of the Board (or another committee or subcommittee of the

Board or the Compensation Committee of the Board assuming the functions of the Committee under the Plan) shall take all action with respect to such Awards, and the individuals taking such action shall consist solely of two or more Non-Employee Directors appointed by and holding office at the pleasure of the Board, each of whom is intended to qualify as a "non-employee director" as defined by Rule 16b-3 of the Exchange Act or any successor rule. Additionally, to the extent required by Applicable Law, each of the individuals constituting the Compensation Committee of the Board (or another committee or subcommittee of the Board or the Compensation Committee of the Board assuming the functions of the Committee under the Plan) shall be an "independent director" under the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded. Notwithstanding the foregoing, any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 12.1 or otherwise provided in any charter of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective upon acceptance of appointment. Committee members may resign at any time by delivering written or electronic notice to the Board. Vacancies in the Committee may only be filled by the Board. Notwithstanding the foregoing, (a) the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Non-Employee Directors and, with respect to such Awards, the terms "Administrator" and "Committee" as used in the Plan shall be deemed to refer to the Board and (b) the Board or Committee may delegate its authority hereunder to the extent permitted by Section 12.6.

12.2 Duties and Powers of Committee. It shall be the duty of the Committee to conduct the general administration of the Plan in accordance with its provisions. The Committee shall have the power to interpret the Plan, the Program and the Award Agreement, and to adopt such rules for the administration, interpretation and application of the Plan as are not inconsistent therewith, to interpret, amend or revoke any such rules and to amend any Program or Award Agreement; provided that the rights or obligations of the Holder of the Award that is the subject of any such Program or Award Agreement are not affected adversely by such amendment, unless the written consent of the Holder is obtained or such amendment is otherwise permitted under Section 11.5 or Section 13.10. Any such grant or award under the Plan need not be the same with respect to each Holder. Any such interpretations and rules with respect to Incentive Stock Options shall be consistent with the provisions of Section 422 of the Code. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan, except with respect to matters which under Rule 16b-3 under the Exchange Act or any successor rule, or the rules of any securities exchange or automated quotation system on which the Shares are listed, quoted or traded, are required to be determined in the sole discretion of the Committee.

12.3 Action by the Committee. Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by all members of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any Employee, the Company's independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

12.4 Authority of Administrator. Subject to the Company's bye-laws, the Committee's Charter and any specific designation in the Plan, the Administrator has the exclusive power, authority and sole discretion to:

(a) Designate Eligible Individuals to receive Awards;

(b) Determine the type or types of Awards to be granted to each Eligible Individual;

(c) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, purchase price, any Performance Criteria, any restrictions or limitations on the Award, any schedule or other criteria for vesting, lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, and any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Administrator in its sole discretion determines;

(e) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in cash, Shares, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Holder;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt, or revise any rules and regulations as it may deem necessary or advisable to administer the Plan;

(i) Interpret the terms of, and any matter arising pursuant to, the Plan, any Program or any Award Agreement;

(j) Make all other decisions and determinations that may be required pursuant to the Plan or as the Administrator deems necessary or advisable to administer the Plan; and

(k) Accelerate wholly or partially the vesting or lapse of restrictions of any Award or portion thereof at any time after the grant of an Award, subject to whatever terms and conditions it selects and Section 13.2.

12.5 Decisions Binding. The Administrator's interpretation of the Plan, any Awards granted pursuant to the Plan, any Program, any Award Agreement and all decisions and determinations by the Administrator with respect to the Plan are final, binding and conclusive on all parties.

12.6 Delegation of Authority. To the extent permitted by Applicable Law, the Board or Committee may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to grant or amend Awards or to take other administrative actions pursuant to this Article 12; provided, however, that in no event shall an officer of the Company be delegated the authority to grant awards to, or amend awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act or (b) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder; provided, further, that any delegation of administrative authority shall only be permitted to the extent it is permissible under Applicable Law. Any delegation hereunder shall be subject to the restrictions and limits that the Board or Committee specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 12.6 shall serve in such capacity at the pleasure of the Board and the Committee (to the extent the Committee delegated its authority to the delegatee).

ARTICLE 13.

MISCELLANEOUS PROVISIONS

13.1 Amendment, Suspension or Termination of the Plan. Except as otherwise provided in this Section 13.1, the Plan may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Board or the Committee. However, without approval of the Company's shareholders given within twelve (12) months before or after the action by the Administrator, no action of the Administrator may, except as provided in Section 13.2, increase the limits imposed in Section 3.1 on the maximum number of Shares which may be issued under the Plan, or otherwise amend or modify the Plan in a manner requiring shareholder approval under Applicable Law. Except as provided in Section 11.5 and Section 13.10, no amendment, suspension or termination of the Plan shall, without the written consent of the Holder, materially impair any rights or obligations under any Award theretofore granted or awarded, unless the Award itself otherwise expressly so provides. No Awards may be granted or awarded during any period of suspension or after termination of the Plan, and notwithstanding anything herein to the contrary, in no event may any Award be granted under the Plan after the tenth (10^{th}) anniversary of the date the Plan was initially approved by the Board (the "Expiration Date"). Any Awards that are outstanding on the Expiration Date shall remain in force according to the terms of the Plan and the applicable Award Agreement.

13.2 Changes in Common Stock or Assets of the Company, Acquisition or Liquidation of the Company and Other Corporate Events.

(a) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in Sections 13.2(b) and 13.2(c), the Administrator shall equitably adjust each outstanding Award, which adjustments may include adjustments to the number and type of securities subject to each outstanding Award and/or the exercise price or grant price thereof, if applicable, the grant of new Awards, and/or the making of a cash payment. The Administrator shall make such equitable adjustments, if any, as the Administrator, in its sole discretion, may deem appropriate to reflect such Equity Restructuring with respect to the aggregate number and kind of Shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 on the maximum number and kind of Shares which may be issued under the Plan). The adjustments provided under this Section 13.2(a) shall be nondiscretionary and shall be final and binding on the affected Holder and the Company.

(b) In the event of any transaction or event described in Section 13.2(c) or any unusual or nonrecurring transactions or events affecting the Company, any Subsidiary of the Company, or the financial statements of the Company or any Subsidiary, or of changes in Applicable Law or accounting principles, the Administrator, in its sole discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Holder's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) termination of any such Award in exchange for an amount of cash, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Holder's rights (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 13.2 the Administrator determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Holder's rights, then such Award may be terminated by the Company without payment) or (B) the replacement of such Award with other rights or property selected by the Administrator, in its sole discretion, having an aggregate value not exceeding the amount that could have been attained upon the exercise of such Award or realization of the Holder's rights had such Award been currently exercisable or payable or fully vested;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards and Awards which may be granted in the future;

(iv) To provide that such Award shall be exercisable or payable or fully vested with respect to all Shares covered thereby, notwithstanding anything to the contrary in the Plan or the applicable Program or Award Agreement; and

(v) To provide that the Award cannot vest, be exercised or become payable after such event.

(c) In the event of any share dividend, share split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to shareholders, or any other change affecting the Shares or the share price of Common Stock other than an Equity Restructuring, the Administrator may make equitable adjustments, if any, to reflect such change with respect to: (i) the aggregate number and kind of Shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 on the maximum number and kind of Shares which may be issued under the Plan); (ii) the number and kind of Shares (or other securities or property) subject to outstanding Awards; (iii) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (iv) the grant or exercise price per share for any outstanding Awards under the Plan.

(d) Notwithstanding any other provision of the Plan, in the event of a Change in Control, unless the Administrator elects to (i) terminate an Award in exchange for cash, rights or property, or (ii) cause an Award to become fully exercisable and no longer subject to any forfeiture restrictions prior to the consummation of a Change in Control, pursuant to Section 13.2, (A) such Award (other than any portion subject to performance-based vesting) shall continue in effect or be assumed or an equivalent Award substituted by the successor corporation or a parent or subsidiary of the successor corporation and (B) the portion of such Award subject to performance-based vesting shall be subject to the terms and conditions of the applicable Award Agreement and, in the absence of applicable terms and conditions, the Administrator's discretion.

(e) In the event that the successor corporation in a Change in Control refuses to assume or substitute for an Award (other than any portion subject to performance-based vesting), the Administrator shall cause any or all of such Award (or portion thereof) to (i) terminate in exchange for cash, rights or other property pursuant to Section 13.2(b)(i) or (ii) become fully exercisable immediately prior to the consummation of such transaction and all forfeiture restrictions on any or all of such Award to lapse. If any such Award is exercisable in lieu of assumption or substitution in the event of a Change in Control, the Administrator shall notify the Holder that such Award shall be fully exercisable for a period of fifteen (15) days from the date of such notice, contingent upon the occurrence of the Change in Control, and such Award shall terminate upon the expiration of such period.

(f) The Administrator, in its sole discretion, may include such further provisions and limitations in any Award, agreement or certificate, as it may deem equitable and in the best interests of the Company that are not inconsistent with the provisions of the Plan.

(g) No adjustment or action described in this Section 13.2 or in any other provision of the Plan shall be authorized to the extent that such adjustment or action would cause the Plan to violate Section 422(b)(1) of the Code. Furthermore, no such adjustment or action shall be authorized to the extent such adjustment or action would result in short-swing profits liability under Section 16 or violate the exemptive conditions of Rule 16b-3 unless the Administrator determines that the Award is not to comply with such exemptive conditions.

(h) The existence of the Plan, the Program, the Award Agreement and the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company or the shareholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of shares or of options, warrants or rights to purchase shares or of bonds, debentures, preferred or prior preference shares whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(i) No action shall be taken under this Section 13.2 which shall cause an Award to fail to be exempt from or comply with Section 409A of the Code or the Treasury Regulations thereunder.

(j) In the event of any pending share dividend, share split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to shareholders, or any other extraordinary transaction or change affecting the Shares or the share price of Common Stock including any Equity Restructuring, for reasons of administrative convenience, the Company, in its sole discretion, may refuse to permit the exercise of any Award during a period of up to sixty (60) days prior to the consummation of any such transaction.

13.3 Approval of Plan by Shareholders. The Plan shall be submitted for the approval of the Company's shareholders within twelve (12) months after the date of the Board's initial adoption of the Plan.

13.4 No Shareholders Rights. Except as otherwise provided herein, a Holder shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Holder becomes the record owner of such Shares.

13.5 Paperless Administration. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Holder may be permitted through the use of such an automated system.

13.6 Effect of Plan upon Other Compensation Plans. The adoption of the Plan shall not affect any other compensation or incentive plans in effect for the Company or any Subsidiary. Nothing in the Plan shall be construed to limit the right of the Company or any Subsidiary: (a) to establish any other forms of incentives or compensation for Employees, Directors or Consultants of the Company or any Subsidiary, or (b) to grant or assume options or other rights or awards otherwise than under the Plan in connection with any proper corporate purpose including without limitation, the grant or assumption of options in connection with the acquisition by purchase, lease, merger, consolidation or otherwise, of the business, stock or assets of any corporation, partnership, limited liability company, firm or association.

13.7 Compliance with Laws. The Plan, the granting and vesting of Awards under the Plan and the issuance and delivery of Shares and the payment of money under the Plan or under Awards granted or awarded hereunder are subject to compliance with all Applicable Law (including but not limited to state, federal and foreign securities law and margin requirements), and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by the Company, provide such assurances and representations to the Company as the Company may deem necessary or desirable to assure compliance with all Applicable Law. To the extent permitted by Applicable Law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to Applicable Law.

13.8 Titles and Headings, References to Sections of the Code or Exchange Act. The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control. References to sections of the Code or the Exchange Act shall include any amendment or successor thereto.

13.9 Governing Law. The Plan and any agreements hereunder shall be administered, interpreted and enforced under the internal laws of the State of Delaware without regard to conflicts of laws thereof or of any other jurisdiction.

13.10 Section 409A. To the extent that the Administrator determines that any Award granted under the Plan is subject to Section 409A of the Code, the Program pursuant to which such Award is granted and the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan, the Program and any Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of the Plan to the contrary, in the event that following the Effective Date the Administrator determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the Effective Date), the Administrator may adopt such amendments to the Plan and the applicable Program and Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section.

13.11 No Rights to Awards. No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Administrator is obligated to treat Eligible Individuals, Holders or any other persons uniformly.

