

**ADI-PURE® ADIPIC ACID
SALES AGREEMENT
("Agreement")**

INV Nylon Chemicals Americas, LLC ("Seller" or "INVISTA") 4123 E. 37th Street North Wichita, KS 67220 and INVISTA (Canada) Company ("INVISTA Canada") 455 Front Road Kingston, Ontario, CA K7L 4Z6 (individually and collectively, "Seller" or "INVISTA") Attn: Ryan Hoover Phone: 316-828-1298 Email: Ryan.Hoover@INVISTA.com	BASF Corporation ("BASF Corporation") 100 Park Avenue Florham Park, NJ 07932 and BASF Canada Inc. o/a BASF Canada ("BASF Canada") 100 Milverton Drive, 5 th floor Mississauga, ON L5R 4H1 (individually and collectively, "Buyer" or "BASF") Attn: Sean Rigby Phone: 346-252-4167 Email: sean.rigby@basf.com
<u>Seller's Facilities:</u> Bulkmatic Transport, Chicago Heights, IL; other locations at Seller's option	<u>Buyer's Facilities:</u> Malcom, IA; Cornwall, Ontario, Canada; Cincinnati, OH; Greenville, OH; Montreal, Quebec, Canada
Product: <u>Adi-pure® High Purity Adipic Acid</u>	Product Price/Formula: <u>See Exhibit A</u>
<u>Product Specifications:</u> See Exhibit B	<u>Delivery Terms (INCOTERMS 2020):</u> DAP Malcom, IA; DAP Cornwall, Ontario, Canada; DAP Montreal, Quebec, Canada; DAP Cincinnati, OH; DAP Greenville, OH

Contract Term ("Term"):

This Agreement shall be in effect January 1, 2022 ("Effective Date") through June 30, 2023 (the "Initial Term") unless sooner terminated as set forth herein. Thereafter, this Agreement shall continue for additional periods of twelve (12) consecutive months each (each, a "Renewal Term"; the Initial Term and Renewal Term collectively the "Term"), unless and until terminated by either party with written notification received by the other party at least one hundred eighty (180) days prior to June 30, 2023, or June 30 of the Renewal Term then in effect, such termination to be effective as of the applicable June 30. INVISTA Canada will be the Seller of Product under a delivery Term for delivery to a location in Canada and INVISTA will be the Seller of Product under a Delivery Term to a location outside of Canada. Without effect to aggregate contract volume rights and obligations, BASF Canada will be the Buyer of Product under a delivery Term for delivery to a location in Canada and BASF Corporation will be the Buyer of Product under a Delivery Term to a location outside of Canada.

Contract Volume:

During the Initial Term of this agreement, Buyer shall collectively order and purchase from Seller a minimum volume of 34,500,000 to a maximum of 41,250,000 pounds of the Product (the "Minimum and Maximum Supply Obligation"). Buyers' production sites with Initial Term Maximum Supply Obligation and Maximum Monthly Supply Obligation by Site volumes are outlined in *Table 1* below. Seller will have no obligation to supply Product in railcars to Cornwall, ON during calendar year 2022. Both parties understand that this is not a take or pay agreement. For any Renewal Term, the minimum volume is 23,000,000 pounds of Product per year and the maximum volume is 27,500,000 pounds of Product per year

Table 1: Adipic Acid Supply by BASF Production Sites

BASF Production Locations	Initial Term Maximum Supply Obligation by Site (millions-lbs)	Maximum Monthly Supply Obligation by Site (millions-lbs)
Malcom, IA	12.9	0.717
Cornwall, ON	23.25	1.292
Cincinnati, OH	2.30	0.127
Greenville, OH	2.80	0.156

If during the Term, subject to Excused Performance, Buyer fails to collectively purchase at least eleven million five hundred thousand pounds (11,500,000 lbs) of Product for delivery in any six-month period (the "Six-Month Shortfall"), then the Seller reserves the right to notify the Buyer of the Seller's intent to terminate this agreement (the "Shortfall Termination Notice"). The Seller must provide the Buyer this notice in writing within 15 days of the Six-Month Shortfall. Buyer shall then have thirty (30) days from receipt of the Shortfall Termination Notice to work with the Seller to resolve the volume shortfall. Buyer will provide the reasons that Buyer failed to purchase at least eleven million five hundred thousand pounds

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(11,500,000 lbs) of Product in the Six-Month Shortfall period and will also provide its forecast for purchases for the remainder of the year to meet the Minimum Annual Supply Obligation. If the shortfall remains uncured thirty (30) days after Seller issues Shortfall Termination Notice, Seller shall have the right to provide to Buyer final notice of termination of the Agreement (the "Final Shortfall Termination Notice"), effective sixty (60) days after issuing Shortfall Termination Notice.

Subject to Excused Performance, the Buyer will use its best efforts to purchase the products ratably throughout the year to meet the Minimum Monthly and Maximum Monthly order obligations outlined below; provided that by itself, any one (1) individual month of Buyer's failure to meet such Monthly Minimum shall not constitute a breach of contract or give rise to termination by Seller. Notwithstanding the foregoing, but subject to Excused Performance should Buyer fail to meet the Minimum Monthly Purchase Obligations for any one (1) month during the Term, Seller may choose to notify Buyer within fifteen (15) days after the event of Seller's intent to terminate the Agreement if the Buyer does not meet the Minimum Monthly Purchase Obligation for the second consecutive month. In such an event where Seller notifies Buyer of intent to Terminate and Buyer does not purchase the Minimum Monthly Purchase Obligation for two (2) consecutive months, the Agreement shall be considered terminated effective thirty (30) days after Seller's notice to Terminate.

