

Adi-pure® Adipic Acid
SALES AGREEMENT
LZ No. 43540 (2015)

Effective Date	August 1, 2015
Seller	INVISTA S.à r.l. (" <u>Seller</u> ")
Seller Contact Information	4123 E. 37th St. North Wichita, Kansas 67220 Attention: Jesse Brown Phone: 316-828-1264 Fax: 316-828-1606 Email: Jesse.Brown@invista.com
Seller's Shipping Point	For Bulk Shipments: Bulkmatic Transport, Chicago, IL and/or new mutually agreed distribution point For Packaged Shipments: ZXP Technologies, Highlands, TX; Bulkmatic Transport, Chicago, IL; and/or new mutually agreed distribution point.
Buyer	The Lubrizol Corporation (" <u>Buyer</u> ")
Buyer Contact Information	9911 Brecksville Road Cleveland, OH 44141-3201 Attention: Steven Williamson Phone: 216-447-7233 Fax: 216-447-5556 Email: Steven.Williamson@Lubrizol.com
Buyer's Facility	For Bulk Shipments: Avon Lake, OH; and For Packaged Shipments: Avon Lake, OH; Spartanburg, SC; and/or new facility point as mutually agreed upon between Buyer and Seller, (each, " <u>Buyer's Facility</u> ").
1. Contract Term	The term of this Agreement commences on August 1, 2015 and will continue up to and including July 31, 2017 (the " <u>Term</u> "). This Agreement may not be renewed or extended unless an amendment renewing or extending the Term is signed by both parties.
2. Product; Management of Change	(a) The product purchased and sold hereunder shall be Adi-pure® Adipic Acid which shall conform to the specifications attached hereto as Appendix I and made a part of this Agreement (the " <u>Product</u> "). The Product shall be produced at Seller owned facilities at Victoria, TX, Orange, TX, or at any other facilities that have been approved by Buyer in writing. The Product purchased and sold hereunder shall be for Buyer's internal consumption only. (b) If Seller contemplates a change in any of the Product that requires a modification of the specifications set forth in Appendix I attached hereto, Seller shall notify Buyer of such specification notification change at least ninety (90) days in advance of the modification. Within 10 (ten) calendar days, Buyer shall respond in writing to Seller to confirm whether Buyer shall continue to purchase the Product or terminate this Agreement. If in the event Buyer elects to terminate this Agreement, such termination will be effective only when Seller is not able to

	deliver Products to Buyer as specified in this Agreement, at which time this Agreement will terminate without further liability or obligation (other than any outstanding Buyer obligation of payment) of either Seller or Buyer.
3. Price	The Selling Price (“P”) for Product will be determined, as of the date of title transfer, in accordance with the methodology set forth in Appendix II .
4. Quantity	<p><u>Minimum and Maximum Volumes:</u></p> <p>(a) During each calendar month of the Term, Buyer shall order and purchase from Seller quantities of Product equal to at least 60% of Buyer’s adipic acid requirements (the “<u>Monthly Minimum Quantity</u>”).</p> <p>(b) Seller will not be obligated to sell or deliver to Buyer any quantity of product in excess of (i) 2,600 tons during each Contract Year, or (ii) 260 tons in any calendar month (the “<u>Monthly Maximum Quantity</u>”).</p> <p>(c) If in any calendar month during the Term, Buyer requires Product (“<u>Additional Spot Product</u>”) in excess of (i) the Monthly Maximum Quantity, and (ii) any contractual minimum required purchases of adipic acid from other suppliers existing as of the date of this Agreement, Buyer shall provide Seller the right (without any obligation) of first offer to sell and deliver to Buyer Additional Spot Product. The quantity, price, delivery, schedule and other terms for any Additional Spot Product offered for sale during a calendar month will be determined by Seller, at Seller’s sole discretion, but otherwise under the terms and conditions of this Agreement. Buyer has the sole right to accept or reject Seller’s offer for Additional Spot Product. Any Additional Spot Product that Seller is unwilling to supply on terms acceptable to Buyer may be purchased from other suppliers.</p> <p>(d) For the purposes of this Agreement, “Contract Year” means a twelve consecutive month year beginning August 1 and ending July 31.</p>
5. Payment Terms	Payments are due net thirty (30) days, via wire transfer in immediately available funds, from the date of Seller’s monthly summary invoice.
6. Order Lead Time & Forecasts	<p>(a) Buyer shall place all orders at least fourteen (14) business days prior to the requested date of loading at Seller’s Shipping Point.</p> <p>(b) For orders placed by Buyer with less than ten (10) calendar days notice prior to loading, or for delivery date changes to confirmed orders within five (5) business days of normal loading date, Seller may require Buyer to accept all additional expenses and fees expected to be incurred by Seller before the order or change is accepted by Seller.</p> <p>(c) On or before the 10th day of each calendar month during the Term, Buyer shall provide to Seller a forecast of its projected full truckload purchases of Product for the subsequent three calendar month period (each, a “<u>3-Month Rolling Forecast</u>”). For month 1 of the 3-Month Rolling Forecast, the number of truckloads forecast less one full truckload will be the minimum quantity of Product Buyer is obligated to purchase from Seller; and the number of truckloads forecast plus one full truckload will be maximum quantity of Product Seller is obligated to sell to Buyer. For months 2 and 3, of the 3-Month Rolling Forecast, the number of truckloads forecast will be non-binding. Notwithstanding the foregoing, the purchase and sale obligations represented in each 3-Month Rolling Forecast must be consistent with all maximum and minimum purchase and sale requirements set out in “Quantity,” Section 4.</p>

