Conditions of Purchase UBE Urethanes UK Ltd.

These terms and conditions apply only to the UBE Urethanes Business, the urethanes business of UBE Corporation. They do not apply to any other business of UBE, which is governed by separate terms and conditions.

1. General

1.1 These Conditions shall be an integral part of the purchase contract. Conflicting or deviating conditions of delivery stipulated by Seller or other reservations made by Seller shall not be deemed accepted unless Buyer has expressly accepted them in writing for a specific order.

1.2. Other agreements, amendments or subsidiary agreements shall not be effective unless Buyer has given his written consent thereto.

2. Offer

2.1 Seller's quotation shall cover exactly the quantities, qualities and description specified in Buyer's inquiry. Any departure therefrom shall be expressly mentioned.

2.2 The quotation shall be submitted cost-free and without any obligation being imposed on Buyer. Remuneration for cost estimates shall only be paid by special arrangement.

3. Order

3.1 Orders and alterations to orders shall be made in writing. In case of doubt, verbal agreements or arrangements discussed over the phone shall only be binding if confirmed in writing.

3.2 Each order or alteration to an order shall be confirmed by Seller in writing and shall be treated separately in all correspondence.

3.3 The following details shall be stated in all correspondence: the purchasing department, the complete order number, the date of the order and Buyer's reference.

4. Period for Delivery

4.1 The period for delivery shall run from the date of the order. If Seller has reason to assume that he will not be able to meet, or meet in time, all or part of his contractual obligations, he shall inform Buyer thereof immediately, stating the reasons and the likely duration of the delay. If Seller fails to do this, he shall not be entitled to claim exemption from responsibility for the delay on the grounds of the hindrance.

4.2 Should Seller fail to effect delivery within the agreed period, he shall be held liable for the delay under the existing legal provisions and Buyer shall be entitled to recover from Seller any and all liabilities, losses, damages, costs and expenses incurred by Buyer as a result of Seller's failure to effect delivery within the agreed period. This shall not affect Seller's obligation to pay any liquidated damages for delayed delivery as may have been agreed by the parties. If a penalty has been agreed, this can be invoked at any time until the final payment becomes due, without reservation.

5. Warranty, Liability and Notification of Defects

5.1 The Seller warrants the goods supplied by him to be of satisfactory quality, free from defects, to possess the agreed or guaranteed properties stipulated in the order or specification, to be suitable for the purpose stipulated in the order, to be in conformity with the generally accepted technical practice, and to conform to relevant applicable laws and regulations, British Standards and the requirements of any relevant statutory and regulatory bodies and to the appropriate safety specifications and rules for the protection of workers and prevention of accidents. Should the delivered goods fail to meet any or all of these requirements, Buyer shall be entitled to have the defect remedied or the supply of defect-free goods, to cancel the order or any other order, to terminate the contract immediately, to receive a refund of the purchase price or a reduction in the purchase price by a sum which is equitable in the circumstances, and to receive compensation or reimbursement for expenditure as a result of the defect.
Any warranty shall not apply to defects or damage caused by

a) normal wear and tear; or

b) inappropriate handling by Buyer.

Buyer shall notify Seller of any defects in the delivered goods as soon as they are discovered in the regular course of business. The above provisions shall apply mutatis mutandis to services such as assembly, erection, maintenance, etc.

5.2 Seller's warranty shall also cover any items manufactured by subcontractors.

5.3 The warranties in clause 5.1 will apply to any replaced item from the date they are replaced.

5.4 Goods which are subject to complaint under the warranty shall remain at Buyer's disposal until replacements have been supplied, whereupon they shall become the property of Seller.

5.5 In urgent cases, or if Seller defaults or fails in repairing a defect, Buyer may eliminate the defect himself at Seller's expense without prejudice to Buyer's other rights and remedies.

5.6 Acceptance of Seller's supplies and services by Buyer shall not affect Seller's obligations under the warranty.

5.7 Seller shall indemnify and hold Buyer harmless from any product liability claim including any liability for and liability arising from death, personal injury, damage to and/or loss or destruction of tangible property caused by the goods.

5.8 These provisions are without prejudice to any other rights or remedies of the Buyer.

6. Tests

If tests are specified for the goods to be supplied, Seller shall bear the costs of such tests, including his own personnel costs, but excluding Buyer's personnel costs.

Seller shall inform Buyer not less than one week in advance of the date on which the goods will be ready for testing and shall agree with him a date for the tests. If the goods are not presented for testing on this date, Buyer's personnel costs shall be borne by Seller.

If any defects are found in the goods which make it necessary to repeat the tests or conduct further tests, Seller shall pay all the personnel costs and other costs entailed. Seller shall also pay all the personnel costs and other costs incurred in connection with testing the materials used by him in executing the order.

7. Insurance

7.1 Transport insurance shall in all cases be taken out by Buyer.

7.2 Seller shall take out at his own expense adequate third party liability insurance such as product liability and public liability insurance to cover damage resulting from services rendered by or goods delivered by or property belonging to him, his personnel, or third parties commissioned by him. Seller shall, if so requested, submit to Buyer documents showing the sums insured per occurrence.

7.3 The procurement of special assembly/erection insurance in addition to the third party liability insurance mentioned in clause 7.2 shall in each case be subject to agreement between Buyer and Seller.