Maximum Monthly Supply Obligation: 2,300,000 lbs
Minimum Monthly Purchase Obligation: 1,900,000 lbs

Should the Buyer's monthly purchase order exceed the Maximum Monthly Supply Obligation, then the Seller, at its option, may determine what amount, if any, of the excess amount it is willing to supply to the Buyer. Seller shall provide its response to Buyer within five (5) business days of receipt of Buyer's monthly purchase orders, the amount, if any, of the excess amount Seller is willing to sell to Buyer. In the event that the Seller rejects such excess orders, then the Buyer shall have the right to purchase the rejected amount from another source during the calendar month.

Forecasting:

By the 15th day of each calendar month during the Term, Buyer shall provide Seller with a non-binding forecast of its projected full truckload purchases of Product for the subsequent three-month period for the Cornwall, ON and Malcom, IA locations (each, a "3-Month Rolling Forecast"). In the event that the Seller does not receive a 3-Month Rolling Forecast from the Buyer, the Seller shall have the right to limit the Buyer's volume for the current month to the greater of the estimated monthly contract volume in *Table 1* and the prior three-month rolling forecast for the sites referenced above.

Facility Outages:

Buyer will notify Seller a minimum of 45 days in advance of any planned outages at Buyer's facilities and will promptly notify Seller after any planned outages. In the event that shipments or deliveries are impacted, the Parties agree to put forward mutual commercial efforts to adjust deliveries in an agreeable manner, provided nothing in this paragraph is intended to relieve Buyer from its obligation under this Agreement unless agreed to by Seller.

Payment Terms:

Payment shall be submitted to Seller by Buyer via ACH, in U.S. currency, no later than thirty (30) days from the date of Seller's invoice. In the event of late or non-payment by the Buyer, subject to notice from Seller to Buyer with ten (10) days to cure, in addition to any other remedies available to Seller at law or in equity, Seller may (i) suspend deliveries of Product, (ii) require prepayment by wire transfer of immediately available funds prior to any future scheduled shipments of Product or (iii) terminate this Agreement.

Terms and Conditions:

Where there is conflict between the purchase orders or release orders and the terms contained in this Agreement, this Agreement shall prevail.

Exhibits:

The following Exhibits are incorporated herein and made a part of this Agreement:

- Exhibit A: Product Price/Formula
- Exhibit B: Product Specifications
- Exhibit C: Terms and Conditions of Sale

Seller:

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SEE NEXT PAGE

By: _____
Name: _____
Title: _____
Date: _____

Buyer:

BASF Corporation



By: Sean Rigby
Name: Sean Rigby
Title: Procurement - Raw Materials
Date: February 2, 2022

Buyer:

BASF Canada Inc. o/a BASF Canada

By: Stuart Lawton
Name: Stuart Lawton
Title: Treasurer
Date: February 2, 2022

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Seller:

INV Nylon Chemicals Americas, LLC

By:  _____

Name: _____

Title: _____

Date: _____

Seller:

INVISTA Canada Company

By:  _____

Name: _____

Title: _____

Date: _____

Exhibit A
Product Price/Formula

Product Pricing:**Price:**

The Selling Price (P) for Product would be determined each calendar month during the period in effect using the following formula, valid for packaged material per the appropriate delivery terms for full truck load quantities (minimum 42,500 pounds unless otherwise authorized by Seller) and for railcar delivery as applicable.

$$P = P_c + 0.0966 * (BZ) + 0.0001 * (NH3 + 33) + 0.0163 * (NG)$$

Where:

P = the Selling Price for Product in U.S. dollars per pound (rounded to 4 decimal places, \$X.XXXX/lb) for the current calendar month. Price may also be shown in US\$ per metric ton calculated by multiplying selling price in US\$ per pound by 2204.623 and rounding to the nearest whole dollar (\$X,XXX/MT).

P_c = the product adder shall be in U.S. dollars per pound (rounded to 4 decimal places, \$X.XXXX/lb) and is defined in the table below:

BASF Production Locations	P _c
Malcom, IA (bulk hopper truck)	0.444
Cornwall, ON (1,000 KG Supersacks)	0.491
Cornwall, ON (rail car)	0.449
Cincinnati, OH (1,000 KG Supersacks)	0.504
Greenville, OH (1,000 KG Supersacks)	0.504

The product adder shall be fixed for the Initial Term of the contract. The product adder for any Renewal Term shall be as mutually agreed to in writing by the parties by 180 days prior to the affected Renewal Term year. In the event that the parties do not reach an agreement by the said date, then the Agreement will automatically terminate at the end of the Initial Term or Renewal Term as applicable. This termination clause shall supersede any termination periods referenced in the term section of the agreement.