7. Delivery Terms	<p>Deliveries of Product will be made in full truck load quantities (minimum 20 metric tons for shipments in bulk hopper trucks or 19 metric tons for packaged Product).</p> <p>Bulk Shipments will be delivered DAP (INCOTERMS 2010) Buyer's Facility.</p> <p>Packaged Shipments will be delivered DAP (INCOTERMS 2010) Buyer's Facility. Title and risk of loss for the Product will pass to Buyer when the Product is unloaded at Buyer's Facility.</p>
8. Terms and Conditions	<p>Seller's Terms and Conditions of Sale are attached hereto as Exhibit A and incorporated into and made a part of the Agreement by reference as essential terms and conditions. In such Terms and Conditions, "INVISTA" means "Seller." All purchases by Buyer of Product are expressly limited to and conditioned upon acceptance of such Terms and Conditions of Sale, regardless of whether Buyer purchases Product through any media or means, including, but not limited to, written purchase orders, electronic orders via EDI, acknowledgements, confirmations, or other writings from Buyer to Seller. Unless such provisions are expressly agreed to by Seller in a writing signed by Seller, any additional or conflicting terms and conditions contained on, attached to or referenced by Buyer's Purchase Order, or other prior or later communication from Buyer to Seller, shall have no effect on the purchase of any such Product by Buyer from Seller and are expressly rejected by Seller.</p>

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement by their duly authorized representatives effective as of the date first written above.

Buyer:

The Lubrizol Corporation

By: *W. Preston Berger*

Print: *W. Preston Berger*

Title: *Director of Procurement*
-Americas

Seller:

INVISTA S.à r.l.

By: *Daniel J. Kotkin*

Print: *DANIEL J. KOTKIN*

Title: *AUTHORIZED SIGNATORY*

Appendix I
Product Specifications

Adi-pure® Adipic Acid in full bulk or packaged truckload quantities meeting the specifications shown below.

PROPERTY	VALUE	INVISTA 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)		NIL 1018
mpm (moles per million moles), maximum	15	
ppm, maximum	1.5	

Bulk Truckloads of Product shall be minimum 20 metric tons per shipment, in bulk hopper trucks.

Packaged Truckloads of Product shall be minimum 19 metric tons per shipment.

Appendix II Product Pricing

(a) Price: The Selling Price (P) for Product will be determined each calendar month that this Agreement is in effect using the following formula:

$$P = P_c + 229 \times BZ + 0.270 \times NH3 + 38.0 \times NG$$

Where:

P = the selling price for Product in US\$ per metric ton for the current calendar month, rounded to the nearest whole dollar. Price may also be shown in US\$ per lb calculated by dividing selling price in US\$ per metric ton by 2204.623 and rounding to two decimal places.

