

TERMS OF SALE

Definitions: The term "Contract goods", as used in these Terms of Sale, refers to all products sold by Zschimmer & Schwarz Interpolymer S.à.r.l.

1. Scope

The purpose of the present Terms of Sale is to define procedures and conditions governing the sale of our "contract goods" by Zschimmer & Schwarz Interpolymer S.à.r.l. to buyers.

By mutual agreement between both parties and unless otherwise stipulated in writing by Zschimmer & Schwarz Interpolymer S.à.r.l. to its customers, our "contract product" sales are always made under the conditions described below, which prevail over any other terms of sale. If at any time Zschimmer & Schwarz Interpolymer S.à.r.l. does not cite one of the present clauses as a precedent, this does not constitute a relinquishment of its right to enforce the said clauses in the future. The present Terms of Sale have been drawn up in the light of current positive law. If this should change for reasons outside Zschimmer & Schwarz Interpolymer S.à.r.l.'s control, the latter may be compelled to alter its Terms of Sale and/or suspend their enforcement.

Our mail shots, advertising and price lists are given for information only. In general terms, none of the information included in the said documents can be taken as being firm offers.

2. Prices and orders – Currency

2.1 Orders sent directly to us or via our agents or salesmen only become binding when we confirm them in writing.

2.2 All price queries and orders from buyers regarding "contract goods" will be confirmed by Zschimmer & Schwarz Interpolymer S.à.r.l. in writing.

The order is only considered firm when Zschimmer & Schwarz Interpolymer S.à.r.l. has received the buyer's written confirmation of terms of sale and details such as price and quantity. On the other hand, the buyer is definitively bound by any order he makes in the above conditions.

2.3 Our "contract goods" are always billed at the listed price as of delivery date, whatever the price mentioned on the order confirmation note. Payment due dates are calculated by counting from date of shipping.

3. Delivery

3.1 Our deliveries depend on product availability. The start date for delivery deadlines is the date the order is confirmed.

Unless expressly agreed, our deadlines are only given as a rough guide. Delays in deliveries are not grounds for cancelling the sale, refusing the goods or claiming damages or penalties for late fulfilment. However, Zschimmer & Schwarz Interpolymer S.à.r.l. will endeavour to observe the delivery dates agreed to with the buyer. We reserve the right to make deliveries in instalments. Delivery deadlines are suspended in the cases set out in article 9.

3.2 Delivery using means of transport chartered by us.

Tankers: the net weight used as the basis for invoicing is recorded at the point of departure from our site, this being entered on the weigh slip.

We bear the cost of hiring road haulage vehicles and equipment for the return trip and a 2-hour wait at the buyer's factory. For any supplementary down time, Zschimmer & Schwarz Interpolymer S.à.r.l. is entitled to invoice compensation at the going rate in the trade.

A variation of up to approximately 5% in the delivered weight compared to the ordered weight will be considered compliant with the order.

3.3 "Contract goods" always travel at the buyer's risk, even for free deliveries.

3.4 In accordance with articles 105 et al of the Code of Commercial Law, in the event of goods shipped by a carrier being damaged and/or missing, the buyer should issue the carrier with reserves and confirm them by sending a letter by Recorded Delivery to the carrier within 3 days of taking delivery. The buyer should also inform Zschimmer & Schwarz Interpolymer S.à.r.l. of the damage.

3.5 For international sales, "contract goods" are shipped from our premises, with the buyer's agreement, and possibly in accordance with the definitions published by the International Chamber of Commerce in Paris in the latest edition of INCOTERMS.

4. Risk transfer

4.1 Risk to goods, more particularly the risk incurred in transit, is transferred as soon as the goods have been released, which takes place when they are removed from our site. This holds for all sales, whatever the destination (France or other countries) and whatever the terms of sale and of paying for carriage. Consequently, when risk has been transferred, the buyer should ensure the safety of "contract goods" at his own risk and expense and will be liable for any damage to the said products as from the time they are released. The buyer also undertakes to observe the storage conditions described in article 5.

4.2 However, for export sales where mention is made of INCOTERMS, INCOTERMS rules in force at the time of sale will apply. It is up to the buyer alone to defend his rights vis-à-vis the carrier, by issuing his reserves within the allotted time and in the manner defined by the relevant rules.