BZ = the U.S. monthly contract benzene price, in US dollars per gallon, as published in IHS Chemical (formerly CMAI) Aromatics Market Weekly for the month that is immediately prior to the month Product is shipped, rounded to three decimal places.

NH3 = the price for ammonia as reported by FERTECON AMMONIA REPORT, under the heading, "FERTECON PRICE SERVICE", "AMMONIA PRICE INDICATIONS", Delivered Prices, "FOB Caribbean", as the average of the weekly prices for the calendar month that is two months prior to the shipment month, expressed in US\$ per metric ton for anhydrous ammonia, rounded to three decimal places.

NG = the unrounded NYMEX Henry Hub natural gas futures closing price on the contract settlement date, as expressed in US\$ per MMBtu, for the month that is one month immediately prior to the month Product is shipped.

- a) If the benzene, natural gas and/or ammonia publications specify the reference price as a range, the reference price for adjusting the price for Product, will be the average of the high and low published prices.

Index Integrity: For any components of the Price that are based upon a published index or published quote, or are revised based upon a change to a published index or published quote, if (i) such index or quote ceases to be published (either temporarily or permanently other than due to a change in the index name or publisher), or (ii) either Party believes such published index or published quote does not accurately reflect INVISTA's actual monthly costs for the component reported (either temporarily or permanently) (each, an "Index Integrity Trigger Event"), then the applicable Party may provide written notice to the other Party to meet to discuss an alternative means of determining such component of the Price that was previously determined by such published index or published quote (the "Index Integrity Notice"). The Parties shall meet promptly after the date of an Index Integrity Notice (in any event not later than fifteen (15) days after the date of the notice) to discuss and attempt to agree upon an alternative means of determining the relevant component of the Price. The applicable Party shall, promptly following the providing of an Index Integrity Notice, provide to the other Party its suggested alternative published index or published quote or other means of determining the relevant component of the Price, and the Parties shall then meet to negotiate the appropriate means of determining such component. If the Parties fail to agree on the appropriate means of determining the relevant component of the Price within thirty (30) days of the date of the Index Integrity Notice, then the Price will be calculated, effective as of the first of the month following the month in which the Index Integrity Trigger Event occurred, based upon INVISTA's actual monthly costs of the relevant component of the Price as determined

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by INVISTA. The remedies for the Parties' failure to agree within the thirty (30)-day period provided for in the preceding sentence shall remain in effect unless and until an alternative means of adjustment is agreed upon in writing by the Parties.

Pricing Example: The January 2022 Adipic Acid price for Malcom under the terms in this agreement would be \$0.9356 per pound (equivalent to approximately \$2,063/MT). Each month a price notification will be sent to Buyer.

Pricing Inputs:

P₀₁ = \$0.444/lb, BZ = \$3.280/gallon, NH3 = \$826/ton, NG = \$5.447/mmbtu

Pricing Calculation:

P (\$/mt) = \$0.444 + (0.0966*\$3.280) + (0.0001*(\$826+33)) + (0.0163*\$5.447)

P = \$0.9356/lb

Exhibit B
Product Specifications

Adipic Acid

Large Grain Adipic Acid:

PROPERTY	VALUE	Test Method
Assay, wt%, minimum	99.7	NIL 1006
Water, wt%, maximum	0.20	NIL 1004
Ash, ppm, maximum	2.0	NIL 1008
Iron, as Fe, ppm maximum	0.5	NIL 1007
Methanol Solution Color (APHA), maximum	4	NIL 1016
Total Nitrogen (TN) mpm maximum	15	NIL 1018
Appearance: White, crystalline powder which is free of foreign matter.		

Free-Flo Adipic Acid (Confidential and Proprietary):

PROPERTY	VALUE	Test Method
Assay, wt%, minimum	99.7	NIL 1006
Water, wt%, maximum	0.20	NIL 1004
Ash, ppm, maximum	2.0	NIL 1008
Iron, as Fe, ppm maximum	0.5	NIL 1007
Methanol Solution Color (APHA), maximum	4	NIL 1016
Total Nitrogen (TN) mpm maximum	15	NIL 1018
Dodecanedioic Acid, ppm maximum	400	
Appearance: White, crystalline powder which is free of foreign matter.		

EXHIBIT C

**TERMS AND CONDITIONS OF SALE
Short Term Sales Agreement**

1. **TITLE AND RISK OF LOSS.** Title to Product, risk of loss, damage, and contamination to the Product shall pass to Buyer upon delivery of the Product in accordance with the Incoterms set out in the Delivery Terms under this Agreement.

2. **TAXES AND DUTIES.** Notwithstanding anything to the contrary in the Agreement, all taxes, duties, tariffs, consular fees, levies, penalties and other charges now or hereafter imposed by any governmental authority with respect to the Agreement or the production, processing, manufacture, sale, delivery, transportation, importation, exportation or proceeds of Product hereunder or on remittance of funds in payment for Product shall be paid by Buyer. If paid, or required to be paid by INVISTA, Buyer shall reimburse INVISTA for such amounts within ten (10) days of receipt of written notice from INVISTA. If any Product is rejected and the rejection is not due to a defect, nonconformance in the Product or breach by INVISTA, Buyer shall pay all taxes, duties, tariffs, consular fees, levies, penalties or other charges resulting from failure to re-export Product from the country of destination within such time limits as may be prescribed by Law. If Buyer rejects any Product due to a defect, nonconformance, or breach by INVISTA, INVISTA shall pay all taxes, duties, tariffs, consular fees, levies, penalties or other charges resulting from failure to re-export Product from the country of destination within such time limits as may be prescribed by Law. INVISTA reserves to itself all applicable duty drawback allowances and Buyer shall provide assistance in connection with INVISTA's application for the same.