13.12 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Holder pursuant to an Award, nothing contained in the Plan or any Program or Award Agreement shall give the Holder any rights that are greater than those of a general creditor of the Company or any Subsidiary.

13.13 Indemnification. To the extent allowable pursuant to Applicable Law, each member of the Committee or of the Board shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; provided he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's bye-laws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

13.14 Relationship to other Benefits. No payment pursuant to the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

13.15 Expenses. The expenses of administering the Plan shall be borne by the Company and its Subsidiaries.

Exhibit 10.57

AXALTA COATING SYSTEMS LTD.
2014 INCENTIVE AWARD PLAN

STOCK OPTION GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant"), an option to purchase the number of shares of Common Stock ("Shares") set forth below (the "Option"). The Option is subject to the terms and conditions set forth in this Stock Option Grant Notice (the "Grant Notice") and the Stock Option Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:	
Grant Date:	
Exercise Price per Share:	$
Total Number of Shares Subject to the Option:	Shares
Expiration Date:	
Vesting Schedule:	[To be specified in individual agreements]
Type of Option:	¨ Incentive Stock Option ¨ Non-Qualified Stock Option

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.	**PARTICIPANT**
By: ______________________	By: ______________________
Print Name:	Print Name:
Title:	

EXHIBIT A
TO STOCK OPTION GRANT NOTICE

STOCK OPTION AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant an Option under the Plan to purchase the number of Shares set forth in the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE 2.

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the Option to purchase any part or all of an aggregate of the number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustments as provided in Section 13.2 of the Plan.

2.2 Exercise Price. The exercise price per share of the Shares subject to the Option (the "Exercise Price") shall be as set forth in the Grant Notice.

2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to the Company or any Subsidiary. Nothing in the Plan, the Grant Notice or this Agreement shall confer upon Participant any right to continue in the employ or service of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

ARTICLE 3.

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to Sections 3.2, 3.3, 5.9 and 5.14 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) Unless otherwise determined by the Administrator, any portion of the Option that has not become vested and exercisable on or prior to the date of Participant's Termination of Service shall be forfeited on the date of Participant's Termination of Service, unless otherwise provided in the Plan, and shall not thereafter become vested or exercisable.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof. Once the Option becomes unexercisable, it shall be forfeited immediately.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration date set forth in the Grant Notice;

(b) Except as the Administrator may otherwise approve, in the event of Participant's Termination of Service other than for Cause or by reason of Participant's death or disability, the expiration of six (6) months from the date of Participant's Termination of Service;

(c) Except as the Administrator may otherwise approve, the expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death, disability or retirement at "normal retirement age" (as defined or determined by the Company or its Subsidiaries from time to time); or

(d) Except as the Administrator may otherwise approve, upon Participant's Termination of Service for Cause.

As used in this Agreement, "Cause" shall mean (a) the Board's determination that Participant failed to substantially perform Participant's duties (other than any such failure resulting from Participant's disability); (b) the Board's determination that Participant failed to carry out, or comply with any lawful and reasonable directive of the Board or Participant's immediate supervisor; (c) Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony, indictable offense or crime involving moral turpitude; (d) Participant's unlawful use (including being under the influence) or possession of illegal drugs on the premises of the Company or any of its Subsidiaries or while performing Participant's duties and responsibilities; or (e) Participant's commission of an act of fraud, embezzlement, misappropriation, misconduct, or breach of fiduciary duty against the Company of any of its Subsidiaries. Notwithstanding the foregoing, if Participant is a party to a written employment, consulting or similar agreement with the Company (or its Subsidiary) in which the term "cause" is defined, then "Cause" shall be as such term is defined in the applicable written employment or consulting agreement.

3.4 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the exercise of the Option, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries withhold a net number of Shares issuable upon the exercise of the Option having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iii) with respect to any withholding taxes arising in connection with the exercise of the Option, unless otherwise determined by the Administrator, by tendering to the Company Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the exercise of the Option, subject to Participant's compliance with the Company's Insider Trading Policy, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(v) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Option, in the event Participant fails to provide timely payment of all sums required pursuant to Section 3.4(a), the Company shall have the right and option, but not the obligation, to cancel the option exercise. Alternatively, the Company or its Subsidiaries shall have the authority to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 3.4(a)(ii) above. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the exercise of the Option to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the exercise of the Option or any other taxable event related to the Option.

(c) In the event any tax withholding obligation arising in connection with the Option may be satisfied under Section 3.4(a)(ii) above, then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares from those Shares that are issuable upon exercise of the Option as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 3.4(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any Shares to Participant until the foregoing tax withholding obligations are satisfied.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Option. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Stock. The Company and the Subsidiaries do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

ARTICLE 4.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. During the lifetime of Participant, only Participant may exercise the Option or any portion thereof, unless it has been disposed of pursuant to a DRO or as expressly set forth in the Plan. After the death or disability of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by Participant's personal representative or by any person empowered to do so under the Participant's will or under the then applicable laws.

4.2 Partial Exercise. Subject to Section 5.2, any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof.

(a) An exercise notice in a form acceptable to the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator;

(b) The receipt by the Company of full payment for the Shares with respect to which the Option or portion thereof is exercised, in such form of consideration permitted under Section 4.4 hereof that is acceptable to the Administrator;

(c) The payment of any applicable withholding tax in accordance with Section 3.4;

(d) Any other written representations or documents as may be required in the Administrator's sole discretion to effect compliance with Applicable Law; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Administrator shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) Unless the Administrator shall determine otherwise, through the surrender of Shares otherwise issuable upon exercise of the Option having a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Option or exercised portion thereof;

(c) Unless otherwise determined by the Administrator, through the surrender of Shares held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof;

(d) Through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(e) Any other form of legal consideration acceptable to the Administrator.

4.5 Conditions to Issuance of Stock. The Company shall not be required to issue or deliver any Shares purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the following conditions: (A) the admission of such Shares to listing on all stock exchanges on which such Stock is then listed, (B) the completion of any registration or other qualification of such Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable, (D) the receipt by the Company of full payment for such Shares, which may be in one or more of the forms of consideration permitted under Section 4.4 hereof, and (E) the receipt of full payment of any applicable withholding tax in accordance with Section 3.4 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

4.6 Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares purchasable upon the exercise of any part of the Option unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). No adjustment will be made for a dividend or other right for which the record date is prior to the date of such issuance, recordation and delivery, except as provided in Section 13.2 of the Plan. Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE 5.

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

5.2 Whole Shares. The Option may only be exercised for whole Shares.

5.3 Option Not Transferable. Subject to Section 4.1 hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the Option have been issued, and all restrictions applicable to such Shares have lapsed. Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

5.4 Adjustments. The Administrator may accelerate the vesting of all or a portion of the Option in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Stock contemplated by Section 13.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Stock), the Administrator may make such adjustments as the Administrator deems appropriate in the number of Shares subject to the Option, the exercise price of the Option and/or the kind of securities that may be issued upon exercise of the Option to give effect to such event. Participant acknowledges that the Option and the Shares subject to the Option are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

5.5 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant (or, if Participant is then deceased, to the person entitled to exercise the Option pursuant to Section 4.1) at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.5, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

5.6 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.7 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

5.8 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the

Option is granted and may be exercised, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

5.9 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

5.10 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 5.3 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.12 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

5.13 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.14 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.15 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

5.16 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Stock as a general unsecured creditor with respect to options, as and when exercised pursuant to the terms hereof.

5.17 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

5.18 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 3.4(a)(iv) or Section 3.4(c) or the payment of the exercise price as provided in Section 4.4(d): (A) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation or exercise of the Option, as applicable, occurs or arises, or as soon thereafter as practicable; (B) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation or exercise price, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation or exercise price; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises, an amount sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

5.19 Incentive Stock Options. Participant acknowledges that to the extent the aggregate Fair Market Value of Shares (determined as of the time the option with respect to the Shares is granted) with respect to which Incentive Stock Options, including this Option (if applicable), are exercisable for the first time by Participant during any calendar year exceeds $100,000 or if for any other reason such Incentive Stock Options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such Incentive Stock Options shall be treated as Non-Qualified Stock Options. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other stock options into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or disability, will be taxed as a Non-Qualified Stock Option.

5.20 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt written notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such Shares to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

* * * * *

Exhibit 10.58

AXALTA COATING SYSTEMS LTD.
2014 INCENTIVE AWARD PLAN

RESTRICTED STOCK GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant") the number of shares of Restricted Stock (the "Shares") set forth below. The Shares are subject to the terms and conditions set forth in this Restricted Stock Grant Notice (the "Grant Notice") and the Restricted Stock Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

Total Number of Shares of Restricted Stock:

Vesting Schedule: [To be specified in individual agreements]

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.	**PARTICIPANT**
By: ____________________	By: ____________________
Print Name:	Print Name:
Title:	

EXHIBIT A
TO RESTRICTED STOCK GRANT NOTICE

RESTRICTED STOCK AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of Shares set forth in the Grant Notice.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The Shares issued to Participant pursuant to the Grant Notice are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

ISSUANCE OF SHARES

2.1 Issuance of Shares. In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, this Agreement and the Plan.

2.2 Issuance Mechanics. As of the Grant Date, the Company shall issue the Shares in the form of Common Stock to Participant and shall at its option (a) cause a certificate or certificates representing such shares of Common Stock to be registered in the name of Participant, or (b) cause such shares of Common Stock to be held in book-entry form. If a certificate is issued, it shall be delivered to and held in custody by the Company and shall bear the restrictive legends required by Section 5.1. If the shares of Common Stock are held in book-entry form, then such entry will reflect that the shares are subject to the restrictions of this Agreement.

ARTICLE III.

FORFEITURE AND TRANSFER RESTRICTIONS

3.1 Forfeiture Restriction. Subject to the provisions of Section 3.2 below, in the event of Participant's Termination of Service for any reason, including as a result of Participant's death or disability, all of the Unreleased Shares (as defined below) shall thereupon be forfeited immediately and without any further action by the Company (the "Forfeiture Restriction"), except as otherwise provided in a written agreement between Participant and the Company. Upon the occurrence of such forfeiture, the Company shall become the legal and beneficial owner of the Unreleased Shares and all rights and interests therein or relating thereto, and the Company shall have the right to retain and transfer to its own name the number of Unreleased Shares being forfeited by Participant. The Unreleased Shares shall be held by the Company in accordance with Section 3.3 until the Shares are forfeited as provided in this Section 3.1, until such Unreleased Shares are released from the Forfeiture Restriction as provided in

Section 3.2 or until such time as this Agreement is no longer in effect. Participant hereby authorizes and directs the Secretary of the Company, or such other person designated by the Administrator, to transfer any Unreleased Shares that are forfeited pursuant to this Section 3.1 from Participant to the Company.

3.2 Release of Shares from Forfeiture Restriction. The Shares shall be released from the Forfeiture Restriction in accordance with the vesting schedule set forth in the Grant Notice. Any of the Shares which, from time to time, have not yet been released from the Forfeiture Restriction are referred to herein as "Unreleased Shares." In the event any of the Unreleased Shares are released from the Forfeiture Restriction, any Retained Distributions (as defined below) paid on such Unreleased Shares shall be promptly paid by the Company to Participant. As soon as administratively practicable following the release of any Shares from the Forfeiture Restriction, the Company shall, as applicable, either deliver to Participant the certificate or certificates representing such Shares in the Company's possession belonging to Participant, or, if the Shares are held in book-entry form, then the Company shall remove the notations indicating that the shares are subject to the restrictions of this Agreement. Participant (or the beneficiary or personal representative of Participant in the event of Participant's death or incapacity, as the case may be) shall deliver to the Company any representations or other documents or assurances as the Company or its representatives deem necessary or advisable in connection with any such delivery.

3.3 Escrow.

(a) The Unreleased Shares shall be held by the Company until such Unreleased Shares are forfeited as provided in Section 3.1, until such Unreleased Shares are released from the Forfeiture Restriction as provided in Section 3.2 or until such time as this Agreement is no longer in effect. Participant shall not retain physical custody of any certificates representing Unreleased Shares issued to Participant. Participant, by acceptance of this Award, shall be deemed to appoint, and does so appoint, the Company and each of its authorized representatives as Participant's attorney(s)-in-fact to effect any transfer of forfeited Unreleased Shares (and Retained Distributions, if any, paid on such forfeited Unreleased Shares) to the Company as may be required pursuant to the Plan or this Agreement, and to execute such representations or other documents or assurances as the Company or such representatives deem necessary or advisable in connection with any such transfer. To the extent allowable by Applicable Law, the Company, or its designee, shall not be liable for any act it may do or omit to do with respect to holding the Shares in escrow and while acting in good faith and in the exercise of its judgment.