5. Storage

Any defects in or damage to the shipped products resulting from abnormal storage conditions in the buyer's warehouse cannot be ground for enforcing the guarantee defined in article 7.

The buyer therefore undertakes to store "contract goods" in premises that are compatible with normal use of the said products, particularly regarding our products' sensitivity to temperature variations (temperature higher than 0° Celsius – no freezing temperatures – all sources of direct heat over 50° Celsius should be avoided).

6. Guarantee for non-conformity – Receipt of goods – Complaints

6.1 Without prejudice to the steps the buyer must take with regard to the carrier in the conditions described in article 3.4, in the event of conspicuous defects or missing goods, complaints against us will only be valid if they are made in writing within 3 working days of taking delivery of the goods, including if necessary the special control sheet accompanying the goods.

Complaints should be made before the products are used so that we are able to check them immediately. Samples of defective goods will only be accepted if the buyer affords Zschimmer & Schwarz Interpolymer S.à.r.l. every opportunity to check that sampling has been properly carried out and provides Zschimmer & Schwarz Interpolymer S.à.r.l. with access to the place where "contractual goods" are stored or used.

6.2 No return of "contractual goods" can be accepted without express and prior written agreement from us. Any such goods should be returned in their original packaging.

If no reserves are notified by the buyer or his agent when taking delivery of the goods, then no claim or complaint can be made regarding conspicuous defects.

6.3 In all cases where, after due hearing of both parties, a complaint regarding conspicuous defects or missing goods is justified, Zschimmer & Schwarz Interpolymer S.à.r.l. will replace or reimburse the defective product to the exclusion of any liability or compensation for any reason whatsoever or will cancel the order. Any product that is replaced or reimbursed must be returned to us.

6.4 Failure to deliver for any reason other than those specified in article 10 can in no way compel us to pay damages exceeding the sale price of the goods in question, the buyer abandoning his right to make any claim exceeding this limit.

6.5 Unconditional receipt of "contract goods" by the buyer frees Zschimmer & Schwarz Interpolymer S.à.r.l. from its obligation of issue, described in article 4.1.

6.6 The buyer may not make a complaint regarding any differences in the product's quality or appearance that are generally acceptable or technically unavoidable.

6.7 Any complaint the buyer makes in accordance with the above conditions cannot justify him postponing payment for the said goods.

7. Guarantee against latent defects – Liability

7.1 Technical specifications, which the buyer must read before using the product, are only given as a rough guide, notwithstanding any technical assistance we may provide; the buyer alone will be liable for any damage or other consequences of using the product, particularly regarding third parties.

Products that are damaged or impaired because of improper and non-compliant use, accidents or modification of the product by the buyer, or storage conditions that do not comply with those defined in article 5 are not covered by the guarantee.

7.2 Regarding the guarantee on latent defects, Zschimmer & Schwarz Interpolymer S.à.r.l. can only be liable for the replacement of the faulty product at no charge, and this only applies to the defects it acknowledges. The buyer can in no way claim damages from Zschimmer & Schwarz Interpolymer S.à.r.l.

7.3 A complaint made on the grounds of the present article is only admissible if it is sent to Zschimmer & Schwarz Interpolymer S.à.r.l. in writing, as soon as possible after the defect has been noted, including the reference of the "contract product", accurate details of the problem, and the order number.

Products may only be returned with Zschimmer & Schwarz Interpolymer S.à.r.l.'s prior written agreement. Zschimmer & Schwarz Interpolymer S.à.r.l. will then ship the replacement "contract product" to the buyer as soon as possible at its own expense.

8. Reservation of title

8.1 The seller retains title to the goods until the full price for them and for appurtenance has been paid by the date stipulated in article 9.

However, the risk concomitant with the goods is transferred to the buyer as soon as the goods are released, as specified in article 4. This is held throughout the period of reservation of title by the seller, who should take out suitable insurance.

Zschimmer & Schwarz Interpolymer S.à.r.l. reserves the right to verify, in person or using the services of an agent of its choice, that the buyer has complied with his obligations, and to carry out an inventory of products that have not been paid for without being required to give prior formal notice.