$P_c = 725$ US\$/metric ton

- BZ = the North America Benzene Contract price for the month that is one month immediately previous to the month Product is delivered, expressed in US cents per gallon (¢/gal) FOB US Gulf Coast, converted to US\$/gal, as published in the CMAI Market Advisory Services Market Reports “Aromatics Market Advisory Service – North America”, applicable “Market Weekly Issue”, “Aromatics Market Report”, under the heading, “United States”, “Benzene”, “Contract”, “Cents/Lb.” If more than one price is published in any month, the Benzene price for that month will be the arithmetic average of the published prices for the month rounded to three decimal places.
- NH3 = the monthly average, rounded to three decimal places, of the weekly Tampa ammonia prices, as the average of the weekly prices published from the 21st of the month two months prior to the current month to the 20th of the month immediately preceding the current month, as published in the weekly FERTECON AMMONIA REPORT, under the headings, ‘FERTECON PRICE SERVICE’, “AMMONIA PRICE INDICATIONS”, “Delivered prices”, “US Gulf/Tampa - Tampa,” expressed in US\$ per metric ton for anhydrous ammonia. If a range of prices is published for a given week, then an arithmetic average of the low and high prices rounded to three decimal places shall be used. If a price is not published for a given week within the relevant calendar month then the previous week’s price shall be used.
- NG = the arithmetic average price of natural gas expressed in US\$ per MMBtu for the month that is one month immediately previous to the month Product is delivered, as reported by IntercontinentalExchange®, Inc. (“ICE”) as the “ICE Day Ahead Natural Gas Report” on the web site:
<https://www.theice.com/marketdata/reportcenter/reports.htm>, by selecting “Indices” in the “Category” box, “ICE OTC” in the “Market” box, “North American Natural Gas” in the “Report” box, “Month Ahead Index” and “Houston Ship Channel” in the “Hub” box.

(b) If any of the publications specify the monthly price as a range, the reference price for adjusting the price for Product, will be the average of the high and low published prices, rounded to three decimal places.

(c) Formula Example: For the month of February, 2015, if the price of benzene for January, 2015 is \$2.200dollars per gallon; the price of ammonia, as the average of the weekly prices between December 21, 2014 and January 20, 2015 is 545.000 dollars per metric ton; and, the price of natural gas for January, 2015 is \$3.0400 dollars per MMBTU; then:

The price for the Product would be as follows:

$$\begin{aligned} P &= P_c + 229 \times BZ + 0.270 \times NH3 + 38.0 \times NG \\ &= 725 + 229 \times 2.200 + 0.270 \times 545.000 + 38.0 \times 3.0400 \\ &= 725 + 503.800 + 147.150 + 115.52 \\ &= 1,491 \text{ US$/metric ton.} \\ &= 0.68 \text{ US$/lb.} \end{aligned}$$

Exhibit A
INVISTA S.à r.l. ("INVISTA")
TERMS AND CONDITIONS OF SALE

1. **TERMS OF SALE.** These Terms and Conditions of Sale ("Terms"), along with the order acknowledgement or any agreement signed by INVISTA to which these Terms may be attached ("Sales Agreement" and, together with the Terms, the "Agreement") shall apply to INVISTA's sale of product ("Product") to Buyer. All purchases from INVISTA by Buyer are expressly limited to and conditioned upon acceptance of these Terms, regardless of the means or media of Buyer's purchases of Product, including without limitation, written purchase orders, electronic orders via EDI, acknowledgements, confirmations, or other writings from Buyer to INVISTA (collectively, "Purchase Orders"). Any additional or conflicting terms and conditions contained on, attached to or referenced by Buyer's Purchase Orders, or other prior or later communication from Buyer to INVISTA, are expressly rejected by INVISTA and shall have no effect on the purchase of any such Product by Buyer from INVISTA unless such provisions are expressly agreed to by INVISTA in a writing signed by INVISTA. These Terms are deemed an offer for sale by INVISTA. Buyer's commencement of performance (including ordering, purchasing or taking delivery of Product) shall in all cases constitute Buyer's unqualified and unconditional acceptance of the Agreement. If these Terms are attached to an Agreement, then: (a) 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; and (b) capitalized terms not defined herein shall have the meanings set forth in the Sales Agreement.