(b) The Company will retain custody of all cash dividends and other distributions ("Retained Distributions") made or declared with respect to Unreleased Shares (and such Retained Distributions will be subject to the Forfeiture Restriction and the other terms and conditions under this Agreement that are applicable to the Shares) until such time, if ever, as the Unreleased Shares with respect to which such Retained Distributions shall have been made, paid or declared shall have become vested pursuant to the Grant Notice. Any Retained Distributions with respect to Unreleased Shares shall be forfeited in the event such Unreleased Shares are forfeited.

3.4 Rights as Shareholder. Except as otherwise provided herein, upon issuance of the Shares by the Company, Participant shall have all the rights of a shareholder with respect to said Shares, subject to the restrictions herein, including the right to vote the Shares and to receive all dividends or other distributions paid or made with respect to the Shares.

ARTICLE IV.

TAXATION AND TAX WITHHOLDING

4.1 Representation. Participant represents to the Company that Participant has reviewed with his or her own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Agreement. Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

4.2 Section 83(b) Election. If Participant makes an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), to be taxed with respect to the Shares as of the date of transfer of the Shares rather than as of the date or dates upon which Participant would otherwise be taxable under Section 83(a) of the Code, Participant shall deliver a copy of such election to the Company promptly upon filing such election with the Internal Revenue Service.

4.3 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the vesting of the Shares, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries withhold a net number of vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iii) with respect to any withholding taxes arising in connection with the vesting of the Shares, unless otherwise determined by the Administrator, by tendering to the Company vested shares of Common Stock having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the vesting of the Shares, subject to Participant's compliance with the Company's Insider Trading Policy, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to those Shares that are then becoming vested and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; provided that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later the settlement of such sale; or

(v) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Shares, in the event Participant fails to provide timely payment of all sums required pursuant to Section 4.3(a), the Company shall have the right and option, but not the obligation, to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 4.3(a)(ii) above. The Company shall not be obligated to deliver any certificate representing the Shares to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting of the Shares or any other taxable event related to the Shares.

(c) In the event any tax withholding obligation arising in connection with the Shares may be satisfied under Section 4.3(a)(ii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares of Common Stock from those Shares that are then becoming vested as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 4.3(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to deliver any certificate representing the Shares to Participant or his or her legal representative until the foregoing tax withholding obligations are satisfied.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Shares, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the Shares. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the Shares or the subsequent sale of the Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure this Award to reduce or eliminate Participant's tax liability.

ARTICLE V.

RESTRICTIVE LEGENDS AND STOP-TRANSFER ORDERS

5.1 Legends. The certificate or certificates representing the Shares, if any, shall bear the following legend (as well as any legends required by the Company's charter and Applicable Law):

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE IN FAVOR OF THE COMPANY AND MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

5.2 Refusal to Transfer; Stop-Transfer Notices. The Company shall not be required (a) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (b) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred. Participant agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

5.3 Removal of Legend. After such time as the Forfeiture Restriction shall have lapsed with respect to the Shares, and upon Participant's request, a new certificate or certificates representing such

Shares shall be issued without the legend referred to in Section 5.1 and delivered to Participant. If the Shares are held in book entry form, the Company shall cause any restrictions noted on the book form to be removed.

ARTICLE VI.

OTHER PROVISIONS

6.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

6.2 Shares Not Transferable. The Shares and Retained Distributions may not be sold, pledged, assigned or transferred in any manner unless and until the Forfeiture Restrictions have lapsed. No Unreleased Shares or Retained Distributions or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect.

6.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the Unreleased Shares in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Shares are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

6.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company’s principal office, and any notice to be given to Participant shall be addressed to Participant at Participant’s last address reflected on the Company’s records. By a notice given pursuant to this Section 6.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

6.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

6.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

6.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Law, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Shares are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

6.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board*, provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Shares in any material way without the prior written consent of Participant.

6.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 6.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

6.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Shares, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

6.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

6.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

6.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

6.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

6.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Award.

6.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

6.17 Broker-Assisted Sales. In the event of any broker-assisted sale of shares of Common Stock in connection with the payment of withholding taxes as provided in Section 4.3(a)(iv) or Section 4.3(c): (A) any shares of Common Stock to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such shares of Common Stock may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

* * * * *

Exhibit 10.59

AXALTA COATING SYSTEMS LTD.
2014 INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the "Company"), pursuant to its 2014 Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant") the number of Restricted Stock Units (the "RSUs") set forth below. The RSUs are subject to the terms and conditions set forth in this Restricted Stock Unit Grant Notice (the "Grant Notice") and the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement") and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:	
Grant Date:	
Number of RSUs:	
Type of Shares Issuable:	Common Stock
Vesting Schedule:	[To be specified in individual agreements]

By Participant's signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.	**PARTICIPANT**
By: ______________________	By: ______________________
Print Name:	Print Name:
Title:	

EXHIBIT A
TO RESTRICTED STOCK UNIT GRANT NOTICE

RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of RSUs set forth in the Grant Notice.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The RSUs and the shares of Common Stock ("Shares") issued to Participant hereunder ("Shares") are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

AWARD OF RESTRICTED STOCK UNITS AND DIVIDEND EQUIVALENTS

2.1 Award of RSUs and Dividend Equivalents.

(a) In consideration of Participant's past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of RSUs set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Section 13.2 of the Plan. Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash as set forth in Section 2.3(b), in either case, at the times and subject to the conditions set forth herein. However, unless and until the RSUs have vested, Participant will have no right to the payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the RSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each RSU granted pursuant to the Grant Notice for all ordinary cash dividends which are paid to all or substantially all holders of the outstanding Shares between the Grant Date and the date when the applicable RSU is distributed or paid to Participant or is forfeited or expires. The Dividend Equivalents for each RSU shall be equal to the amount of cash which is paid as a dividend on one share of Common Stock. All such Dividend Equivalents shall be credited to Participant and paid in cash at the same time as the distribution or payment is made of the RSU to which such Dividend Equivalent relates in accordance with Section 2.3 below. Any Dividend Equivalents that relate to RSUs that are forfeited shall likewise be forfeited without consideration.

2.2 Vesting of RSUs and Dividend Equivalents.

(a) Subject to Participant's continued employment with or service to the Company or a Subsidiary on each applicable vesting date and subject to the terms of this Agreement, the RSUs shall vest in such amounts and at such times as are set forth in the Grant Notice. Each additional RSU which results from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) hereof shall vest whenever the underlying RSU to which such additional RSU relates vests.

(b) In the event Participant incurs a Termination of Service, except as may be otherwise provided by the Administrator or as set forth in a written agreement between Participant and the Company, Participant shall immediately forfeit any and all RSUs and Dividend Equivalents granted under this Agreement which have not vested or do not vest on or prior to the date on which such Termination of Service occurs, and Participant's rights in any such RSUs and Dividend Equivalents which are not so vested shall lapse and expire.

2.3 Distribution or Payment of RSUs.

(a) Participant's RSUs shall be distributed in Shares (either in book-entry form or otherwise) or, at the option of the Company, paid in an amount of cash as set forth in Section 2.3(b), in either case, as soon as administratively practicable following the vesting of the applicable RSU pursuant to Section 2.2, and, in any event, within sixty (60) days following such vesting. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of RSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A of the Code.

(b) In the event that the Company elects to make payment of Participant's RSUs in cash, the amount of cash payable with respect to each RSU shall be equal to the Fair Market Value of a Share on the day immediately preceding the applicable distribution or payment date set forth in Section 2.3(a). All distributions made in Shares shall be made by the Company in the form of whole Shares, and any fractional share shall be distributed in cash in an amount equal to the value of such fractional share determined based on the Fair Market Value as of the date immediately preceding the date of such distribution.

2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (D) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the distribution of the RSUs, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries withhold a net number of vested Shares otherwise issuable pursuant to the RSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iii) with respect to any withholding taxes arising in connection with the distribution of the RSUs, unless otherwise determined by the Administrator, by tendering to the Company vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries based on the minimum applicable statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes;

(iv) with respect to any withholding taxes arising in connection with the distribution of the RSUs, subject to Participant's compliance with the Company's Insider Trading Policy, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable to Participant pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company or the Subsidiary with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the Company or the applicable Subsidiary at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(v) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the RSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) above. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the RSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) In the event any tax withholding obligation arising in connection with the RSUs may be satisfied under Section 2.5(a)(ii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those Shares then issuable to Participant pursuant to the RSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 2.5(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any Shares in settlement of the RSUs to Participant until the foregoing tax withholding obligations are satisfied, *provided* that no payment shall be delayed under this Section 2.5(c) if such delay will result in a violation of Section 409A of the Code.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax liability.

2.6 Rights as Shareholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

3.2 RSUs Not Transferable. The RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the RSUs have been issued, and all restrictions applicable to such Shares have lapsed. No RSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs (including RSUs which result from the deemed reinvestment of Dividend Equivalents), the Dividend Equivalents, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents.

3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

3.17 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 2.5(a)(iv) or Section 2.5(c): (A) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

* * * * *

Exhibit 10.62

PRINCIPAL STOCKHOLDERS AGREEMENT

BY AND AMONG

AXALTA COATING SYSTEMS LTD.

AND

THE CARLYLE STOCKHOLDERS

[l], 2014

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EXHIBIT

PRINCIPAL STOCKHOLDERS AGREEMENT

This Principal Stockholders Agreement (this "Agreement") is made as of [l], 2014 by and among Axalta Coating Systems Ltd. (formerly known as Flash Bermuda Co. Ltd. and Axalta Coating Systems Bermuda Co., Ltd.), a Bermuda exempted limited liability company (the "Company"), Carlyle Partners V SA1 Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV SA1"), Carlyle Partners V SA2 Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV SA2"), Carlyle Partners V SA3 Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV SA3"), Carlyle Partners V-A Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV-A"), CP V Coinvestment A Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV Coinvest A"), CP V Coinvestment B Cayman, L.P., a Cayman Islands exempted limited partnership ("CPV Coinvest B"), CEP III Participations, S.à r.l. SICAR, a Luxembourg private limited liability company ("CEP III"), Carlyle Coatings Partners, L.P., a Cayman Islands exempted limited partnership ("CCP", and together with CPV SA1, CPV SA2, CPV SA3, CPV-A, CPV Coinvest A, CPV Coinvest B and CEP III, the "Initial Carlyle Stockholders"), and any other stockholder who from time to time becomes party to this Agreement by execution of a joinder agreement substantially in the form of Exhibit A (a "Joinder Agreement").

RECITALS

A. The Company is proposing to consummate an initial public offering of its share capital (the "Initial Public Offering").

B. The Initial Carlyle Stockholders and the Company desire to enter into this Agreement effective upon the effective date of the registration statement relating to the Initial Public Offering (the "Effective Date").

C. The Board of Directors of the Company (the "Board of Directors") has approved this Agreement.

D. The parties hereto desire to agree upon the respective rights and obligations after the Effective Date with respect to the securities of the Company now or hereafter issued and outstanding and held by the parties to this Agreement and certain matters with respect to their investment in the Company.

AGREEMENT

Now therefore, in consideration of the foregoing, and the mutual agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION I. DEFINITIONS

1.1 Drafting Conventions; No Construction Against Drafter.

(a) The headings in this Agreement are provided for convenience and do not affect its meaning. The words "include," "includes" and "including" are to be read as if they were followed by the phrase "without limitation." Unless specified otherwise, any reference to an agreement means that agreement as amended or supplemented, subject to any restrictions on amendment contained in such agreement. Unless specified otherwise, any reference to a statute or regulation means that statute or regulation as amended or supplemented from time to time and any corresponding provisions of successor statutes or regulations. If any date specified in this Agreement as a date for taking action falls on a day that is not a business day, then that action may be taken on the next business day. Unless specified otherwise, the words "party" and "parties" refer only to a party named in this Agreement or one who joins this Agreement as a party pursuant to the terms hereof.