Therefore, the buyer is duly bound to pay the full price of the goods in the event of accidental or intentional disappearance.

The buyer will refrain from removing the packaging or labels from the goods in storage for which payment is still outstanding.

Goods still in the buyer's possession are assumed to be those for which payment is still outstanding. As a result, the seller may take them back without prejudice to any action for recovery of damages resulting from partial or total non-payment of amounts due.

8.2 The buyer is duty bound to inform Zschimmer & Schwarz Interpolymer S.à.r.l. of any circumstances that could compromise its title rights.

8.3 The buyer may in no way pledge "contract goods", nor transfer title to the goods as guarantee. He is required to use all legal means at his disposal to oppose any third-party claims to the goods using seizure, confiscation or any other similar procedure.

He must inform Zschimmer & Schwarz Interpolymer S.à.r.l. without delay. He is bound by the same duty to inform in the event of his business being lodged as collateral and he must also inform the creditor of the security of the legal status of the "contract goods" and be able to justify it.

9. Terms of payment

9.1 Term: unless otherwise agreed in writing, our bills are payable within 30 days of the date of the bill. Payment should be made at Zschimmer & Schwarz Interpolymer S.à.r.l.'s head office by cheque or bank transfer. Payment is deemed to be settled on the date that the funds are made available to Zschimmer & Schwarz Interpolymer S.à.r.l.

9.2 By express agreement, non-payment of invoices by the agreed date will result in the consequences set out below with no requirement for giving formal notice and without prejudice to any possible claims for damages:

- o The requirement to pay late payment penalties (possibly including VAT) on the day following the final payment date.
- o The set rate will be equal to the most recent main refinancing operations rate of the European Central Bank, increased of 10 points.
- o The payment of a fixed compensation of 40 € for collection charges, in compliance with law N° 2012-387 of March 22, 2012.
- o Forfeiture of the term for all debts that the buyer may owe us, whether they relate to the present contract or to other current contracts.
- o The possibility of considering the sale being settled or of suspending deliveries in progress, without prejudice to the enforcement of the reservation of title clause.
- o The buyer will bear all legal costs resulting from legal action.

9.3 If the buyer's financial position is justifiably worrying, we reserve the right to review the payment terms we have granted for current orders, by demanding guarantees or means of payment such as cash prepayment before delivery.

If the buyer refuses to make a cash payment and is unable to provide any satisfactory guarantee, Zschimmer & Schwarz Interpolymer S.à.r.l. may refuse to fulfil any ship order(s) without the buyer being entitled to any compensation whatsoever.

9.4 For deliveries by instalment of products that are part of an order or a contract deal, invoices for each delivery by instalment are payable on their respective due-by dates, without waiting for the final delivery of all the relevant products.

9.5 Barring any special agreement, no discount for prepayment will be granted.

9.6 Except otherwise agreed, the Euro is the single currency for accounts and for payments, and buyers may not claim they are unprepared and/or use this as grounds for substantially modifying the terms of the contract.

10. Force majeure

Zschimmer & Schwarz Interpolymer S.à.r.l. may waive its duty to deliver goods within the allotted time on the following grounds of force majeure: war, strikes affecting some or all of its staff or the carriers it usually employs, disruption in transport, shortage of equipment, problems with supplies of raw materials or with the power supply, accidents and any other circumstances resulting in total or partial stoppage at our factories or depots; any reduction or stoppage in production at our factories will lead to a proportional reduction in, or even an outright suspension of, our contracted deals, unless both parties agree otherwise.

If, one month after notifying this suspension in writing, we are unable to give the buyer another delivery date, he will be entitled to cancel the contract deal or the order, this only being valid for the quantities of goods that have not been shipped or delivered.

No claim for privately or legally negotiated compensation may be made.

11. Jurisdictional clause and applicable law

11.1 Barring private or amicable agreement, any dispute regarding the validity, enforcement or interpretation of this contract will be a matter for the Commercial Chamber of the Strasbourg Higher Level Court, even for the introduction of third parties or for multiple defendants.

11.2 French law, except for the Vienna convention on the international sale of goods, applies to the contracts we are bound by, unless otherwise stipulated in writing.