7.4 Any machines, apparatus, etc. supplied to Buyer on loan will be insured by Seller against the usual risks. Any further liability of Buyer for destruction of such machines, apparatus, etc., or damage thereto, shall be excluded, unless it has been caused willfully or through gross negligence.

8. Shipping Requirements

8.1 On the day on which the goods are dispatched, Seller shall send Buyer a detailed dispatch note for each consignment separately from the goods and invoice. The goods shall be accompanied by a delivery note and packing slip.

If the goods are sent by ship, the shipping papers and invoice shall state the name of the shipping company and of the ship.

Seller shall choose the mode of transport most favorable and most suitable for Buyer.

Seller shall show in full the order reference number and point of unloading specified by Buyer in all dispatch notes, delivery notes, packing slips, bills of lading and invoices, on the outer packaging of the goods and elsewhere if appropriate.

8.2 Seller shall always pack, mark and ship dangerous goods in compliance with all applicable laws and the appropriate national/international regulations. The accompanying documents shall show not only the risk category but also any further particulars required by the appropriate transport regulations.

8.3 Seller shall be liable for any damage caused by non-compliance with these provisions and shall pay any costs incurred thereby. Seller shall also be responsible for ensuring that these shipping requirements are complied with by subcontractors.

8.4 Any consignments of which Buyer is unable to take delivery because of non-compliance with these provisions shall be stored at Seller's expense and risk. Buyer shall have the right to ascertain the contents and condition of such consignments. Tools and erecting equipment shall not be loaded together with goods.

9. Price and Conditions

Should Seller reduce his prices or grant better conditions, the prices and conditions effective at the date of delivery shall apply.

10. Invoice and Payment

10.1 Seller's invoices shall agree with the respective orders in their wording, order of items and prices.

Any additional or deleted services or supplies shall be stated separately in the invoice.

10.2 Periods for payment shall begin on the specified dates, but not before the dates on which the goods and invoices are received.

10.3 Payment shall not be deemed to constitute acceptance of conditions and prices. The time of payment shall not affect Seller's warranty obligations or Buyer's rights or remedies.

11. Documents

11.1 All drawings, standards, guidelines, methods of analysis, recipes and other documents supplied by Buyer to Seller for the manufacture of the goods to be supplied, as well as any such documents prepared by Seller according to special instructions from Buyer, shall remain Buyer's property and shall not be used for any other purpose, reproduced or made available to third parties by Seller. Seller shall, if so requested, surrender them, and all copies and duplicates thereof, to Buyer without delay. Buyer reserves the intellectual property rights to all documents he supplies to Seller.

Seller shall regard the inquiry and the order and all work in connection therewith as a trade secret and treat them accordingly as confidential. Seller shall be liable for any loss suffered by Buyer because he has failed to fulfill any or all of these obligations.

Seller shall provide Buyer with all documents needed for discussion of the goods or services to be supplied. Such discussion or other involvement of Buyer shall be exclusively within Seller's responsibility and shall not release Seller from any warranty or other obligations.

11.2 Seller shall supply to Buyer in good time, at no cost to Buyer and without being specially requested to do so, all documents needed by Buyer for the use, erection, installation, processing, storage, operation, servicing, inspection, maintenance or repair of the goods supplied.

11.3 Whenever Buyer specifies laws, standards or regulations, the latest version shall apply. Seller shall request Buyer to supply him with his works standards and regulations, in as far as they have not already been supplied.

12. Incidental Items

Molds, models, tools, films, etc. that have been made by Seller to enable him to execute the order shall, on being paid for, become the property of Buyer, even if they remain in Seller's possession. Seller shall be obliged to hand them over to Buyer on request.

13. Assembly, Erection, Maintenance, Inspection, Repairs, etc.

13.1 If assembly, erection, maintenance, inspection, repairs, etc. are carried out in any of Buyer's factories, such work shall be subject to all applicable laws and regulations and the safety and conduct regulations for contractors and their personnel working on the premises of the Buyer or its affiliates, subsidiaries and group companies. These regulations will be supplied at the start of the assembly or erection work, or they should be requested from Buyer's plant security department.

13.2 Buyer shall not be liable for any property of Seller or his personnel which is brought onto Buyer's premises.

14. Patent Infringement

Seller shall be liable for any infringement of patents, licenses or protective rights of third parties that may result from the supply or use of the goods. Any license fees payable shall be borne by Seller.

15. Advertising Material

Seller shall not refer to his business connection with Buyer in any information or advertising material except with Buyer's written consent.

16. Applicable Law, Interpretation of Provisions, etc.

16.1 The present Conditions and the purchase contract shall be subject to the law of England and Wales. Application of the UN Convention on Contracts for the International Sale of Goods dated April 11, 1980, which came into effect on January 1, 1988, shall be excluded.

16.2 Customary trade terms shall be interpreted in accordance with the most recent Incoterms.

17. Origin of Goods

The goods supplied must conform to the conditions of origin specified in the UK's preferential trade agreements then in force (including the UK-EU Trade and Cooperation Agreement and any other UK Free Trade Agreement applicable to the goods), or, where no preferential agreement applies, the UK Global Tariff rules of origin.

18. Place of Performance and Jurisdiction

Unless otherwise stipulated in the order, the place of performance shall be the point of delivery specified by Buyer. The Courts of England and Wales have exclusive jurisdiction to determine any dispute arising out of or in connection with these Conditions (including without limitation) in relation to any non-contractual obligations.