(b) The language used in this Agreement shall be deemed to be the language chosen by the parties to express their mutual intent. If an ambiguity or question of intent or interpretation arises, this Agreement is to be construed as if drafted jointly by the parties and there is to be no presumption or burden of proof or rule of strict construction favoring or disfavoring any party because of the authorship of any provision of this Agreement.

1.2 Defined Terms. The following capitalized terms, as used in this Agreement, shall have the meanings set forth below.

"Affiliate" shall mean with respect to any specified Person, any other Person which, directly or indirectly, controls, is controlled by or is under common control with the specified Person, including any partner, officer, director or member of the specified Person and, if the specified Person is a private equity fund, any investment fund now or hereafter managed by, or which is controlled by or is under common control with, one or more general partners of the specified Person. For the purposes of this definition, "control" (including, with its correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct, or cause the direction of the management and policies of such Person, whether through the ownership of securities, by contract or otherwise.

"Bye-laws" shall mean the Company's amended and restated bye-laws in effect as of the Effective Date, as amended from time to time.

"Carlyle Stockholders" means (i) the Initial Carlyle Stockholders and (ii) any Permitted Transferee or Affiliate of any Initial Carlyle Stockholder (x) which is issued Common Stock or becomes the beneficial owner of any Common Stock or is Transferred any Common Stock by any other Person and (y) which becomes a party hereto by executing a Joinder Agreement.

"Carlyle Majority Interest" shall mean, at any given time, the Carlyle Stockholders holding a majority of the outstanding Shares held at that specified time by all Carlyle Stockholders.

"Charter" shall mean the Company's memorandum of association in effect as of the Effective Date, as amended from time to time.

"Common Stock" shall mean the common shares, par value $1.00 per share, of the Company.

"Company" shall have the meaning set forth in the preamble and shall include any successor thereto.

"Director" shall mean a member of the Board of Directors.

"Exchange Act" shall mean the Securities Exchange Act of 1934 and the rules and regulations thereunder.

"GAAP" means generally accepted accounting principles, as in effect in the United States of America from time to time.

"Initial Capital Interest" means the aggregate sums which remain invested by a Stockholder in shares and yield free convertible preferred equity certificates of the Company immediately following the IPO.

"IPO" means the underwritten registered public offering of the Company's Common Stock pursuant to which the Common Stock is being listed on the New York Stock Exchange.

"Necessary Action" shall mean, with respect to a specified result, all actions necessary or desirable to cause such result, including (i) attending meetings in person or by proxy for purposes of obtaining a quorum, (ii) voting or providing a written consent or proxy with respect to Shares, (iii) causing the adoption of resolutions and amendments to the organizational documents of the Company, (iv) executing agreements and instruments and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

"Permitted Transferee" shall mean, with respect to any Carlyle Stockholder, (i) any Affiliate of such Carlyle Stockholder, (ii) any director, officer or employee of any Affiliate of such Carlyle Stockholder, (iii) any direct or indirect member or general or limited partner of such Carlyle Stockholder that is the transferee of Shares pursuant to a pro rata distribution of Shares by such Carlyle Stockholder to its partners or members, as applicable (or any subsequent transfer of such Shares by the transferee to another Permitted Transferee) or (iv) any other Transferee designated as a Permitted Transferee by the Carlyle Majority Interest.

"Person" shall mean an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, government (or agency or political subdivision thereof) or any other entity or group (as defined in Section 13(d) of the Exchange Act).

"Public Offering" shall mean a public offering and sale of Common Stock for cash pursuant to an effective registration statement under the Securities Act.

"SEC" shall mean the Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933 and the rules and regulations thereunder.

"Shares" shall mean, at any time, (i) Common Stock and (ii) any other equity securities now or hereafter issued by the Company, together with any options thereon and any other shares of stock or other equity securities issued or issuable with respect thereto (whether by way of a stock dividend, stock split or in exchange for or in replacement or upon conversion of such shares or otherwise in connection with a combination of shares, recapitalization, merger, consolidation or other corporate reorganization).

"Stockholders" means the Carlyle Stockholders and any other stockholders who from time to time become party to this Agreement by execution of a Joinder Agreement.

"Transfer" means any direct or indirect transfer, donation, sale, assignment, pledge, hypothecation, grant of a security interest in or other disposal or attempted disposal of all or any portion of a security, any interest or rights in a security, or any rights under this Agreement.

"Transferee" means the recipient of a Transfer.

"WKSI" means a well-known seasoned issuer, as defined in the SEC's Rule 405.

SECTION II. REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of the Initial Carlyle Stockholders. Each of the Initial Carlyle Stockholders hereby represents, warrants and covenants to the Company as follows: (a) such Initial Carlyle Stockholder has full limited partnership power and authority to enter into this Agreement and perform its obligations hereunder; (b) this Agreement constitutes the valid and binding obligation of such Initial Carlyle Stockholder enforceable against it in accordance with its terms; and (c) the execution, delivery and performance by such Initial Carlyle Stockholder of this Agreement: (i) does not and will not violate any laws, rules or regulations of the United States or any state or other jurisdiction applicable to such Initial Carlyle Stockholder, or require such Initial Carlyle Stockholder to obtain any approval, consent or waiver of, or to make any filing with, any Person that has not been obtained or made; and (ii) does not constitute a breach of or default under any material agreement to which such Initial Carlyle Stockholder is a party.

2.2 Representations and Warranties of the Other Stockholders. Each of the Stockholders (other than the Carlyle Stockholders) hereby represents, warrants and covenants to the Company and the Carlyle Stockholders as follows: (a) such Person has full legal capacity to enter into this Agreement and perform its obligations hereunder; (b) this Agreement constitutes the valid and binding obligation of such Person enforceable against such Person in accordance with its terms; and (c) the execution, delivery and performance by such Person of this Agreement does not and will not: (i) violate any laws, rules or regulations of the United States or any state or other jurisdiction applicable to such Person, or require such Person to obtain any approval, consent or waiver of, or to make any filing with, any Person that has not been obtained or made; or (ii) constitute a breach of or default under any material agreement to which such Person is a party.

2.3 Representations and Warranties of the Company. The Company hereby represents, warrants and covenants to the Stockholders as follows: (a) the Company has full corporate power and authority to enter into this Agreement and perform its obligations hereunder; (b) this Agreement constitutes the valid and binding obligation of the Company enforceable against it in accordance with its terms; and (c) the execution, delivery and performance by the Company of this Agreement: (i) does not and will not violate any laws, rules or regulations of the United States or any state or other jurisdiction applicable to the Company, or require the Company to obtain any approval, consent or waiver of, or to make any filing with, any Person that has not been obtained or made; and (ii) does not and will not result in a breach of, constitute a default under, accelerate any obligation under or give rise to a right of termination of any indenture or loan or credit agreement or any other material agreement, contract, instrument, mortgage, lien, lease, permit, authorization, order, writ, judgment, injunction, decree, determination or arbitration award to which the Company is a party or by which the property of the Company is bound or affected, or result in the creation or imposition of any mortgage, pledge, lien, security interest or other charge or encumbrance on any of the assets or properties of the Company.

SECTION III. BOARD MATTERS

3.1 Board of Directors. From and after the first business day after the Effective Date:

(a) Rights to Designate. Each Stockholder hereby agrees to vote, or cause to be voted, all of its Shares, at any annual or special meeting, by written consent, or otherwise, and will take all Necessary Actions within such Stockholder’s control, and the Company will take all Necessary Actions within its control, to cause the authorized number of directors on the Board of Directors to be established and remain at eleven (11), or such other number approved pursuant to the terms of this Agreement, and to elect or appoint or cause to be elected or appointed to the Board of Directors and cause to be continued in office:

(i) ten (10) designees of the Carlyle Stockholders constituting a Carlyle Majority Interest (the "Investor Designees"); provided, that (A) the number of Investor Designees to be designated by the Carlyle Majority Interest (on behalf of the Carlyle Stockholders) shall be reduced to six (6) Directors at such time as the Carlyle Stockholders in the aggregate hold less than thirty-five percent (35%) of the then outstanding shares of Common Stock, (B) the number of Investor Designees to be designated by the Carlyle Majority Interest (on behalf of the Carlyle Stockholders) shall be reduced to four (4) Directors at such time as the Carlyle Stockholders in the aggregate hold less than twenty-five percent (25%) of the then outstanding shares of Common Stock, (C) the number of Investor Designees to be designated by the Carlyle Majority Interest (on behalf of the Carlyle Stockholders) shall be reduced to two (2) Directors at such time as the Carlyle Stockholders in the aggregate hold less than fifteen-percent (15%) of the then outstanding shares of Common Stock, and (D) the Carlyle Stockholders shall have no right to designate any members of the Board of Directors pursuant to this Section 3.1(a)(i) at such time as the Carlyle Stockholders in the aggregate hold less than five percent (5%) of the then-outstanding shares of Common Stock;

(ii) the senior ranking executive officer of the Company and its subsidiaries, who initially, and for so long as he is the Company's Chief Executive Officer, shall be Charles W. Shaver; and

(iii) each additional designee shall be filled as provided in the Charter and Bye-laws.

The Company shall take all Necessary Actions within its control to cause the individuals designated in accordance with Section 3.1(a) to be nominated for election to the Board of Directors, shall solicit proxies in favor thereof, and at each meeting of the stockholders of the Company at which directors of the Company are to be elected, shall recommend that the stockholders of the Company elect to the Board of Directors each such individual nominated for election at such meeting.

(b) Initial Investor Designees. The initial Investor Designees pursuant to the provisions of Section 3.1(a)(i) shall be Gregory S. Ledford, Allan M. Holt, Gregor P. Böhm, Martin W. Sumner, Wesley T. Bieligk, Orlando A. Bustos, Robert M. McLaughlin and Andreas C. Kramvis. Any remaining undesignated Investor Designees shall be designated by the Carlyle Majority Interest at such time as they shall determine.

(c) Removal and Replacement.

(i) Any Person or group of Persons entitled to designate a Director may remove such designee by sending a written notice to the Company's Secretary stating the name of the designee to be removed from the Board of Directors (the "Removal Notice") and, upon receipt of such notice by the Company's Secretary, such designee shall be removed from the Board of Directors (and such a designee shall only be removed in such manner), and each Stockholder hereby agrees to vote, at any annual or special meeting, by written consent, or otherwise, all Shares and will take all Necessary Actions within such Stockholder's control to effect such removal.

(ii) If at any time any Director ceases to serve on the Board of Directors (whether due to death, disability, resignation, removal or otherwise), the Person or Persons that designated or nominated such Director pursuant to Section 3.1(a) shall designate or nominate a successor to fill the vacancy created thereby on the terms and subject to the conditions of Section 3.1(a). Each Stockholder hereby agrees to vote, or cause to be voted, all of its Shares, and will take all Necessary Actions within such Stockholder's control, and the Company will take all Necessary Actions within its control, to cause the designated successor to be elected to fill such vacancy. In the event that the Carlyle Stockholders do not, pursuant to Section 3.1(a), have the right to designate an individual to fill such vacancy, then such vacancy shall be filled as provided in the Charter and the Bye-laws.

(iii) In the event that the Carlyle Stockholders cease to have the right to designate an individual to serve as a Director pursuant to Section 3.1(a), (i) that number of Directors for which the Carlyle Stockholders cease to have the right to designate to serve as a Director shall resign within six (6) months or, if earlier, such time as such Director's successor is appointed or elected (provided that the Carlyle Majority Interest shall have the authority to select which such particular Director or Directors will resign) or, in the event any such individual does not resign by such time as is required by the foregoing, each Stockholder shall thereafter take all Necessary Actions within its control to cause the removal of such individual, including voting all Shares in favor of such removal, and (ii) the vacancy created by such resignation or removal shall be filled as provided in the Charter and the Bye-laws.

(d) Expenses. Each Director shall be entitled to reimbursement from the Company for his or her reasonable out-of-pocket expenses (including travel) incurred in attending any meeting of the Board of Directors or any committee thereof or governing body of any subsidiary of the Company or any committee thereof.