2. **TITLE AND RISK OF LOSS.** Unless otherwise stated in the Sales Agreement, all Product shall be shipped FCA INVISTA's designated shipping point (in accordance with Incoterms 2010). Unless otherwise stated in the Sales Agreement, title to Product and risk of loss, damage and contamination of Product passes to Buyer when the Product is delivered in accordance with the applicable Incoterm delivery term. INVISTA will not place a valuation upon Product shipments unless specifically required in writing by Buyer or required for export purposes.

3. **TAXES AND DUTIES.** 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 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, 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. INVISTA reserves to itself all applicable duty drawback allowances and Buyer shall provide assistance in connection with INVISTA's application for the same.

4. **PRODUCT STEWARDSHIP.** Buyer acknowledges the hazards associated with the handling, unloading, discharge, storage, transportation, use, disposition, processing, admixture or reaction (the "Use") of Product supplied under the Agreement and assumes the responsibility of advising those of its employees, agents, contractors, and customers in connection with such Use of the hazards to human health or human or environmental safety, whether such Product is used singly or in combination with other substances or in any processes or otherwise. If Buyer is provided a Material Safety Data Sheet ("MSDS") by INVISTA for Product, Buyer 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 immediately notify INVISTA of the same, and provide INVISTA a reasonable opportunity to supplement or correct the information. Buyer's duty 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 Buyer's obligations herein shall remain in full force and effect as necessary for the purposes of compliance with the terms of this Section.

5. **DELIVERIES.** (a) If Buyer has not issued instructions as to the method of shipment by the time Product is ready for shipment, INVISTA may select any reasonable method of shipment without liability by reason of its selection. To the extent flexibility is allowed by the Agreement for time or size of deliveries, the parties will cooperate to the extent reasonable to coordinate periods and times for deliveries hereunder, and Buyer will give reasonable prior notice as to quantities and scheduling desired, all subject to the quantities set forth in the Agreement. Buyer shall be solely liable for any demurrage arising out of the transportation, delivery, loading or storage of the Product hereunder, and INVISTA shall not be liable to Buyer for damages or charges resulting from a delay in the delivery of Product. INVISTA reserves the right to assess additional charges for non-standard shipments, short lead time on orders, order changes, and order cancellations. Charges are subject to change without prior written notice at INVISTA's sole discretion.

(b) 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 shall comply, and shall ensure that its carriers, contractors and agents shall comply, with all of INVISTA's safety rules and regulations when they are at any of INVISTA's facilities.

(c) INVISTA may 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.

(d) INVISTA may 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.

(e) If Buyer, or its contractors or agents, unloads "hazardous materials" (in the United States as listed in the Tables of 49 C.F.R. 172.101, 172.102 or 195.2 as amended or replaced from time to time) pursuant to the Agreement, then Buyer warrants that all hazardous materials will be unloaded in compliance with all applicable Laws regarding the handling and transportation of hazardous materials. To the fullest extent permitted by Law, Buyer will indemnify, defend and hold the INVISTA, its affiliates and their respective employees harmless from and against all costs, claims and liabilities of whatever nature arising out of or relating to Buyer's failure to comply therewith.

(f) For all deliveries under the Agreement, Buyer is solely responsible for offloading or unloading all Product. To the extent Buyer fails to offload or unload the entire quantity of Product from the transport or container utilized for shipment (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 the 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, without limitation, freight charges, shipping documents, and compliance with all Laws related thereto) until received and accepted by INVISTA at the facility designated in writing by INVISTA.

6. **COMPLIANCE WITH LAW.** (a) The parties shall 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) Buyer will be responsible for compliance with all Laws applicable to Product once the Product has been delivered by INVISTA in accordance with this Agreement, including those related to operations, safety, maintenance, equipment, size and capacity and pollution prevention. In connection with this Agreement, each Party agrees it will not pay, promise to pay or authorize the payment of any money or anything of value (including any gifts or entertainment), directly or indirectly to any officer, employee or representative of any governmental authority, agency, instrumentality for the purpose of attempting to influence such Government Official or to obtain an improper advantage.

(c) If any license or consent of any government or other authority is required for the acquisition, carriage 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 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.

(d) Without limiting the generality of any of the foregoing, Buyer 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) Buyer confirms that the Product is 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) Buyer shall not, directly or indirectly sell, supply or deliver Product 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).

