

Terms and Conditions of sale Argentina (export)

1. GOVERNING TERMS. These terms and conditions of Sale Argentina (the "Terms and Conditions") govern sales of products that are exported from Argentina (collectively "Products") by Bakelite to any party purchasing any 'Products from Bakelite (a "Buyer"). "Bakelite" means any entity of the Bakelite Synthetics group that sells products under the applicability of these Terms and Conditions (collectively with the Buyer the "Parties" and each one of them, individually a "Party"). The agreement to sell Products is expressly conditioned upon Buyer's acceptance of these Terms and Conditions and Bakelite expressly rejects any terms and conditions set forth in Buyer's purchase order or other document which differ from these Terms and Conditions, and which have not been expressly agreed to in a writing and signed by a duly authorized representative of Bakelite.

2. EXPORT. All Products are sold for direct and ultimate use, consumption or disposition outside of Argentina. Bakelite shall be the exporter of record and shall comply with all the processing of authorizations and prerequisites required by the General Customs Directorate of the Federal Administration of Public Revenues, and any other Argentine governmental agency.

3. PRICE ADJUSTMENTS. Bakelite may change any price, payment, or freight term in effect at any time and from time to time. The price, payment or freight term at which each order shall be that which is established by Bakelite at the time the Products are shipped.

4. TAXES. Any Argentine taxes, (i.e., taxes, duties or contributions) payable due to the sale, use, export, import or delivery of the Products shall be borne by each of the Parties in accordance with the relevant tax regulations. In addition, any payment to be received by Bakelite from Buyer shall be paid free of any withholding, charge, deduction, whether of a tax nature or of any other nature, which may be applicable under any foreign regulations, or under any applicable national, provincial or municipal regulations, including Value Added Tax (VAT), which shall be accrued, added and paid in accordance with the legislation in force. In the event that the payment of the stamp tax is applicable, this shall be borne by Bakelite and the Buyer in equal parts.

Export duties and any other duties, taxes or charges levied on the export of the Products shall be borne by Bakelite.

In the event that, by reason of the modification or creation of any tax (including any tax, fee and/or contribution, withholding, collection, levy, assessment, duty or other governmental charge imposed whether at the national, provincial and/or municipal level) hereafter in force which directly or indirectly increases for Bakelite the cost of producing, selling or delivering the Products or acquiring any materials used for the manufacture of the Products or the provision of the services at its expense, such increased cost may, at Bakelite's discretion, be added to the purchase price.

5. COSTS. The Parties agree that all costs generated or caused as a result of the implementation of these Terms and Conditions, their execution and formalization, as well as all the conditions indicated therein, will be covered by Bakelite and/or the Buyer, as incurred by them.

6. DRAWBACKS. REFUNDS AND REIMBURSEMENTS. Bakelite reserves all customs duty and import duty drawback rights and rights to credits of refunds of taxes, excises or duties paid on the production, sale, transportation or import of the Products or their components (including rights developed by substitution and rights which may be acquired from Bakelite's suppliers) which may arise or exist as a

result of the export of the Products. Buyer agrees upon request to cooperate with Bakelite and supply Bakelite with such documents as may be required to obtain such drawbacks, credits, reimbursements or refunds.

7. EXPORT CONTROLS. Bakelite is subject to application of United States export control laws. In this capacity Bakelite is prohibited from directly or indirectly exporting and/or selling the Products, or allowing third parties to directly or indirectly sell and/or export the Products, into certain embargoed countries and to certain restricted or denied customers under the export control laws of the United States. Prohibited transactions include any transaction in which the Products are shipped to or through an embargoed country or which involve a restricted or denied customer. Buyer shall not directly or indirectly, sell or export the Products to any person, entity or country which is embargoed, restricted or denied under the laws of the United States, nor sell or otherwise transfer the Products to any customer under circumstances where it has knowledge or reason to believe that the Products will be sold or exported to any such embargoed, restricted or denied person, entity or country.

8. SHIPMENTS. Buyer shall give Bakelite reasonable written notice of orders and shipment dates.

9. WEIGHTS. The weight of the Products and/or the measurements taken by Bakelite will govern, unless proved to be in error.

10. CONTAINERS. If shipment requires use of returnable containers or tote bins, title to such containers and tote bins shall remain in Bakelite and a deposit in an amount required by Bakelite shall be made at the time the shipment is ordered. Such containers and tote bins shall be returned in good condition within sixty (60) days from the date of shipment, freight charges collect. Upon such return, Bakelite shall refund the deposit.

11. DELIVERY EQUIPMENT. Buyer shall unload and return delivery equipment furnished by Bakelite to the carrier within two (2) hours after arrival in the case of delivery by truck and within seven (7) days after arrival in the case of delivery by railcar. Any demurrage or detention charges on such equipment shall be paid by Buyer.