(e) Indemnification; Insurance. The Company shall not alter, in any manner adverse to the Investor Designees, any rights to indemnification and exculpation from liabilities currently afforded to members of the Board of Directors pursuant to the Charter, the Bye-laws or any indemnification agreement, in each case, as in effect as of the date hereof. If the Company or any of its respective successors or assigns (i) shall consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) shall transfer all or substantially all of its properties and assets to any individual, corporation or other entity, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Company shall covenant to afford to each of the Investor Designees such rights to indemnification and exculpation from liabilities. The Company shall continue to maintain in effect directors' and officers' liability insurance and fiduciary liability insurance with benefits, terms, conditions, retentions and levels of coverage that are at least as favorable, in the aggregate, to the insureds as provided in the Company's existing policies as of the date hereof.

3.2 Committees of the Board of Directors. From and after the Effective Date, the Company shall, and each Stockholder shall use its reasonable best efforts to, cause the Board of Directors to maintain the following committees: (a) an Audit Committee, (b) a Compensation Committee, (c) any other committee needed to comply with applicable laws and regulations and (d) any other committee as the Board of Directors shall determine in its discretion. Each committee shall include such number of Investor Designees such that the pro rata representation of the Investor Designees on such committee as a proportion of the full membership of such committee is not less than the pro rata representation of all of the Investor Designees as a proportion of the full Board of Directors; provided that the right of any such Investor Designee to serve on a committee shall be subject to the Company's obligation to comply with any applicable independence requirements of a national securities exchange upon which the Company's Common Stock is listed to which it is then subject and compliance with the requirements of Section 162(m) of the Internal Revenue Code to have a compensation committee comprised solely of two or more outside directors.

3.3 Additional Management Provisions.

(a) Each Stockholder and the Company agrees and acknowledges that, subject to applicable law, the Investor Designees designated by the Carlyle Majority Interest may share confidential, non-public information about the Company and its subsidiaries with the Carlyle Stockholders.

(b) The Stockholders and the Company hereby agree, notwithstanding anything to the contrary in any other agreement or at law or in equity, that, to the maximum extent permitted by law, when the Carlyle Stockholders take any action under this Agreement to give or withhold its consent, the Carlyle Stockholders shall have no duty (fiduciary or other) to consider the interests of the Company or the other Stockholders and may act exclusively in its own interest; provided, however, that the foregoing shall in no way affect the obligations of the parties hereto to comply with the provisions of this Agreement.

(c) Each of the parties covenants and agrees to take all Necessary Actions within its control to ensure that the Charter and Bye-laws do not, at any time, conflict with the provisions of this Agreement.

(d) For so long as the Company qualifies as a "controlled company" under the applicable listing standards then in effect, the Company will elect to be a "controlled company" for purposes of such applicable listing standards, and will disclose in its annual meeting proxy statement that it is a "controlled company" and the basis for that determination. the Company and the Stockholders acknowledge and agree that, as of the date of this Agreement, the Company is a "controlled company." The Carlyle Stockholders acknowledge that a sufficient number of their designees will be required to qualify as "independent directors" to ensure that the Board complies with such applicable listing standards in the time periods required by the applicable listing standards then in effect, and shall discuss and use commercially reasonable efforts to agree upon appropriate changes to their designees consistent with the foregoing.

3.4 Company. The Company will not give effect to any action by any Stockholder which is in contravention of this Section III.

SECTION IV. REGISTRATION RIGHTS

4.1 Demand and Piggyback Rights.

(a) Right to Demand a Non-Shelf Registered Offering. Upon the demand of at any time and from time to time after the expiration or waiver of the underwriter lock-up period applicable to the Company's IPO, the Company will facilitate in the manner described in this Agreement a non-shelf registered offering of the Shares requested by the demanding Carlyle Stockholders to be included in such offering. A demand by Carlyle Stockholders for a non-shelf registered offering that will result in the imposition of a lockup on the Company and the Stockholders may not be made unless the Shares requested to be sold by the demanding Carlyle Stockholders in such offering have an aggregate market value (based on the most recent closing price of the Common Stock at the time of the demand) of at least $50 million or such lesser amount if all Shares held by the demanding Carlyle Stockholders are requested to be sold. Subject to Section 4.2(e) below, any demanded non-shelf registered offering may, at the Company's option, include Shares to be sold by the Company for its own account and will also include Shares to be sold by other holders of Shares with similar rights that exercise their related piggyback rights on a timely basis.

(b) Right to Piggyback on a Non-Shelf Registered Offering. In connection with any registered offering of Common Stock covered by a non-shelf registration statement (whether pursuant to the exercise of demand rights or at the initiative of the Company), the Carlyle Stockholders may exercise piggyback rights to have included in such offering Shares held by them. The Company will facilitate in the manner described in this Agreement any such non-shelf registered offering.

(c) Right to Demand and be Included in a Shelf Registration. Upon the demand of Carlyle Stockholders, made at any time and from time to time when the Company is eligible to utilize Form S-3 or a successor form to sell Shares in a secondary offering on a delayed or continuous basis in accordance with Rule 415, the Company will facilitate in the manner described in this Agreement a shelf registration of Shares held by them. Any shelf registration filed by the Company covering Shares (whether pursuant to a Carlyle Stockholder demand or at the initiative of the Company) will cover Shares held by each of the Carlyle Stockholders (regardless of whether they demanded the filing of such shelf or not) up to an equivalent percentage of their original respective holdings as may be agreed upon by the demanding Carlyle Stockholders. If at the time of such request the Company is a WKSI, such shelf registration would, at the request of such Carlyle Stockholders, cover an unspecified number of Shares to be sold by the Company and the Carlyle Stockholders.

(d) Demand and Piggyback Rights for Shelf Takedowns. Upon the demand of one or more Carlyle Stockholders made at any time and from time to time, the Company will facilitate in the manner described in this Agreement a "takedown" of Shares off of an effective shelf registration statement. In connection with any underwritten shelf takedown (whether pursuant to the exercise of such demand rights or at the initiative of the Company), the Carlyle Stockholders may exercise piggyback rights to have included in such takedown Shares held by them that are registered on such shelf. Notwithstanding the foregoing, Carlyle Stockholders may not demand a shelf takedown for an offering that will result in the imposition of a lockup on the Company and the Stockholders unless the Shares requested to be sold by the demanding Carlyle Stockholders in such takedown have an aggregate market value (based on the most recent closing price of the Common Stock at the time of the demand) of at least $50 million or such lesser amount if all Shares held by the demanding Carlyle Stockholders are requested to be sold.

(e) Right to Reload a Shelf. Upon the written request of a Carlyle Stockholder, the Company will file and seek the effectiveness of a post-effective amendment to an existing shelf in order to register up to the number of Shares previously taken down off of such shelf and not yet "reloaded" onto such shelf.

(f) Limitations on Demand and Piggyback Rights.

(i) Any demand for the filing of a registration statement or for a registered offering or takedown will be subject to the constraints of any applicable lockup arrangements, and such demand must be deferred until such lockup arrangements no longer apply. If a demand has been made for a non-shelf registered offering or for an underwritten takedown, no further demands may be made so long as the related offering is still being pursued. Notwithstanding anything in this Agreement to the contrary, the Carlyle Stockholders will not have piggyback or other registration rights with respect to registered primary offerings by the Company (i) covered by a Form S-8 registration statement or a successor form applicable to employee benefit-related offers and sales, (ii) where the Shares are not being sold for cash or (iii) where the offering is a bona fide offering of securities other than Shares, even if such securities are convertible into or exchangeable or exercisable for Shares.

(ii) The Company may postpone the filing of a demanded registration statement or suspend the effectiveness of any shelf registration statement for a reasonable "blackout period" not in excess of 90 days if the Board of Directors of the Company determines that such registration or offering could materially interfere with a bona fide business or financing transaction of the Company or is reasonably likely to require premature disclosure of information, the premature disclosure of which could materially and adversely affect the Company; provided that the Company shall not postpone the filing of a demanded registration statement or suspend the effectiveness of any shelf registration statement pursuant to this Section 4.1(f)(ii) more than once in any 360 day period. The blackout period will end upon the earlier to occur of, (i) in the case of a bona fide business or financing transaction, a date not later than 90 days from the date such deferral commenced, and (ii) in the case of disclosure of other non-public information, the earlier to occur of (x) the filing by the Company of its next succeeding Form 10-K or Form 10-Q, or (y) the date upon which such information is otherwise disclosed.

4.2 Notices, Cutbacks and Other Matters.

(a) Notifications Regarding Registration Statements. In order for one or more Carlyle Stockholders to exercise their right to demand that a registration statement be filed, they must so notify the Company in writing indicating the number of Shares sought to be registered and the proposed plan of distribution. The Company will keep the Carlyle Stockholders contemporaneously apprised of all pertinent aspects of its pursuit of any registration, whether pursuant to a Carlyle Stockholder demand or otherwise, with respect to which a piggyback opportunity is available. Pending any required public disclosure and subject to applicable legal requirements, the parties will maintain the confidentiality of these discussions.

(b) Notifications Regarding Registration Piggyback Rights. Any Carlyle Stockholder wishing to exercise its piggyback rights with respect to a non-shelf registration statement must notify the Company and the other Carlyle Stockholders of the number of Shares it seeks to have included in such registration statement. Such notice must be given as soon as practicable, but in no event later than 5:00 pm, New York City time, on the second trading day prior to (i) if applicable, the date on which the preliminary prospectus intended to be used in connection with pre-effective marketing efforts for the relevant offering is expected to be finalized, and (ii) in any case, the date on which the pricing of the relevant offering is expected to occur. No such notice is required in connection with a shelf registration statement, as Shares held by all Carlyle Stockholders will be included up to the applicable percentage.

(c) Notifications Regarding Demanded Underwritten Takedowns.

(i) The Company will keep the Carlyle Stockholders contemporaneously apprised of all pertinent aspects of any underwritten shelf takedown in order that they may have a reasonable opportunity to exercise their related piggyback rights. Without limiting the Company's obligation as described in the preceding sentence, having a reasonable opportunity requires that the Carlyle Stockholders be notified by the Company of an anticipated underwritten takedown (whether pursuant to a demand made by other Carlyle Stockholders or made at the Company's own initiative) no later than 5:00 pm, New York City time, on (i) if applicable, the second trading day prior to the date on which the preliminary prospectus or prospectus supplement intended to be used in connection with pre-pricing marketing efforts for such takedown is finalized, and (ii) in all cases, the second trading day prior to the date on which the pricing of the relevant takedown occurs.

(ii) Any Carlyle Stockholder wishing to exercise its piggyback rights with respect to an underwritten shelf takedown must notify the Company and the other Carlyle Stockholders of the number of Shares it seeks to have included in such takedown. Such notice must be given as soon as practicable, but in no event later than 5:00 pm, New York City time, on (i) if applicable, the trading day prior to the date on which the preliminary prospectus or prospectus supplement intended to be used in connection with marketing efforts for the relevant offering is expected to be finalized, and (ii) in all cases, the trading day prior to the date on which the pricing of the relevant takedown occurs.

(iii) Pending any required public disclosure and subject to applicable legal requirements, the parties will maintain appropriate confidentiality of their discussions regarding a prospective underwritten takedown.

(d) Plan of Distribution, Underwriters and Counsel. If a majority of the Shares proposed to be sold in an underwritten offering through a non-shelf registration statement or through a shelf takedown are being sold by the Company for its own account, the Company will be entitled to determine the plan of distribution and select the managing underwriters for such offering. Otherwise, the Carlyle Stockholders holding a majority of the Shares requested to be included in such offering will be entitled to determine the plan of distribution and select the managing underwriters, and such majority will also be entitled to select counsel for the selling Stockholders (which may be the same as counsel for the Company). In the case of a shelf registration statement, the plan of distribution will provide as much flexibility as is reasonably possible, including with respect to resales by transferee Stockholders.

(e) Cutbacks. If the managing underwriters advise the Company and the selling Stockholders that, in their opinion, the number of Shares requested to be included in an underwritten offering exceeds the amount that can be sold in such offering without adversely affecting the distribution of the Shares being offered, such offering will include only the number of Shares that the underwriters advise can be sold in such offering.

(i) In the case of a registered offering upon the demand of one or more Carlyle Stockholders, the selling Stockholders (including those Carlyle Stockholders exercising piggyback rights pursuant to Section 4.1(b)) collectively will have first priority and will be subject to cutback pro rata based on the Initial Capital Interest of each such selling Stockholder (up to the number of Shares initially requested by them to be included in such offering). To the extent of any remaining capacity, all other stockholders having similar registration rights will have second priority and will be subject to cutback pro rata based on the number of Shares initially requested by them to be included in such offering. To the extent of any remaining capacity, the Company will have third priority. Except as contemplated by the immediately preceding three sentences, other selling stockholders (other than transferees to whom a Carlyle Stockholder has assigned its rights under this Agreement) will be included in an underwritten offering only with the consent of Carlyle Stockholders holding a majority of the Shares being sold in such offering.