3. **PRODUCT STEWARDSHIP.** If Buyer is provided a Material Safety Data Sheet ("MSDS") for Product, Buyer specifically agrees that it shall advise all of its employees, agents, contractors and customers who will Use the Product of the MSDS, and any supplementary MSDS or written warnings that it may receive from INVISTA from time-to-time. In addition, if Buyer believes or has reason to believe the MSDS or other information provided to Buyer by INVISTA is inaccurate or in any way insufficient for any purpose, Buyer will promptly notify INVISTA of the same, and provide INVISTA a reasonable opportunity to supplement or correct the information. INVISTA and Buyer shall defend, indemnify and hold the other, its affiliates and its respective employees, officers, directors and stockholders (collectively "Indemnitees") harmless from and against any and all third party claims, demands, lawsuits, causes of action, strict liability claims, penalties, fines, administrative law actions and orders, expenses (including attorneys' fees and expenses) and costs and liabilities of every kind and character ("Claims") which may arise for any reason whatsoever, including personal injuries, death, damage to property or to the environment, regardless of whether based on negligence, strict liability, contract, or breach of warranty, arising out of or related to the negligent acts or omissions or willful or wrongful conduct of the indemnifying party, its agents or employees, or the breach of the indemnifying party's obligations in connection with this Agreement, or the sale or use of Product or material made in whole or in part from Product sold hereunder. INVISTA and Buyer's indemnification duties under this Agreement shall survive the termination, cancellation or expiration of the order contemplated by the Agreement and the cessation of any business transactions between Buyer and INVISTA, and INVISTA's and Buyer's obligations herein shall remain in full force and effect as necessary for the purposes of compliance with the terms of this Section.

DELIVERIES. INVISTA shall be solely liable for any demurrage arising out of the transportation, delivery, loading or storage of the Product hereunder arising prior to completion of delivery of the Product. Buyer shall be solely liable for any demurrage arising out of the transportation or storage of the Product arising after the delivery of the Product. INVISTA and Buyer shall be liable to the other for damages or charges resulting from a delay in the delivery of Product to the extent the delay was the fault of INVISTA or Buyer, respectively.

(a) If and to the extent that Product sold hereunder is to be delivered from any INVISTA facility, INVISTA shall have the right to require the execution of an access agreement prior to granting Buyer, its carriers, contractors or agents, access to such facility. Buyer agrees that it, and its carriers, contractors and agents, will comply with all of INVISTA's safety rules and regulations when they are at any of INVISTA's facilities.

(b) INVISTA may, with timely notice provided to Buyer, reject transports, containers or storage presented for loading/unloading/transfer or handling which, in INVISTA's sole discretion, would present an unsafe or potentially unsafe situation.

(c) INVISTA may, with timely notice provided to Buyer, refuse to load/unload, transfer or handle any Product under any conditions it deems, in its sole discretion, unsafe, including, but not limited to, conditions caused by drivers, personnel, equipment, procedures, and/or weather conditions.

(d) INVISTA will be responsible for compliance with all Environmental Laws applicable to Products up to the point Products have been delivered to Buyer in accordance with this Agreement, including, without limitation, those related to operations, safety, maintenance, equipment, size and capacity, and pollution/discharge/spill prevention/clean-up.

(e) INVISTA will provide regulatory compliance credentials as required with the Products where applicable, including but not limited to FDA, RoHS, REACH, TSCA and other chemical control laws and country inventories as required. All required documentation must conform to Buyer's business requirements at the location receiving the Products. Any claims/commitment made respecting FDA/other regulatory status requires supporting documentation acceptable to Buyer.

(f) If a Party or its contractors or agents, loads, unloads or ships "hazardous materials" (in the United States as listed in the Tables of 49 C.F.R. 172.101, 172.102 or 1952 as amended or replaced from time to time) pursuant to the Agreement, then such Party warrants that all hazardous materials will be prepared for shipment, loaded, shipped and unloaded in compliance with all applicable Laws regarding the handling and transportation of hazardous materials.

(g) If a release of Product occurs after Product has been loaded at INVISTA's shipping point, as between INVISTA and Buyer, the party in possession of the Product at the time of the release will make all release notifications and reports that are required by Law and will provide the other party with written notice of such release notifications and reports within two (2) days of making the same. Further, as between INVISTA and Buyer, the party in possession of Product at time of release will be responsible for, and will promptly clean up, all such releases pursuant to applicable Laws.