12. CARRIER AND ROUTING. If the terms of shipment require Bakelite to pay freight, selection of carrier and routing of shipment shall be at Bakelite's option.

13. TITLE AND RISK OF LOSS. Title to and risk of loss in the Products shall pass to Buyer upon Bakelite's delivery to the carrier at the shipping point, notwithstanding the terms of shipment specified in this invoice/acknowledgment.

14. PAYMENT AND CREDIT. Payment will be due within twenty (20) calendar days of the invoice date. If Buyer fails to pay for any one or more shipments when due, then Bakelite shall have the right, in addition to other remedies, either (a) to suspend or cancel deliveries, or (b) to require advance cash payment on deliveries. Should Buyer's financial responsibility become unsatisfactory to Bakelite, cash payment or satisfactory security may be required by Bakelite before proceeding with deliveries. In the event that Bakelite does not receive any payment when due, finance charges will automatically accrue from the date after the due date at the rate of one and one-half percent (1.5%) per month on the unpaid balance. Due to foreign exchange controls currently in force in Argentina, in case Buyer holds a credit against Bakelite, it shall not offset it against any amount arising from export invoices issued by Bakelite.

15. PRODUCT SUITABILITY. Determination of the suitability of the Products for the uses and application contemplated by Buyer and others shall be the sole responsibility of Buyer. Buyer assumes all risks and liabilities for results obtained by the use of the Products, whether used singly or in combination with other material, except those relating solely to the use of product not conforming to the Bakelite's specifications, which non-conformity is not known to Buyer and is not discoverable by Buyer, by testing or otherwise, prior to the use thereof by Buyer or others. Any suggestions or recommendations made by Bakelite concerning uses or applications of the Products are believed to be reliable, but Bakelite makes no warranty or guarantee of the results to be obtained since the conditions of the use and application by Buyer and others are beyond Bakelite's control.

16. WARRANTIES AND DISCLAIMERS. BAKELITE MAKES NO WARRANTY, EXPRESS OR IMPLIED, CONCERNING THE PRODUCT OR THE MERCHANTABILITY OR FITNESS THEREOF FOR ANY PURPOSE, except (a) that the Products shall conform to Bakelite's specifications; (b) that Bakelite shall convey good title to Buyer and that the Products shall be delivered free from any lawful lien or encumbrance; and (c) that the Products do not infringe any valid Argentinean patent. Bakelite does not warrant, however, that the use of the Products, or articles made therefrom, either alone or in conjunction with other materials, will not infringe any Argentinean patent.

17. CLAIM PERIOD. Buyer shall inspect each delivery promptly following receipt. Claims shall be made within thirty (30) days after receipt of the delivery of product to which the claim relates, or if for non-delivery, within thirty (30) days after the scheduled delivery date thereof. Buyer's failure to give Bakelite written notice of any claim within the applicable time period shall constitute an absolute and unconditional waiver of such claim. In no event shall Buyer commence any action under these Terms and Conditions later than one (1) year after the cause of action has accrued.

18. LIABILITY LIMITATIONS. Buyer's exclusive remedy shall be for damage and no claim of any kind, whether as to product delivered or for non-delivery of Product, and whether based on contract, breach of warranty, negligence or otherwise, shall be greater in amount than the purchase price of the quantity of the product in respect of which damages are claimed. IN NO EVENT SHALL BAKELITE BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER BUYER'S CLAIM IS BASED ON CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE.

19. PRODUCT CHARACTERISTICS. Buyer shall familiarize itself with the characteristics of the products, and shall comply with all laws, regulations, and standards applicable to the possession, handling, processing or use of the product by Buyer, including, but not limited to, the Hygiene and Safety Act, Decree No. 351/1979, and any other amendments in the future, or other applicable laws, and to the regulations and standards issued pursuant thereto. Without limiting the generality of the foregoing, Buyer agrees to handle the Products in a manner consistent with good Product stewardship practices and accepted safe handling guidelines with respect to the characteristics or risks as noted on Bakelite's material safety data sheets.

20. GENERAL INDEMNITY AGREEMENT. Buyer shall defend, indemnify and hold Bakelite its shareholders, controlled and/or related companies, and its directors and/or employees with respect to any action and/or judicial and/or extrajudicial claim and/or in the event of a possible sentence and/or transaction, for any cost and/or expense that they may assume, whether in terms of capital, interest and/or costs, harmless from and against all claims, liabilities, attorney's fees, costs and expenses on the basis of claims for damages and/or any other nature (including, but not limited to, those related to the illness to or death of Buyer's employees) arising from or connected with the possession, handling,

processing or use of the product by Buyer or others, except those resulting solely from the use of Products not conforming to the contracted specifications, which non-conformity was not known to Buyer and was not discoverable by Buyer, by testing or otherwise, prior to the use thereof by Buyer or others. Bakelite may participate in the defense of any such claim for the further protection of its own interests.