(ii) In the case of a registered offering upon the initiative of the Company, the Company will have first priority. To the extent of any remaining capacity, the selling Carlyle Stockholders as a group, on the one hand, and all other stockholders having similar registration rights as a group, on the other hand, will be subject to cutback pro rata based on the number of Shares initially requested by such group to be included in such offering. The selling Carlyle Stockholders will be subject to cutback pro rata, based on the Initial Capital Interest of each such selling Carlyle Stockholder (up to the number of Shares initially requested by them to be included in such offering). Except as contemplated by the immediately preceding sentence, other stockholders (other than transferees to whom a Carlyle Stockholder has assigned its rights under this Agreement) will be included in an underwritten offering only with the consent of a Carlyle Majority Interest.

(f) Withdrawals. Even if Shares held by a Carlyle Stockholder have been part of a registered underwritten offering, such Carlyle Stockholder may, no later than the time at which the public offering price and underwriters' discount are determined with the managing underwriter, decline to sell all or any portion of the Shares being offered for its account.

(g) Lockups. In connection with any underwritten offering of Shares, the Company and each Carlyle Stockholder will agree (in the case of Carlyle Stockholders, with respect to Shares respectively held by them) to be bound by the underwriting agreement's lockup restrictions (which must apply, and continue to apply, in like manner to all of them) that are agreed to (a) by the Company, if a majority of the Shares being sold in such offering are being sold for its account, or (b) by Carlyle Stockholders holding a majority of Shares being sold by all Carlyle Stockholders, if a majority of the Shares being sold in such offering are being sold by Carlyle Stockholders, as applicable.

(h) Expenses. All expenses incurred in connection with any registration statement or registered offering covering Shares held by Carlyle Stockholders, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel (including the fees and disbursements of outside counsel for Carlyle Stockholders) and of the independent certified public accountants, and the expense of qualifying such Shares under state blue sky laws, will be borne by the Company. However, underwriters', brokers' and dealers' discounts and commissions applicable to Shares sold for the account of a Carlyle Stockholder will be borne by such Carlyle Stockholder.

4.3 Facilitating Registrations and Offerings.

(a) General. If the Company becomes obligated under this Agreement to facilitate a registration and offering of Shares on behalf of Carlyle Stockholders, the Company will do so with the same degree of care and dispatch as would reasonably be expected in the case of a registration and offering by the Company of Shares for its own account. Without limiting this general obligation, the Company will fulfill its specific obligations as described in this Section 4.3.

(b) Registration Statements. In connection with each registration statement that is demanded by Carlyle Stockholders or as to which piggyback rights otherwise apply, the Company will:

(i) prepare and file with the SEC a registration statement covering the applicable Shares, (ii) file amendments thereto as warranted, (iii) seek the effectiveness thereof, and (iv) file with the SEC prospectuses and prospectus supplements as may be required, all in consultation with the Carlyle Stockholders and as reasonably necessary in order to permit the offer and sale of the such Shares in accordance with the applicable plan of distribution;

(ii) (1) within a reasonable time prior to the filing of any registration statement, any prospectus, any amendment to a registration statement, amendment or supplement to a prospectus or any free writing prospectus, provide copies of such documents to the selling Carlyle Stockholders and to the underwriter or underwriters of an underwritten offering, if applicable, and to their respective counsel; fairly consider such reasonable changes in any such documents prior to or after the filing thereof as the counsel to the Carlyle Stockholders or the underwriter or the underwriters may request; and make such of the representatives of the Company as shall be reasonably requested by the selling Carlyle Stockholders or any underwriter available for discussion of such documents;

(2) within a reasonable time prior to the filing of any document which is to be incorporated by reference into a registration statement or a prospectus, provide copies of such document to counsel for the Carlyle Stockholders and underwriters; fairly consider such reasonable changes in such document prior to or after the filing thereof as counsel for such Carlyle Stockholders or such underwriter shall request; and make such of the representatives of the Company as shall be reasonably requested by such counsel available for discussion of such document;

(iii) cause each registration statement and the related prospectus and any amendment or supplement thereto, as of the effective date of such registration statement, amendment or supplement and during the distribution of the registered Shares (x) to comply in all material respects with the requirements of the Securities Act and the rules and regulations of the SEC and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(iv) notify each Carlyle Stockholder promptly, and, if requested by such Carlyle Stockholder, confirm such advice in writing, (i) when a registration statement has become effective and when any post-effective amendments and supplements thereto become effective if such registration statement or post-effective amendment is not automatically effective upon filing pursuant to Rule 462, (ii) of the issuance by the SEC or any state securities authority of any stop order, injunction or other order or requirement suspending the effectiveness of a registration statement or the initiation of any proceedings for that purpose, (iii) if, between the effective date of a registration statement and the closing of any sale of securities covered thereby pursuant to any agreement to which the Company is a party, the representations and warranties of the Company contained in such agreement cease to be true and correct in all material respects or if the Company receives any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation of any proceeding for such purpose, and (iv) of the happening of any event during the period a registration statement is effective as a result of which such registration statement or the related prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading;

(v) furnish counsel for each underwriter, if any, and for the Carlyle Stockholders copies of any correspondence with the SEC or any state securities authority relating to the registration statement or prospectus;

(vi) otherwise comply with all applicable rules and regulations of the SEC, including making available to its security holders an earnings statement covering at least 12 months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar provision then in force);

(vii) use all reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of a registration statement at the earliest possible time;

(c) Non-Shelf Registered Offerings and Shelf Takedowns. In connection with any non-shelf registered offering or shelf takedown that is demanded by Carlyle Stockholders or as to which piggyback rights otherwise apply, the Company will:

(i) cooperate with the selling Carlyle Stockholders Shares and the sole underwriter or managing underwriter of an underwritten offering Shares, if any, to facilitate the timely preparation and delivery of certificates representing the Shares to be sold and not bearing any restrictive legends; and enable such Shares to be in such denominations (consistent with the provisions of the governing documents thereof) and registered in such names as the selling Carlyle Stockholders or the sole underwriter or managing underwriter of an underwritten offering of Shares, if any, may reasonably request at least five days prior to any sale of such Shares;

(ii) furnish to each Carlyle Stockholder and to each underwriter, if any, participating in the relevant offering, without charge, as many copies of the applicable prospectus, including each preliminary prospectus, and any amendment or supplement thereto and such other documents as such Carlyle Stockholder or underwriter may reasonably request in order to facilitate the public sale or other disposition of the Shares; the Company hereby consents to the use of the prospectus, including each preliminary prospectus, by each such Carlyle Stockholder and underwriter in connection with the offering and sale of the Shares covered by the prospectus or the preliminary prospectus;

(iii) (i) use all reasonable efforts to register or qualify the Shares being offered and sold, no later than the time the applicable registration statement becomes effective, under all applicable state securities or "blue sky" laws of such jurisdictions as each underwriter, if any, or any Carlyle Stockholder holding Shares covered by a registration statement, shall reasonably request; (ii) use all reasonable efforts to keep each such registration or qualification effective during the period such registration statement is required to be kept effective; and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable each such underwriter, if any, and Carlyle Stockholder to consummate the disposition in each such jurisdiction of such Shares owned by such Carlyle Stockholder; *provided*, *however*, that the Company shall not be obligated to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to consent to be subject to general service of process (other than service of process in connection with such registration or qualification or any sale of Shares in connection therewith) in any such jurisdiction;

(iv) cause all Shares being sold to be qualified for inclusion in or listed on The New York Stock Exchange or any other U.S. securities exchange on which Shares issued by the Company are then so qualified or listed if so requested by the Carlyle Stockholders, or if so requested by the underwriter or underwriters of an underwritten offering of Shares, if any;

(v) cooperate and assist in any filings required to be made with Financial Industry Regulatory Authority and in the performance of any due diligence investigation by any underwriter in an underwritten offering;

(vi) use all reasonable efforts to facilitate the distribution and sale of any Shares to be offered pursuant to this Agreement, including without limitation by making road show presentations, holding meetings with and making calls to potential investors and taking such other actions as shall be requested by the Carlyle Stockholders or the lead managing underwriter of an underwritten offering; and

(vii) enter into customary agreements (including, in the case of an underwritten offering, underwriting agreements in customary form, and including provisions with respect to indemnification and contribution in customary form and consistent with the provisions relating to indemnification and contribution contained herein) and take all other customary and appropriate actions in order to expedite or facilitate the disposition of such Shares and in connection therewith:

(1) make such representations and warranties to the selling Stockholders and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in similar underwritten offerings;

(2) obtain opinions of counsel to the Company and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the lead managing underwriter, if any) addressed to each selling Stockholder and the underwriters, if any, covering the matters customarily covered in opinions requested in sales of securities or underwritten offerings and such other matters as may be reasonably requested by such Stockholders and underwriters;

(3) obtain "cold comfort" letters and updates thereof from the Company's independent certified public accountants addressed to the selling Stockholders, if permissible, and the underwriters, if any, which letters shall be customary in form and shall cover matters of the type customarily covered in "cold comfort" letters to underwriters in connection with primary underwritten offerings;

(4) to the extent requested and customary for the relevant transaction, enter into a securities sales agreement with the Carlyle Stockholders providing for, among other things, the appointment of such representative as agent for the selling Carlyle Stockholders for the purpose of soliciting purchases of Shares, which agreement shall be customary in form, substance and scope and shall contain customary representations, warranties and covenants

The above shall be done at such times as customarily occur in similar registered offerings or shelf takedowns.

(d) Due Diligence. In connection with each registration and offering of Shares to be sold by Carlyle Stockholders, the Company will, in accordance with customary practice, make available for inspection by representatives of the Carlyle Stockholders and underwriters and any counsel or accountant retained by such Carlyle Stockholder or underwriters all relevant financial and other records, pertinent corporate documents and properties of the Company and cause appropriate officers, managers and employees of the Company to supply all information reasonably requested by any such representative, underwriter, counsel or accountant in connection with their due diligence exercise.

(e) Information from Stockholders. Each Carlyle Stockholder that holds Shares covered by any registration statement will furnish to the Company such information regarding itself as is required to be included in the registration statement, the ownership of Shares by such Carlyle Stockholder and the proposed distribution by such Carlyle Stockholder of such Shares as the Company may from time to time reasonably request in writing.

4.4 Indemnification.

(a) Indemnification by the Company. In the event of any registration under the Securities Act by any registration statement pursuant to rights granted in this Agreement of Shares held by Carlyle Stockholders, the Company will hold harmless Carlyle Stockholders and each underwriter of such securities and each other person, if any, who controls any Carlyle Stockholder or such underwriter within the meaning of the Securities Act, against any losses, claims, damages, or liabilities (including legal fees and costs of court), joint or several, to which Carlyle Stockholders or such underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages, or liabilities (or any actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact (i) contained, on its effective date, in any registration statement under which such securities were registered under the Securities Act or any amendment or supplement to any of the foregoing, or which arise out of or are based upon the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) contained in any preliminary prospectus, if used prior to the effective date of such registration statement, or in the final prospectus (as amended or supplemented if the Company shall have filed with the SEC any amendment or supplement to the final prospectus), or which arise out of or are based upon the omission or alleged omission (if so used) to state a material fact required to be stated in such prospectus or necessary to make the statements in such prospectus not misleading; and will reimburse Carlyle Stockholders and each such underwriter and each such controlling person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, or liability; provided, however, that the Company shall not be liable to any Carlyle Stockholder or its underwriters or controlling persons in any such case to the extent that any such loss, claim, damage, or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement or such amendment or supplement, in reliance upon and in conformity with information furnished to the Company through a written instrument duly executed by Carlyle Stockholders or such underwriter specifically for use in the preparation thereof.