(h) For deliveries under this Agreement, Buyer is solely responsible for offloading or unloading all Product delivered hereunder. To the extent Buyer fails to offload or unload the entire quantity of Product from the transport or container utilized for shipment and such failure is not due to the Product failing to conform to the agreed upon specification or other fault of INVISTA, (i) any residual or remaining Product shall be deemed to have been abandoned by Buyer for the beneficial use or re-use by INVISTA, and will become the property of INVISTA when received and accepted by INVISTA at a facility designated in writing by INVISTA; (ii) Buyer will not receive credit, payment or other consideration for any such residual or remaining Product; and (iii) Buyer is solely responsible for the transportation of such residual or remaining Product (including freight charges, shipping documents, and compliance with all Laws related thereto) until received and accepted by INVISTA at a facility designated in writing by INVISTA.

4. **COMPLIANCE WITH LAW.** (a) The parties agree to comply with all applicable laws, treaties, conventions, directives, statutes, ordinances, rules, regulations, orders, writs, judgments, injunctions or decrees of any governmental authority having jurisdiction ("Laws") pertaining to the fulfillment of the Agreement.

(b) INVISTA will be responsible for compliance with all Laws applicable to Product until the Product has been delivered by INVISTA in accordance with the applicable Incoterm defined in this Agreement, including those related to operations, safety, maintenance, equipment, size and capacity and pollution prevention. Buyer will be responsible for compliance with all Laws applicable to Product once the Product has been delivered by INVISTA in accordance with the applicable Incoterm defined in this Agreement, including those related to operations, safety, maintenance, equipment, size and capacity and pollution prevention.

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(c) If any license or consent of any government or other authority is required for the acquisition, carriage or use of Goods by INVISTA, INVISTA will obtain the same at its expense, and if necessary, provide evidence of the same to Buyer on request. Failure to do so will entitle Buyer to cancel or delay payment, but failure to do so will not entitle INVISTA to withhold or delay shipment therefore. Any expenses or charges incurred by Buyer resulting from such failure will be paid for by INVISTA within ten (10) days of receipt of Buyer's written request.

(d) If any license or consent of any government or other authority is required for the acquisition, or use of Product by Buyer, Buyer will obtain the same at its expense, and if necessary, provide evidence of the same to INVISTA on reasonable request. Failure to do so will entitle INVISTA to withhold or delay shipment, but failure to do so will not entitle Buyer to withhold or delay payment of the price therefor. Any expenses or charges incurred by INVISTA resulting from such failure will be paid for by Buyer within ten (10) days of receipt of INVISTA's written request.

(e) Without limiting the generality of Section 4(a), INVISTA and BASF Corporation shall comply with all Laws that restrict the sale, supply or delivery of products to any destination, country, government, entity or other person subject to export controls or economic sanctions (including, without limitation, the country or government of Iran, Cuba, North Korea, Syria or Sudan) (collectively, "Sanctioned Persons"). In particular, (i) BASF Corporation confirms that INVISTA products sold to BASF Corporation are not intended (A) for supply to any Sanctioned Persons, (B) for use in the production of goods to be directly or indirectly supplied exclusively or predominantly to any Sanctioned Persons, or (C) for any other purpose in violation of any U.S. export control or economic sanctions laws such as those set forth in 31 U.S. Code of Federal Regulations, Subtitle B, Chapter V or 15 U.S. Code of Federal Regulations Parts 730-774; and (ii) BASF Corporation shall not, directly or indirectly sell, supply or deliver INVISTA products to (A) any Person that is subject to any U.S. or United Nations economic sanctions or otherwise embargoed, as reflected in various lists of restricted persons (including, without limitation, the list of Specially Designated Nationals maintained by the U.S. Office of Foreign Assets Control), or (B) any destination, country, government, entity or other Person subject to export controls or economic sanctions by the U.S. government or by the United Nations (including, without limitation, any Sanctioned Persons). INVISTA confirms that it shall not knowingly deliver any Products hereunder sourced directly or indirectly from any Sanctioned Persons or any country or location to which sanction by the Government of the United States, Canada, or any other country apply.

5. **MEASUREMENT.** Product quantities will be determined by INVISTA's measurement equipment at INVISTA's designated shipping point, subject to confirmation and objection by Buyer. No adjustments will be made for any claims for less than one percent (1.0%) of the quantities measured by INVISTA at the shipping point.

6. **CLAIMS.** Buyer shall at its sole cost and expense, inspect Product delivered hereunder after receipt. If Buyer's inspection of Product reveals any shortage, loss, damage or defect, Buyer shall report such shortage, loss, damage or defect in writing to INVISTA within thirty (30) days thereafter. Buyer's failure to give written notice to INVISTA of a shortage, loss, damage or defect that was apparent from inspection of Product within such thirty (30) day period shall constitute an unqualified acceptance of the Product and a waiver by Buyer of all such claims.