7 UNLOADING AND CONTAINERS. Buyer will unload and release all transportation equipment promptly so that no demurrage or other expense or loss resulting from delay shall be incurred and will comply with all instructions, if any, that INVISTA may give for return of such equipment. Buyer shall return returnable containers or packaging, freight collect. Buyer shall assume all other liability, including, without limitation, demurrage, with respect to such returnable containers and equipment, including, without limitation, packaging. If Buyer fails to return such containers and equipment within 120 days from date of invoice, INVISTA, at its option, shall have the right to transfer title to such unreturned containers or equipment to Buyer by invoicing Buyer for the same at INVISTA's then established prices, and the purchase price for such containers and equipment shall be due from Buyer upon receipt of invoice.

8 MEASUREMENT. Product quantities will be determined by INVISTA's measurement equipment at INVISTA's designated shipping point, unless proven to be in error. No adjustments will be made for (a) any quantities delivered more than ten (10) days prior to the date of any proven measurement confirming such error, or (b) any claims for less than one percent (1%) of the quantities measured by INVISTA at the shipping point. Product quality shall be governed by a sample of Product taken by INVISTA at INVISTA's designated shipping point.

9 CLAIMS. Buyer shall, at its sole cost and expense, inspect Product delivered hereunder immediately after receipt. Within fifteen (15) days of Buyer's receipt of Product and before the use, disposition, processing, admixture, reaction or other change from the original condition of any part of the Product (except for reasonable test and inspection quantities), Buyer shall notify INVISTA in writing if Product is found defective or short in any respect. Buyer specifically acknowledges and agrees that it must test the compatibility of any fiber Products prior to any Use of fiber Products if the fiber merge number or other identifier differs from that designated in previous shipments. Any Use of any of Product (except for reasonable tests and inspection quantities) or Buyer's failure to give written notice to INVISTA of such defect or shortage within such fifteen (15) day period shall constitute an unqualified acceptance of the Product and a waiver by Buyer of all claims with respect thereto.

10 PAYMENT TERMS/CREDIT. (a) Buyer shall pay all invoices, without deduction, in US currency via wire transfer of immediately available funds into a U.S. bank account designated by INVISTA. If the Agreement does not state payment terms, payment shall be received by INVISTA no later than thirty (30) days from the date of INVISTA's invoice. Delay in payment will result in Buyer being responsible for interest at a rate of one and a half percent (1½%) per month compounded monthly (19.6% per annum), or the maximum rate allowed by Law, whichever is less, on the outstanding amount of any unpaid invoice beginning on the day after the payment due date. If the payment due date is a Saturday, Sunday or holiday where banks located in the State of New York are authorized or required to be closed, Buyer shall make such payment on the business day after such due date.

(b) INVISTA makes no assurance or guarantee regarding any amount of credit or the continuation of such credit to Buyer. If INVISTA, in its sole discretion, provides Buyer with a line of credit to facilitate purchases of Product from INVISTA under the Agreement, such credit line may be amended, decreased or terminated at any time at INVISTA's sole discretion.

(b) If any such credit provided to Buyer, or Performance Assurance is required by INVISTA of Buyer, Buyer will provide to INVISTA any or all annual reports containing Buyer's and/or the Buyer's Performance Assurance provider's audited consolidated financial statements for a particular fiscal year. In all cases, the statements shall be for the most recent accounting period and prepared in accordance with generally accepted accounting principles.

(c) Notwithstanding the foregoing, if INVISTA determines, in its sole discretion, that the creditworthiness or future performance of Buyer is impaired or unsatisfactory, INVISTA may (i) suspend deliveries of Product, (ii) require prepayment by wire transfer of immediately available funds at least three (3) days prior to a scheduled shipment of Product, and/or (iii) require Performance Assurance at least three (3) days prior to a scheduled Product shipment. Buyer hereby waives written notice of any such action. "Performance Assurance" means collateral in the form of either cash, letter(s) of credit, guaranty, or other security acceptable to INVISTA in its sole discretion.

(d) INVISTA reserves the right, at any time, to Set-off against any amount that INVISTA owes to Buyer under the Agreement or any other agreement between such parties. "Set-off" means set-off, offset, combination of accounts, netting of dollar amounts of monetary obligations, right of retention or withholding or similar right to which INVISTA is entitled (whether arising under the Agreement, another agreement, applicable Law, or otherwise) that is exercised by INVISTA.