(b) Indemnification by Carlyle Stockholders. Each Carlyle Stockholder will indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 4.4(a)) the Company, each director of the Company, each officer of the Company who shall sign the registration statement, and any person who controls the Company within the meaning of the Securities Act, (i) with respect to any statement or omission from such registration statement, or any amendment or supplement to it, if such statement or omission was made in reliance upon and in conformity with information furnished to the Company through a written instrument duly executed by such Carlyle Stockholder specifically regarding such Carlyle Stockholder for use in the preparation of such registration statement or amendment or supplement, and (ii) with respect to compliance by such Carlyle Stockholder with applicable laws in effecting the sale or other disposition of the securities covered by such registration statement.

(c) Indemnification Procedures. Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in Section 4.4(a) and Section 4.4(b), the indemnified party will, if a resulting claim is to be made or may be made against and indemnifying party, give written notice to the indemnifying party of the commencement of the action. The failure of any indemnified party to give notice shall not relieve the indemnifying party of its obligations in this Section 4.4, except to the extent that the indemnifying party is actually prejudiced by the failure to give notice. If any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense of the action with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to such indemnified party of its election to assume defense of the action, the indemnifying party will not be liable to such indemnified party for any legal or other expenses incurred by the latter in connection with the action's defense. An indemnified party shall have the right to employ separate counsel in any action or proceeding and participate in the defense thereof, but the fees and expenses of such counsel shall be at such indemnified party's expense unless (a) the employment of such counsel has been specifically authorized in writing by the indemnifying party, which authorization shall not be unreasonably withheld, (ii) the indemnifying party has not assumed the defense and employed counsel reasonably satisfactory to the indemnified party within 30 days after notice of any such action or proceeding, or (iii) the named parties to any such action or proceeding (including any impleaded parties) include the indemnified party and the indemnifying party and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to the indemnified party that are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action or proceeding on behalf of the indemnified party), it being understood, however, that the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to all local counsel which is necessary, in the good faith opinion of both counsel for the indemnifying party and counsel for the indemnified party in order to adequately represent the indemnified parties) for the indemnified party and that all such fees and expenses shall be reimbursed as they are incurred upon written request and presentation of invoices. Whether or not a defense is assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its consent. No indemnifying party will consent to entry of any judgment or enter into any settlement which (i) does not include as an unconditional term the giving by the claimant or plaintiff, to the indemnified party, of a release from all liability in respect of such claim or litigation or (ii) involves the imposition of equitable remedies or the imposition of any non-financial obligations on the indemnified party.

(d) Contribution. If the indemnification required by this Section 4.4 from the indemnifying party is unavailable to or insufficient to hold harmless an indemnified party in respect of any indemnifiable losses, claims, damages, liabilities, or expenses, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities, or expenses in such proportion as is appropriate to reflect (i) the relative benefit of the indemnifying and indemnified parties and (ii) if the allocation in clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect the relative benefit referred to in clause (i) and also the relative fault of the indemnified and indemnifying parties, in connection with the actions which resulted in such losses, claims, damages, liabilities, or expenses, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and the indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact, has been made by, or relates to information supplied by, such indemnifying party or parties, and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such action. The amount paid or payable by a party as a result of the losses, claims, damage, liabilities, and expenses referred to above shall be deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding. The Company and Carlyle Stockholders agree that it would not be just and equitable if contribution pursuant to this Section 4.4(d) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the prior provisions of this Section 4.4(d). Notwithstanding the provisions of this Section 4.4(d), no indemnifying party shall be required to contribute any amount in excess of the amount by which the total price at which the securities were offered to the public by the indemnifying party exceeds the amount of any damages which the indemnifying party has otherwise been required to pay by reason of an untrue statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such a fraudulent misrepresentation.

4.5 Rule 144. If the Company is subject to the requirements of Section 13, 14 or 15(d) of the Exchange Act, the Company covenants that it will file any reports required to be filed by it under the Securities Act and the Exchange Act (or, if the Company is subject to the requirements of Section 13, 14 or 15(d) of the Exchange Act but is not required to file such reports, it will, upon the request of any

Carlyle Stockholder, make publicly available such information) and it will take such further action as any Carlyle Stockholder may reasonably request, so as to enable such Carlyle Stockholder to sell Shares without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (b) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Carlyle Stockholder, the Company will deliver to such Carlyle Stockholder a written statement as to whether it has complied with such requirements.

SECTION V. MISCELLANEOUS PROVISIONS

5.1 Information and Access Rights.

(a) Available Financial Information. Upon written request, the Company will deliver, or will cause to be delivered, to each Carlyle Stockholder (until such time as such Carlyle Stockholder shall cease to own any Shares):

(i) as soon as available after the end of each month and in any event within 30 days thereafter, a consolidated balance sheet of the Company and its subsidiaries as of the end of such month and consolidated statements of operations, income, cash flows, retained earnings and stockholders' equity of the Company and its subsidiaries, for each month and for the current fiscal year of the Company to date, prepared in accordance with GAAP (subject to normal year-end audit adjustments and the absence of notes thereto), together with a comparison of such statements to the corresponding periods of the prior fiscal year and to the Company's business plan then in effect and approved by the Board of Directors;

(ii) an annual budget, a business plan and financial forecasts for the Company for the fiscal year of the Company (the "Annual Budget"), no later than three (3) business days after the approval thereof by the Board of Directors (but no later than March 31 of such fiscal year), in such manner and form as approved by the Board of Directors, which shall include at least a projection of income and a projected cash flow statement for each fiscal quarter in such fiscal year and a projected balance sheet as of the end of each fiscal quarter in such fiscal year, in each case prepared in reasonable detail, with appropriate presentation and discussion of the principal assumptions upon which such budgets and projections are based, which shall be accompanied by the statement of the chief executive officer or chief financial officer or equivalent officer of the Company to the effect that such budget and projections are based on reasonable and good faith estimates and assumptions made by the management of the Company for the respective periods covered thereby; it being recognized by such holders that such budgets and projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by them may differ from the projected results. Any material changes in such Annual Budget shall be delivered to the Carlyle Stockholders as promptly as practicable after such changes have been approved by the Board of Directors;

(iii) as soon as available after the end of each fiscal year of the Company, and in any event within 90 days thereafter, (A) the annual financial statements required to be filed by the Company pursuant to the Exchange Act or (B) a consolidated balance sheet of the Company and its subsidiaries as of the end of such fiscal year, and consolidated statements of income, retained earnings and cash flows of the Company and its subsidiaries for such year, prepared in accordance with GAAP and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and accompanied by the opinion of independent public accountants of recognized national standing selected by the Company, and a Company-prepared comparison to the Company's Annual Budget for such year as approved by the Board of Directors (the "Annual Financial Statements"); and

(iv) as soon as available after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company, and in any event within 45 days thereafter, (A) the quarterly financial statements required to be filed by the Company pursuant to the Exchange Act or (B) a consolidated balance sheet of the Company and its subsidiaries as of the end of each such quarterly period, and consolidated statements of income, retained earnings and cash flows of the Company and its subsidiaries for such period and for the current fiscal year to date, prepared in accordance with GAAP (subject to normal year-end audit adjustments and the absence of notes thereto) and setting forth in comparative form the figures for the corresponding periods of the previous fiscal year and to the Company's Annual Budget then in effect as approved by the Board of Directors, all of the information to be provided pursuant to this Section 4.1(a)(iv) in reasonable detail and certified by the principal financial or accounting officer of the Company.

In addition to the foregoing, the Company covenants and agrees to provide periodic updates to each Carlyle Stockholder during the course of the preparation of the Annual Budget and to keep the Carlyle Stockholders reasonably informed as to its progress, status and the budgeted items set forth therein. Notwithstanding anything to the contrary in Section 5.1(a), the Company's obligations thereunder shall be deemed satisfied to the extent that such information is provided by (A) providing the financial statements of any wholly-owned subsidiary of the Company to the extent such financial statements reflect the entirety of the operations of the business or (B) in the case of Section 5.1(a)(iii) and Section 5.1(a)(iv), filing such financial statements of the Company or any wholly-owned subsidiary of the Company whose financial statements satisfy the requirements of clause (A), as applicable, with the Securities and Exchange Commission on EDGAR or in such other manner as makes them publicly available. The Company's obligation to furnish the materials described in Section 5.1(a)(i), Section 5.1(a)(iii) and Section 5.1(a)(iv), shall be satisfied so long as it transmits such materials to the requesting Carlyle Stockholders within the time periods specified therein, notwithstanding that such materials may actually be received after the expiration of such periods.

(b) Tax Information. Promptly upon request by any Carlyle Stockholder, the Company will, at the Company's expense, prepare and deliver to such Carlyle Stockholder any information and certified statement that such Carlyle Stockholder determines to be necessary for such Carlyle Stockholder (or its direct or indirect owners) to comply with obligations for tax reporting or tax withholding with respect to an investment (direct or indirect) in the Company or any of its subsidiaries. For the avoidance of doubt, such a request by any Carlyle Stockholder may require the Company, (i) for purposes of Section 301 of the United States Internal Revenue Code of 1986, as amended (the "Code"), to prepare financial statements pursuant to the principles of "earnings and profits" within the meaning of United States federal income tax law and to determine the amount of any "dividend" within the meaning of Section 316 of the Code, (ii) for purposes of Section 951 of the Code, to determine whether the Company or any of its subsidiaries is a "controlled foreign corporation" within the meaning of Section 957 of the Code, to prepare financial statements pursuant to the principles of "earnings and profits" within the meaning of United States federal income tax law, and to determine the amount of any "subpart F income" within the meaning of Section 952 of the Code, and (iii) for purposes of Section 1291 of the Code and the election under Section 1295 of the Code, to determine whether the Company or any of its subsidiaries is a "passive foreign investment company" within the meaning of Section 1297 of the Code.

(c) Other Information. The Company covenants and agrees to deliver to each Carlyle Stockholder, upon written request, until such time as such Carlyle Stockholder shall cease to own any Shares, with reasonable promptness, such other information and data (including such information and reports made available to any lender of the Company or any of its subsidiaries under any credit agreement or otherwise) with respect to the Company and each of its subsidiaries as from time to time may be reasonably requested by any such Carlyle Stockholder. Each such Carlyle Stockholder, until such time as such Carlyle Stockholder shall cease to own any Shares, shall have access to such other information concerning the Company's business or financial condition and the Company's management as may be reasonably requested, including such information as may be necessary to comply with regulatory, tax or other governmental filings.

(d) Access. The Company shall, and shall cause its subsidiaries, officers, directors, employees, auditors and other agents to (a) afford the Carlyle Stockholders and their officers, employees, auditors and other agents, during normal business hours and upon reasonable notice, at all reasonable times to the Company's and its subsidiaries' officers, employees, auditors, legal counsel, properties, offices, plants and other facilities and to all books and records, and (b) afford the Carlyle Stockholders and their officers, employees, auditors and other agents the opportunity to discuss the affairs, finances and accounts of the Company and its subsidiaries with their respective officers from time to time as each such Carlyle Stockholder may reasonably request, in each case, until such time as such Carlyle Stockholder shall cease to own any Shares.

5.2 Confidentiality. Each Stockholder agrees that it will keep confidential and will not disclose, divulge or use for any purpose, other than to monitor its investment in the Company and its subsidiaries, any confidential information obtained from the Company pursuant to Section 5.1, unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of any confidentiality obligation by such Stockholder or its affiliates), (b) is or has been independently developed or conceived by such Stockholder without use of the Company's confidential information or (c) is or has been made known or disclosed to such Stockholder by a third party (other than an Affiliate of such Stockholder) without a breach of any confidentiality obligations such third party may have to the Company that is known to such Stockholder; provided, that, a Stockholder may disclose confidential information (i) to its attorneys, accountants, consultants and other professional advisors to the extent necessary to obtain their services in connection with monitoring its investment in the Company, (ii) to any prospective purchaser of any Shares from such Stockholder as long as such prospective purchaser agrees to be bound by the provisions of this Section 5.2 as if a Stockholder, (iii) to any Affiliate, partner, member, limited partners, prospective partners or related investment fund of such Stockholder and their respective directors, employees, consultants and representatives, in each case in the ordinary course of business (provided that the recipients of such confidential information are subject to a customary confidentiality and non-disclosure obligation), (iv) as may be reasonably determined by such Stockholder to be necessary in connection with such Stockholder's enforcement of its rights in connection with this Agreement or its investment in the Company and its subsidiaries, or (v) as may otherwise be required by law or legal, judicial or regulatory process.