7. **LIMITED WARRANTY.** INVISTA warrants only, at the time of delivery that: (i) Product shall conform to the agreed upon specification for the Product sold hereunder; (ii) INVISTA will deliver good title to the Product and that the Product shall be delivered free of liens or encumbrances; (iii) Product will conform with all applicable laws in the country of production and delivery; (iv) Product will be non-infringing as shipped by INVISTA, with respect to patents, trademarks, copyrights, trade secrets and other intellectual property rights of third parties in the country of delivery; and (v) be in full and strict conformance to any Certificate of Analysis ("COA") or Certificate of Conformance ("COC") provide by INVISTA in connection with a particular shipment of Product. Buyer, having the expertise and knowledge in the intended use of Product sold hereunder and any use or other product or material made therefrom, assumes all risk and liability for results obtained by the use of Product, whether used singly or in combination with other substances or in any process. EXCEPT AS SET FORTH IN THIS SECTION, INVISTA SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS OF THE PRODUCT FOR A PARTICULAR PURPOSE, CONDITION OR QUALITY OF THE PRODUCT, ANY TRADE USAGE OR DEALING. ANY DETERMINATION OF THE SUITABILITY OF THE PRODUCT FOR THE USE CONTEMPLATED BY BUYER IS BUYER'S SOLE RESPONSIBILITY. In the event of a breach of INVISTA's warranties, in addition to Buyer's other remedies at law or in equity, INVISTA shall, at Buyer's option, immediately either replace the quantity of Product forming the basis of the breach or refund the purchase price therefore.

8. **LIMITATION OF LIABILITY AND LIMITED REMEDIES.** NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER IN CONNECTION WITH THIS AGREEMENT FOR ANY LOST OR PROSPECTIVE PROFITS, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST EARNINGS, LOST PROFITS OR BUSINESS INTERRUPTION, WHETHER OR NOT BASED UPON NEGLIGENCE, BREACH OF WARRANTY, STRICT LIABILITY, IN TORT OR ANY OTHER CAUSE OF ACTION. IN ANY EVENT, BUYER AGREES THAT THE RETURN OF THE FULL SALES PRICE FOR THAT PRODUCT SOLD WHICH WAS THE CAUSE OF THE ALLEGED LOSS, DAMAGE OR INJURY WILL PREVENT THE FOREGOING REMEDIES FROM FAILING OF THEIR ESSENTIAL PURPOSE, AND THAT SUCH REMEDY IS FAIR AND ADEQUATE

9. **DEFAULT.** (a) Upon the occurrence of any of the following events (each an event of "Default" and the Party committing such Default, the "Defaulting Party" and the party claiming the Default, the "Non-Defaulting Party"); (i) INVISTA shall not have received a payment due from Buyer hereunder by the date such payment is due under the Agreement, and such failure shall remain uncured for a period of five (5) days after written notice thereof; (ii) the failure of a Party to perform any other obligation in the Agreement and such failure is not excused or cured within ten (10) days after written notice thereof; or (iii) the occurrence of a Bankruptcy Event, then the Non-Defaulting Party, in its sole discretion but with notice to the Defaulting Party, may do any one or more of the following: (a) suspend performance under the Agreement; and/or (b) cancel the Agreement and or (b) terminate the Agreement.

(b) "Bankruptcy Event" means the occurrence of any of the following events with respect to a Party: filing of a petition or otherwise commencing, authorizing or acquiescing in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law; (ii) making of an assignment or any general arrangement for the benefit of creditors; (iii) having a bankruptcy petition filed against it and such petition is not withdrawn or dismissed within thirty (3) days after such filing; (iv) otherwise becoming bankrupt or insolvent (however evidenced); (v) having a liquidator, administrator, custodian, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or (vi) being generally unable to pay its debts as they fall due.

10. **EXCUSED PERFORMANCE.** (a) *Force Majeure.* The parties will be excused from their respective performances hereunder (except Buyer's payment obligations) if performance is prevented or delayed by any acts of God, fire, explosion, flood, unusually severe or abnormal weather, riots or other civil disturbances, wars, acts of terrorism, actions of governments, voluntary or involuntary compliance with any Law or request of any governmental authority, strikes, lockouts or other labor difficulties, failure of usual sources of raw materials or other sources of supply, failure of computer systems to operate properly, destruction or loss of electronic records or data, failure of mechanical or chemical function or equipment normally used by INVISTA for manufacturing, handling or delivering of Product, or internally produced intermediates used in manufacture of any of the Product, plant shutdowns, any necessity to not operate, or to reduce operation of, equipment in order to protect the safety of people or to protect the environment, or any circumstances beyond the reasonable control of the party seeking excuse from performance ("*force majeure*"). Promptly after a party determines a *force majeure* condition exists, that party will notify the other of the circumstances and consequences claimed and will use reasonable means to remove the cause(s) in question. Neither party will be obligated to settle any demands of, or disputes with, laborers, nor will Buyer be excused from paying monies due or complying with INVISTA's credit terms. Quantities affected by *force majeure* will be deleted from the Agreement, but the Agreement will otherwise continue in full force and effect for the term set forth in the Agreement. In periods of shortage of Product due to *force majeure*, INVISTA may apportion any reduced quantity of Product among itself and its customers and affiliates in an equitable manner. INVISTA shall not be required to acquire Product to replenish any shortfall in Product arising as a result of a *force majeure*. Should INVISTA acquire any quantity of Product following a *force majeure*, INVISTA may use or distribute, without apportioning, such Product at its sole discretion. Notwithstanding the aforementioned, any quantity of Product INVISTA acquires and distributes to any non-affiliated customers shall be equitably apportioned to all of INVISTA's non-affiliated customers. Under no circumstances will INVISTA be obligated to obtain Product for delivery hereunder except from its designated source(s) of supply, or if none is so designated by INVISTA, from its usual, customary and/or most recent source(s) of supply.