21. INDEMNITY AGREEMENT FOR SOLID PRODUCTS. Bakelite's solid products, including but not limited to powder and flake resin products, can be combustible and present a fire or explosion hazard under certain conditions (including but not limited to when dusts are finely divided and suspended in air, and/or allowed to accumulate on surfaces). Buyer shall comply with all laws, regulations and standards applicable to the possession, handling and use of all solid products by Buyer, including but not limited to the Hygiene and Safety Act, Decree No. 351/1979, and any other amendments in the future, and other applicable laws, and shall defend, indemnify and hold Bakelite harmless from and against all claims, liabilities, attorney's fees, costs and expenses (including but not limited to those relating to injury to or death of Buyer's employees) arising from or connected with the possession, handling, processing or use of the products by Buyer or others. This indemnity agreement is in addition to the General Indemnity Agreement contained in Section 20, above.

Bakelite shall in no event be liable for Buyer's obligations in relation to the Personnel. Accordingly, Buyer assumes its labor, health and safety, social security, union, tax and customs obligations fully, exclusively and completely, and undertakes to comply with all labor, health and safety, social security, union, tax and customs obligations in respect of its Personnel assigned to the performance of these Terms and Conditions.

22. EXCUSE. FORCE MAJEURE. Neither Bakelite nor Buyer shall be responsible or liable for any delay or failure to deliver or take delivery of any or all of the product if occasioned by: act of God, fire, flood, embargo, explosion, accident, breakdown of machinery or equipment; shortage of or inability to obtain fuel, power, raw materials, equipment, transportation, or the product itself, without litigation and at usual prices or from usual sources; good faith compliance with any law, regulation, standard, order, rule or recommendation made by any governmental authority; strike or labor controversy (neither Bakelite nor Buyer shall be required to settle any labor matter against its own best interest); pandemic, any cause or circumstance beyond Bakelite's or Buyer's reasonable control; or any other cause or circumstance, whether similar or dissimilar to the forgoing, which makes impracticable the production, transportation or delivery of the product or any material used in or in connection with its production; and the contracted quantity shall be reduced to the extent of the quantities not delivered due to any such cause or circumstance. In no event shall Bakelite be obligated to purchase product, or to deliver from any plant or facility other than the shipping point specified herein to replace the quantities not delivered due to any such cause or circumstance.

23. NOTICE. FORCE MAJEURE EFFECTS. The Party excused in whole or in part shall give written notice thereof to the other Party with reasonable promptness. In the event of any cause or circumstance excusing Bakelite, Bakelite shall have the right to utilize its available production and/or supply to satisfy its own requirements, including those of its subsidiaries and affiliates, in full, and to allocate any remaining production and/or supply among its customers, including those not under contract, in a fair and reasonable manner, and Buyer hereby releases Bakelite from responsibility or liability for any resulting incomplete fulfillment of these Terms and Conditions.

24. INSURANCE. During the term of the Agreement, Buyer shall maintain, for its protection, the following insurance coverage: (a) For Workers' Compensation, Employer's Liability and other insurance

required by law with respect to work-related illnesses of Buyer's employees in such amount(s) as required by applicable law; (b) Automobile Liability Insurance; and (c) Commercial Liability or Bodily Injury and Property Damage Liability Insurance. If required by Bakelite in the contract, Buyer will provide a certificate of insurance reflecting such coverage.

25. WAIVER. No waiver by either Party of any breach of any of these Terms and Conditions contained herein shall be construed as a waiver of any succeeding breach of the same or any other term or condition contained herein. Nothing contained herein shall limit the remedies of Bakelite in the event of Buyer's breach of any term or condition contained herein.

26. ENTIRETY. Except to the extent that Buyer's order was placed under a signed written contract between the Parties, this invoice/acknowledgment and these General Terms and Conditions constitute the entire agreement and understanding between the parties covering the sale and purchase of the products. No modification hereof shall be effected by the use of purchase order, acknowledgment, acceptance or other forms at variance with or in addition to this invoice/acknowledgment and these General Terms and Conditions.

27. NON-ASSIGNABILITY. These Terms and Conditions shall not be assigned by Buyer without the prior written consent of Bakelite.

28. GOVERNING LAW. This contract shall be governed by and construed under the laws of Argentina without application of its conflict of laws provisions.

29. DISPUTE RESOLUTION. Any controversy, difference or claim arising out of these Terms and Conditions, including, but not limited to, their formation, validity, interpretation, performance, or breach, shall be submitted to the courts of the Autonomous City of Buenos Aires.