5.3 Reliance. Each covenant and agreement made by a party in this Agreement or in any certificate, instrument or other document delivered pursuant to this Agreement is material, shall be deemed to have been relied upon by the other parties and shall remain operative and in full force and effect after the Effective Date regardless of any investigation. This Agreement shall not be construed so as to confer any right or benefit upon any Person other than the parties hereto and their respective successors and permitted assigns.

5.4 Access to Agreement; Amendment and Waiver; Actions of the Board. For so long as this Agreement shall be in effect, this Agreement shall be made available for inspection by any Stockholder at the principal executive offices of the Company. Any party may waive in writing any provision hereof intended for its benefit, provided, that, in the case of any waiver by the Company, such waiver is consented to in writing by the Carlyle Majority Interest. No failure or delay on the part of any party in exercising any right, power or remedy hereunder shall operate as a waiver thereof. The remedies provided for herein are cumulative and are not exclusive of any remedies that may be available to any party at law or in equity or otherwise. This Agreement may be amended only with the prior written consent of the Carlyle Majority Interest and the Company. Any consent given as provided in the preceding sentence shall be binding on all parties. Further, with the prior written consent of the Carlyle Majority Interest and the Company, at any time hereafter Permitted Transferees may be made parties hereto, with any such additional parties shall be treated as "Stockholders" for all purposes hereunder, by executing a counterpart signature page in the form attached as Exhibit A hereto, which signature page shall be attached to this Agreement and become a part hereof without any further action of any other party hereto.

5.5 Notices. All notices, requests, demands and other communications provided for hereunder shall be in writing and mailed (by first class registered or certified mail, postage prepaid), sent by express overnight courier service, or delivered to the applicable party at the respective address indicated below:

If to the Company:

Axalta Coating Systems Ltd.
Two Commerce Square
2001 Market Street, Suite 3600
Philadelphia, PA 19103
Attn: General Counsel

With a copy (which shall not constitute notice):

Latham & Watkins LLP
555 Eleventh Street, N.W.
Washington, D.C. 20004
Attention: David S. Dantzic
Facsimile: (202) 637-2201

If to the Carlyle Stockholders:

c/o The Carlyle Group
1001 Pennsylvania Avenue, N.W.
Washington, DC 20004
Attention: Martin W. Sumner
Facsimile: (202) 347-1818

With a copy (which shall not constitute notice):

Latham & Watkins LLP
555 Eleventh Street, N.W.
Washington, D.C. 20004
Attention: David S. Dantzic
Facsimile: (202) 637-2201

If to any other Stockholder:

At such Person's address for notice as set forth in the books and records of the Company, or, as to each of the foregoing, at such other address as shall be designated by a party in a written notice to other parties complying as to delivery with the terms of this Section 5.5. All such notices, requests, demands and other communications shall, when mailed, telegraphed or sent, respectively, be effective (i) two days after being deposited in the mail or (ii) one day after being deposited with the express overnight courier service, respectively, addressed as aforesaid.

5.6 Counterparts. This Agreement may be executed in two or more counterparts, and delivered via facsimile, .pdf or other electronic transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

5.7 Remedies; Severability. It is specifically understood and agreed that any breach of the provisions of this Agreement by any party will result in irreparable injury to the other parties, that the remedy at law alone will be an inadequate remedy for such breach, and that, in addition to any other legal or equitable remedies which they may have, such other parties may enforce their respective rights by actions for specific performance or injunctive relief (to the extent permitted at law or in equity). If any one or more of the provisions of this Agreement, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein are not to be in any way impaired thereby, it being intended that all of the rights and privileges of the parties be enforceable to the fullest extent permitted by law.

5.8 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof.

5.9 Termination. This Agreement shall terminate on the earlier of (i) the election of the Carlyle Majority Interest or (ii) such date as the Carlyle Stockholders, in the aggregate, cease to hold any Shares.

5.10 Governing Law. This Agreement is to be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to its principles or rules of conflict of laws to the extent such principles or rules are not mandatorily applicable by statute and would require or permit the application of the laws of another jurisdiction.

5.11 Successors and Assigns; Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties and the respective successors and assigns of the parties as contemplated herein. Any successor to the Company by way of merger or otherwise must specifically agree to be bound by the terms hereof as a condition of such succession.

5.12 Consent to Jurisdiction; Specific Performance; WAIVER OF JURY TRIAL.

(a) Each of the parties hereto irrevocably and unconditionally consents to the sole and exclusive jurisdiction of the state and federal courts located in Wilmington, Delaware to resolve all disputes, claims or controversies arising out of or relating to this Agreement or any other agreement executed and delivered pursuant to or in connection with this Agreement or the negotiation, breach, validity, termination or performance hereof and thereof or the transactions contemplated hereby and thereby and agrees that it will not bring any such action in any court other than the federal or state courts located in Wilmington, Delaware. Each party further irrevocably waives any objection to proceeding in such courts based upon lack of personal jurisdiction or to the laying of venue in such courts and further irrevocably and unconditionally waives and agrees not to make a claim that such courts are an inconvenient forum. Each of the parties hereto hereby consents to service of process by registered mail at the address to which notices are to be given as provided in Section 5.5. Each of the parties hereto agrees that its or his submission to jurisdiction and its or his consent to service of process by mail is made for the express benefit of the other parties hereto. The choice of forum set forth in this Section shall not be deemed to preclude the enforcement of any judgment of a Delaware federal or state court, or the taking of any action under this Agreement to enforce such a judgment, in any other appropriate jurisdiction.

(b) The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which such party is entitled at law or in equity.

(c) EACH PARTY TO THIS AGREEMENT WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY OF THEM AGAINST THE OTHER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR ANY OTHER AGREEMENTS EXECUTED AND DELIVERED PURSUANT TO OR IN CONNECTION HEREWITH OR THE NEGOTIATION, BREACH, VALIDITY, TERMINATION OR PERFORMANCE HEREOF AND THEREOF OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY. FURTHER, (I) NO PARTY TO THIS AGREEMENT SHALL SEEK A JURY TRIAL IN ANY SUCH ACTION AND (II) NO PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. EACH PARTY TO THIS AGREEMENT CERTIFIES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT OR INSTRUMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS SET FORTH ABOVE IN THIS SECTION 4.12. NO PARTY HAS IN ANY WAY AGREED WITH OR REPRESENTED TO ANY OTHER PARTY THAT THE PROVISIONS OF THIS SECTION WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

5.13 Further Assurances; Company Logo. At any time or from time to time after the Effective Date, the parties hereto agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as any other party may reasonably request in order to evidence or effectuate the provisions of this Agreement and to otherwise carry out the intent of the parties hereunder. The Company hereby grants the Carlyle Stockholders and their respective Affiliates permission to use the Company's and its subsidiaries' name and logo in marketing materials.

5.14 Regulatory Matters. The Company shall and shall cause its subsidiaries to keep the Carlyle Stockholders informed, on a current basis, of any events, discussions, notices or changes with respect to any criminal or regulatory investigation or action involving the Company or any of its subsidiaries, so that the Carlyle Stockholders and their respective Affiliates will have the opportunity to take appropriate steps to avoid or mitigate any regulatory consequences to them that might arise from such investigation or action.

5.15 Inconsistent Agreements. Neither the Company nor any Stockholder shall enter into any agreement or side letter with, or grant any proxy to, any Stockholder, the Company or any other Person (whether or not such proxy, agreements or side letters are with other Stockholders, holders of Common Shares that are not parties to this Agreement or otherwise) that conflicts with the provisions of this Agreement or which would obligate such Person to breach any provision of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties are signing this Principal Stockholders Agreement as of the date first set forth above.

<u>COMPANY</u>:

AXALTA COATING SYSTEMS LTD.

By: ______________________________

Name:

Title:

[Signature page to Principal Stockholders Agreement]

<u>INITIAL CARLYLE STOCKHOLDERS</u>:

CARLYLE PARTNERS V SA1 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

CARLYLE PARTNERS V SA2 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

CARLYLE PARTNERS V SA3 CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ______________________________
Name:
Title:

[Signature page to Principal Stockholders Agreement]

CARLYLE PARTNERS V-A CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CP V COINVESTMENT A CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CP V COINVESTMENT B CAYMAN, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

CARLYLE COATINGS PARTNERS, L.P.

By: TC Group V Cayman, L.P.
Its: General Partner

By: CP V General Partner, L.L.C.
Its: General Partner

By: ____________________________
Name:
Title:

[Signature page to Principal Stockholders Agreement]

CEP III PARTICIPATIONS S.À R.L. SICAR

By: ________________________________
Name:
Title:

[Signature page to Principal Stockholders Agreement]

EXHIBIT A

Joinder Agreement

By execution of this signature page, [   ] hereby agrees to become a Party to, and to be bound by the obligations of, and receive the benefits of, that certain Principal Stockholders Agreement, dated as of [l], 2014, by and among Axalta Coating Systems Ltd., a Bermuda exempted limited liability company, Carlyle Partners V SA1 Cayman, L.P., a Cayman Islands exempted limited partnership, Carlyle Partners V SA2 Cayman, L.P., a Cayman Islands exempted limited partnership, Carlyle Partners V SA3 Cayman, L.P., a Cayman Islands exempted limited partnership, Carlyle Partners V-A Cayman, L.P., a Cayman Islands exempted limited partnership, CP V Coinvestment A Cayman, L.P., a Cayman Islands exempted limited partnership, CP V Coinvestment B Cayman, L.P., a Cayman Islands exempted limited partnership, CEP III Participations, S.à r.l. SICAR, a Luxembourg private limited liability company, Carlyle Coatings Partners, L.P., a Cayman Islands exempted limited partnership, and certain other Parties named therein, as amended from time to time thereafter.

[NAME]

By: ____________________________
Name:
Title:

Notice Address:

____

____

Accepted:

AXALTA COATING SYSTEMS LTD.

By: ____________________________
Name:
Title:

Exhibit 21.1

Subsidiaries of the Registrant

Axalta Coating Systems Dutch Holding B B.V.	Netherlands
Axalta Coating Systems U.S. Holdings, Inc.	Delaware (USA)
Axalta Coating Systems Dutch Holding A B.V.	Netherlands
Axalta Coating Systems U.S., Inc.	Delaware (USA)
Axalta Coating Systems Asia Holding B.V.	Netherlands
Axalta Coating Systems Beteiligungs GmbH	Germany
Axalta Coating Systems Deutschland Holding GmbH & Co. KG	Germany
Axalta Coating Systems EMEA Holding B.V.	Netherlands
Axalta Coating Systems Finance 1 S.à r.l.	Luxembourg
Axalta Coating Systems Finance 2 S.à r.l.	Luxembourg
Axalta Coating Systems Germany GmbH	Germany
Coatings Foreign IP Co. LLC	Delaware (USA)
Axalta Coating Systems IP Co. LLC	Delaware (USA)
Axalta Coating Systems Luxembourg Holding 2 S.à r.l.	Luxembourg
Axalta Coating Systems Luxembourg Holding S.à r.l.	Luxembourg
Axalta Coating Systems Singapore Holding Pte. Ltd.	Singapore
Axalta Coating Systems UK Holding Limited	United Kingdom
Axalta Coating Systems Verwaltungs GmbH	Germany
Axalta Coating Systems, LLC	Delaware (USA)
Axalta Coating Systems Belgium BVBA	Belgium
Dutch Coatings Co. 1 B.V.	Netherlands
Axalta Coating Systems Dutch Co. Top Cooperatief U.A.	Netherlands
Axalta Coating Systems (Changchun) Co. Ltd.	China

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Amendment Number Three to the Registration Statement on Form S-1 of Axalta Coating Systems Ltd. of our report dated March 31, 2014, except for Note 25 to the combined financial statements, as to which the date is August 20, 2014, relating to the financial statements of DuPont Performance Coatings (Predecessor), a business formerly owned by E.I. du Pont de Nemours and Company and our report dated March 31, 2014, except for Note 25 and the earnings per common share data included in the consolidated statement of operations and in Note 14 to the consolidated financial statements, as to which the date is August 20, 2014, the revision disclosed in Note 2, as to which the date is October 14, 2014, and the effect of the stock split as disclosed in Notes 10 and 14, as to which the date is October 30, 2014, relating to the financial statements of Axalta Coating Systems Ltd., which appear in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP
Philadelphia, PA
October 30, 2014