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(b) Shortages: If for any reason shortages occur in INVISTA's supply of the goods or products necessary to produce Product, unless Buyer has provided INVISTA with written notice, and INVISTA agrees in writing, that each source of supply must be a qualified source of supply, INVISTA may, without obligation to Buyer, obtain similar products from other sources and allocate all such products produced among its customers, its own requirements and the requirements of its divisions, subsidiaries and affiliates, in a manner and amount that is fair and reasonable. INVISTA may deduct the quantity not shipped because of this allocation from the quantity under the Agreement without liability to Buyer for failure to deliver.

(c) Commercial Impracticability: Either party may suspend performance and/or terminate the Agreement, in whole or in part, without liability to the other party, if for any reason, INVISTA shuts down the unit(s), or the manufacturing facility at which Product (or the feedstock for the Product) is made, Buyer shuts down the unit(s), or the manufacturing facility(s) at which Product is consumed, or if a change in circumstances (whether foreseeable or unforeseeable) causes INVISTA or Buyer to incur a loss on a full cost basis at any time on the sale or purchase of Product hereunder from the unit or the manufacturing facility, by providing written notice of intent to the other party at least one hundred and eighty (180) days from such suspension or termination.

(d) Release of Buyer from Purchase Requirements Subject to the quantities set forth in the Agreement, if INVISTA is unable or otherwise fails to supply to Buyer the amount of Product requested, Buyer may purchase Product from another source without penalty and the amount of Product so purchased shall count towards Buyer's purchase obligations under this Agreement to the same extent as if Buyer had purchased the Products from INVISTA.

11 CONFIDENTIALITY INVISTA and Buyer agree to treat as confidential all information supplied by or regarding the other party, and not in the public domain, in connection with the Agreement, including, but not limited to: specifications, drawings, blueprints, and other technical, business or sales data, including this Agreement and any of its terms, or statements of work (collectively referred to as the "Confidential Information"). Information generally available to the public through no fault of the receiving party, known to the receiving party prior to receipt, or received from a third party not under a duty of confidentiality to the disclosing party, (directly or indirectly), shall not qualify as Confidential Information. The parties agree to (i) keep the Confidential Information confidential and not disclose it to any third party, (ii) use Confidential Information only as necessary for the performance of the Agreement, and (iii) limit the disclosure of the Confidential Information to those of its employees necessary for the performance of the Agreement, unless prior written consent has been granted by the disclosing party to permit other use or disclosure. The receiving party shall, upon request or upon expiration, termination or cancellation of the Agreement, promptly return all documents previously supplied, destroy any and all copies that were reproduced, and send written confirmation to the disclosing party certifying such destruction.

12 TRADEMARKS Except as may be contained in a separate trademark license, the sale of Product (even if accompanied by documents using a trademark or trade name) does not convey a license, express or implied, to use any trademark or trade name and Buyer shall not use a trademark or trade name of INVISTA's in connection with the Product.

13 SUCCESSOR AND ASSIGNS. The Agreement binds and inures to the benefit of Buyer and INVISTA and their respective successors and permitted assigns. Neither party may assign any interest in, nor delegate any obligation under the Agreement, by operation of Law or otherwise, without the other party's prior written consent, which shall not be unreasonably withheld. The requirement of consent shall not apply to assignments/delegations occurring by operation of law in connection with a merger, consolidation or amalgamation of a Party, or the sale by a Party of that portion of its assets to which this Agreement pertains in its entirety. Any assignment or attempted assignment in contravention of the foregoing shall be null and void, shall be considered a breach of the Agreement, and shall permit INVISTA, in addition to any other rights that it may have, to terminate the Agreement.

14 GOVERNING LAW/VENUE FOR DISPUTES The validity, performance, construction, and all matters arising out of or relating to the Agreement shall be interpreted in accordance with the Laws of the State of Delaware, without regard to its conflicts of law rules. The United Nations Convention on Contracts for the International Sale of Goods or any subsequently enacted treaty or convention shall not apply or govern the Agreement or the performance thereof or any aspect of any dispute arising therefrom. Any action or proceeding between Buyer and INVISTA relating to the Agreement shall be commenced and maintained exclusively in the state or federal courts in Wilmington, Delaware, and INVISTA and Buyer submit themselves unconditionally and irrevocably to the personal jurisdiction of such courts. BUYER AND INVISTA EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING RELATING TO THE AGREEMENT.

15 AMENDMENT. No salesperson is authorized to bind INVISTA; orders placed with a salesperson are not binding on INVISTA until confirmed in writing by INVISTA's authorized employee. This Agreement constitutes the entire understanding of the parties hereto with respect to the subject matter and hereof, and may not be altered or amended except in writing, signed by both parties hereto, notwithstanding any additional or inconsistent terms of any purchase order, invoice or other document unsigned by both parties. No amendment, modification or release of any provisions hereof to this Agreement shall be effective unless the same is in writing and such writing: (i) specifically refers to the Agreement, (ii) specifically identifies the term amended; and (iii) is signed by duly authorized representatives of INVISTA and Buyer.