11 INDICES. (a) For any components of a Product price under the Agreement 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 such index or quote ceases to be published (either temporarily or permanently) or if one party believes, in good faith, that such published index or published quote does not accurately reflect changes in Seller's actual monthly costs for the component reported, then it may provide written notice to the other party to meet to discuss an alternate means of ascertaining the appropriate adjustment to the price of Product. The parties shall meet promptly after the date of such notice (in any event not later than fifteen (15) days after the date of the notice) to discuss and attempt to agree upon such an alternative means of ascertaining the appropriate adjustment to Product price. If the parties fail to agree on the appropriate adjustment to Product price within thirty (30) days of the date of the original notice, then the price for Product sold thereafter will be calculated, effective as of the expiration of the thirty (30) day period, based upon Seller's actual monthly costs as determined by Seller for the component covered by such published index unless and until an alternate means of adjustment is agreed upon in writing by the parties.

(b) **Retroactive Changes to Indices:** If, within twelve (12) months from the date of any payment of the Product price under the terms of the Agreement that is based on a published index or published quote (a) such index or quote on which the Product price was based is retroactively revised by the person publishing such index or quote, or (b) such publishing person notes an error in the published index or quote used to calculate the Product price and corrects such error, then the party that would benefit from the revised or corrected index or quote shall have the right to provide written notice to the other party of such revision or correction and to recalculate the Product price based on the revised or corrected published index or quote. Following such notice and confirmation of the corrected published index or quote, the parties shall, within thirty (30) days, make the appropriate refund, credit, offset or payment of the difference between the Product price as originally calculated and the recalculated price based on the revised or corrected published index or quote.

12 LIMITED WARRANTY. INVISTA warrants only, at the time of delivery, that: (a) Product shall conform to the agreed specifications for the specific Product sold hereunder, and (b) INVISTA will deliver good title to the Product and that the Product shall be delivered free of liens or encumbrances. Buyer acknowledges,

represents, and warrants that it has all necessary expertise and knowledge in the intended Use of Product sold hereunder and any Use of 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.

13. **LIMITATION OF LIABILITY AND LIMITED REMEDIES.** NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY LOSS 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. FOR THE SAKE OF CLARITY, THE PRECEDING SENTENCE INCLUDES THOSE INCIDENTAL AND CONSEQUENTIAL DAMAGES REFERENCED IN §2-715 OF THE NEW YORK UCC. Buyer's exclusive remedy against INVISTA for any cause of action under the Agreement, including without limitation for failure to deliver or delivery of non-conforming Product, is, at INVISTA's option limited to (a) replacement of the non-conforming Product; or (b) refund to Buyer of the portion of the purchase price paid by Buyer and attributable to such non-conforming or undelivered Product. In no event shall INVISTA's cumulative liability exceed the price of Product sold which was the direct cause of the alleged loss, damage or injury. IN ANY EVENT, BUYER ACKNOWLEDGES AND 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.

14. **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) the failure by Buyer to provide Performance Assurance when due; (ii) 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 two (2) days; (iii) 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; (iv) the occurrence of a Bankruptcy Event; (v) the failure of Buyer to timely provide prepayment or Performance Assurance as set forth in Section 10(d) above; or (vi) the failure by any Performance Assurance provider of Buyer to perform any obligation of such Performance Assurance provider under any document executed and delivered in connection herewith, then the Non-Defaulting Party, in its sole discretion and without prior notice to Defaulting Party, may do any one or more of the following: (a) suspend performance under the Agreement or any other agreement between Buyer and INVISTA; and/or (b) cancel the Agreement or any other agreement between Buyer and INVISTA, whereby any and all obligations of the Defaulting Party, including payments or deliveries due, will, at the option of the Non-Defaulting Party, become immediately due and payable or deliverable, as applicable.