16 NOTICES. All notices, consents, communications or transmittals under the Agreement shall be in writing and shall be deemed received on the day of delivery if delivered by hand, by nationally recognized overnight courier or delivery service, or by facsimile (with written confirmation of the completed transmittal); or within three (3) business days if mailed by United States mail as certified or registered mail with return receipt, postage prepaid, addressed to the party to whom such notice is given at the address of such party stated in the Sales Agreement.

17 INDEPENDENT CONTRACTORS. INVISTA and Buyer are independent contractors only and are not partners, master/servant, principal/agent or involved herein as parties to any other similar legal relationship with respect to the transactions contemplated under the Agreement or otherwise, and no fiduciary, trust or advisor relationship, nor any other relationship, imposing vicarious liability shall exist between the parties under the Agreement or otherwise at Law.

18 NO THIRD PARTY BENEFICIARIES. The Agreement is solely for the benefit of INVISTA and Buyer and shall not be deemed to confer upon or give to any third party any right, claim, cause of action or interest herein.

19 AUDIT/INSPECTION The parties shall have the right to engage an independent auditor to inspect and audit the records of the other to evaluate and verify compliance with the terms of this Agreement. If an audit inspection or examination in accordance with this Article, discloses overcharges (of any nature) by INVISTA in excess of \$5,000, Buyer shall be reimbursed for the cost of such audit. Any adjustments and/or payments that must be made as a result of any such audit or inspection shall be made within a reasonable amount of time (not to exceed 60 days) from presentation of the audit findings to the paying party.

20. ANTI-KICKBACK. Subject to the limitations contained within INVISTA's Employee Privacy Standards and Code of Conduct, and at the sole discretion of INVISTA, in the event INVISTA receives information which, having been reviewed by its compliance, legal or management, causes it to have reasonable grounds to believe that a Buyer or INVISTA employee, subcontractor or subcontractor employee, directly or indirectly, solicited, accepted or attempted to accept any money, fee, gratuity, offer or promise of future employment or business opportunity, or thing of value of any kind for the purpose of improperly obtaining or rewarding favorable treatment in connection with a contract or subcontract associated with Buyer, INVISTA shall promptly report in detail the possible misconduct to Buyer's Corporate Security Department or Buyer's confidential Compliance Hotline at 1-800-241-1280; provided that, no employee or agent of INVISTA shall be prevented by the terms of this Agreement from reporting such information to Buyer as that person deems fit.

21. SOCIAL RESPONSIBILITY. Buyer conducts its business in accordance with the principles of sustainable development and complies with internationally recognized fundamental environmental, labor and social standards. Buyer has described and set forth its understanding and implementation of these standards in its Values and Principles, its corporate Code of Conduct and its Code of Conduct for procurement (collectively the "Standards" and available through the corporate website at www.basf.com). The Standards are critical to Buyer's basis of conducting its own business and to any business transaction with others of which Buyer is a party. INVISTA will comply with the Standards or its own environmental, labor and social standards that are materially similar to the Standards and shall require that its subcontractors and materialmen, of any tier, observe the applicable standards.

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23. CONTRACTOR MANAGEMENT COMPLIANCE INVISTA shall at all times, to the extent they apply, ensure that its employees, agents and contractors accessing a Buyer facility comply with the rules, regulations, policies and guidelines which are established by BASF and made available to INVISTA relating to: (i) the provision of services at the BASF facility(ies) at which the Services are or will be performed (collectively, the "BASF Requirements"). INVISTA shall, in its sole discretion, determine if BASF has made readily available the requirements needed for compliance. If INVISTA determines BASF has not made these requirements readily available as determined by INVISTA, INVISTA is not expected to be able to comply with such requirements. BASF Requirements may include, among other things, rules and regulations with respect to safety, health, environment, security and orderly operation, BASF's contractor management requirements and protection of BASF's confidential business information. BASF may amend or add to the BASF Requirements from time to time as it deems appropriate. BASF will make available to INVISTA the current BASF Requirements and any amended or additional BASF Requirements.

24. MISCELLANEOUS. These Terms supersede any terms and conditions of previous dates, and if there is a conflict between these Terms and the specific provisions contained in the Sales Agreement, the specific provisions contained in such Sales Agreement shall control. Capitalized terms not defined herein shall have the meanings set forth in the Sales Agreement. The captions and section headings set forth in the Agreement are for convenience only and shall not be used in defining or construction of any of the terms and conditions of the Agreement. Waiver by either party of any breach of the terms and conditions contained herein will not be construed as a waiver of any other or continuing breach. The invalidity or unenforceability of any provision of the Agreement shall not affect the validity or enforceability of its other provisions. If the Agreement is a requirements contract or a partial requirements contract or a consignment agreement, or if rebates are to be paid, Buyer shall maintain books and records sufficient to document and verify Buyer's purchase obligations and history and shall provide such documentation to INVISTA upon request. If requested by Seller, Buyer shall permit Seller to verify the authenticity of such documentation via an independent auditor, which shall be funded solely by Seller. If Seller elects to use this audit process, it shall be limited to one time per calendar year, shall be subject to the independent auditor's execution of an agreeable confidentiality agreement, shall be limited to those records reasonably required to perform the audit, and shall be conducted at a time and in a manner so as not to interfere with Buyer's ordinary course of business. No course of dealing, course of performance, or usage of trade shall be considered in the interpretation or enforcement of the Agreement.

[END OF TERMS]