(b) If INVISTA suspends performance and withholds Product delivery as permitted above, INVISTA may sell the Product to a third party and deduct from the proceeds of such sale the purchase price and all reasonable costs resulting from Buyer's default as identified above, including, without limitation, all costs associated with the transportation (including, without limitation, demurrage and other vessel or shipping related charges), storage, and sale of the Product. The foregoing rights, which shall include, but not be limited to, specific performance, shall be cumulative and alternative and in addition to any other rights or remedies to which the Non-Defaulting Party may be entitled at Law or in equity. In addition, Non-Defaulting Party shall be entitled to recover from the Defaulting Party all court costs, attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the Defaulting Party's default, and interest on past due amounts at the rate specified in Section 10(a) hereof. "Bankruptcy Event" means the occurrence of any of the following events with respect to a Party or any Performance Assurance provider for Buyer: (i) 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 (30) 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.

15. **SPECIALTY MANUFACTURED PRODUCT.** If the Agreement covers Products that must be manufactured especially for Buyer, and the Agreement is suspended, terminated or cancelled for any reason, Buyer will take delivery of and make payment for such Products as have been completed and such Products as are in process on the date notice of suspension, termination or cancellation is received by INVISTA. If Buyer for any reason cannot accept delivery of such Products, Buyer will make payment therefor as though delivery has been made and INVISTA will store such Products for Buyer's account and at Buyer's expense.

16. **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.

(b) **Commercial Impracticability:** Either party may suspend performance and/or terminate the Agreement, in whole or in part, without liability, if for any reason, a Party shuts down the unit(s), or the manufacturing facility at which Product (or the feedstock for the Product) is made or used, or if a change in circumstances (whether foreseeable or unforeseeable) causes a Party to incur a loss on a full cost basis at any time on the sale or use of Product hereunder from or in the unit or the manufacturing facility.

(c) **Adverse Impact of Law:** All of the terms and provisions of the Agreement are subject to applicable Laws (as defined herein), including, without limitation, all orders, rules and regulations, of all governmental authorities having or purporting to have jurisdiction. If, at any time after the Effective Date, any such Law should be amended or proposed to be amended or if new Laws are enacted or proposed to be enacted that would have an adverse economic impact upon INVISTA (including as examples and without limitation, Laws that would require INVISTA to install anti-pollution equipment, to purchase credits under any cap and trade program or regulations or in any way alter any manufacturing facility or any part of the facilities or the use of the facilities that are a part of the manufacturing facility) (an "Adverse Law Impact"), then Buyer shall reimburse INVISTA for its proportionate part of INVISTA's actual costs incurred as a result of the Adverse Law Impact.

(d) **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. Buyer may purchase from other suppliers any quantity of Product that INVISTA is unwilling or unable to deliver.

17. **CONFIDENTIALITY.** Buyer agrees to treat as confidential all Product pricing, sales data and specifications (the "Confidential Information"), and shall (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 non-disclosing party to permit other use or disclosure. INVISTA agrees to keep the terms and provisions of this Agreement confidential throughout the term of this Agreement.

18. **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.

19. **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 not assign any interest in, nor delegate any obligation under the Agreement, by operation of Law or otherwise, other than to an affiliate or to the successor to substantially all of the assets or business to which this Agreement relates, without the other Party's prior written consent. 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 the other Party in addition to any other rights that it may have, to terminate the Agreement.

20. **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 New York, 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 Buyer submits itself 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.

21. **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. All technical advice, services and recommendations by INVISTA are intended for use by persons having skill and know-how, and are accepted by Buyer at its own risk and INVISTA assumes no responsibility for results obtained or damages incurred from their use. No statements or agreements, oral or written, not contained herein or in a future amendment hereto executed by both parties will vary or modify the terms hereof. Neither party shall claim any amendment, modification or release of any provisions hereof 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.

22. **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.

23. **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.

24. **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.

25. **COUNTERPARTS AND ELECTRONIC SIGNATURES.** This Agreement may be executed in one or more counterparts or duplicate originals, all of which when taken together will constitute one and the same agreement. Electronic and facsimile copies of an original executed signature page (including, without limitation, copies electronically transmitted in portable document format or ".pdf") will be deemed the same as the original executed signature page. Electronically executed versions of a signature page through the DocuSign, Inc. electronic signing system implemented by INVISTA will also be deemed the same as an original executed signature page. At the request of either party at any time, the parties shall promptly confirm all electronic or facsimile copies, and all electronically executed versions, of any signature page by manually executing and delivering a duplicate original signature page.

26. **MISCELLANEOUS.** These Terms supersede any terms and conditions of previous dates. 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 permit Seller, during normal business hours, to audit those books and records. 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]