

General Sales Terms

BASF SA

1. Scope of validity

1.1

All related supplies and services shall be carried out especially on the basis of these sales terms (hereinafter, "Terms"). References from the Purchaser shall not be accepted to its general terms. If there is any disagreement between these Terms and specific negotiations between the Parties, the specific negotiations shall prevail, except in the case of omission and prior and express written approval by BASF SA and its branch offices, affiliates and subsidiaries, (hereinafter, isolated and/or jointly, BASF).

1.2

Any action on behalf of the Purchaser for the acquisition of products supplied by BASF, object of these Terms, constitutes these Terms acceptance.

2. Offer and acceptance

BASF proposals are not binding, but merely an invitation to the Purchaser to submit a purchase order to the seller. The agreement is completed through the purchaser order (offer) and BASF acceptance. If such acceptance is different from the order, it shall be valid as a new non-binding proposal from BASF.

3. Product features, samples, warranties

3.1

While not stipulated otherwise, the goods feature result solely of the product specifications indicated by BASF. Uses identified within the scope of the European Regulation of Chemicals REACH relevant for the goods shall not represent an agreement concerning the respective contractual quality of the products, nor represent the designated use according to the provisions of these Terms.

3.2

Sample features shall only be binding when they have been clearly stipulated as the goods features.

3.3

Features and durability indications, as well as other indications, only constitute a warranty if so stipulated and designated in the agreement.

4. Advisement

The provision of assistance to the purchaser on behalf of BASF shall occur upon prior negotiation between the Parties. Therefore, indications and information about the qualification and application of goods do not release the purchaser from its own inspections and tests.

5. Pricing

5.1

The product price is the price in effect on the invoicing date, unless otherwise agreed between the Parties. BASF may change the price of any product within, at least, ten (10) days in advance. The payment of the total amount of each invoice shall be done on behalf of BASF, addressed as indicated on the invoice, in the currency agreed between the parties. All claims of the Purchaser shall be made in writing to the respective business area of BASF, being prohibited any offset or deduction of any invoice.

5.2

In addition to the purchase price, the Purchaser shall pay BASF all and any fees,

taxes, charges or obligations of any nature that BASF is required to withhold or pay at the time of sale, transfer or shipment of the product ("Tax"), being excluded the possibility of any tax levied on the net income or net equity of BASF. Despite the provisions of this term, BASF shall not pay and the Purchaser shall not pay any tax that the Purchaser submits to BASF the evidentiary documentation of its non-taxation. The Purchaser shall immediately communicate BASF on any changes in the condition of non-taxation levied on the object of this Term. The Purchaser shall be liable for all and any tax, interest and penalty arising from the non-payment of the Tax due, in the event of the non-taxation evidence being considered inappropriate or invalid by the competent tax authority.

6. Credit

6.1

If at any time the financial liability of the Purchaser, or the credit risk involved, becomes unsatisfactory to BASF, BASF may require cash or any satisfactory guarantee for the subsequent shipments and deliveries here described. In these circumstances, the Purchaser shall indicate or replace the real guarantee(s), in order to properly ensure the purchasing operations of BASF Products, even those that are found in implementation phase, always observing the amount required by BASF for the warranty constitution, and whenever required by BASF. The choice of BASF in demanding cash or satisfactory guarantee does not affect the Purchaser obligation to pay the purchased Product. The Purchaser agrees to pay all costs and expenses, including the attorney's fees, incurred by BASF in the recovery of any sum to be paid by the Purchaser to BASF.

6.2

BASF is not liable for any consequences arising from the amendment of the credit limit once it was granted by BASF's liberality to the Purchaser.

7. Breach; Termination

7.1

In the event of any default by the Purchaser regarding this Term or any other contractual obligation in favor of BASF, (a) BASF can choose to postpone, at its sole discretion, all and any shipment of products or require the fulfilment of any contractual obligation in favor of the Purchaser until the default in reference is ceased, or (b) BASF may immediately terminate the agreement, if the Purchaser does not remedy such default within ten (10) days, after the written notice receipt from BASF. In the event of termination, all outstanding payment obligations or other debts of the Purchaser before BASF shall be, respectively and properly completed and paid within fifteen (15) days from the termination notification delivery. The acceptance by BASF of a value less than the total amount due shall not result in a waiver of any rights arising from these Terms, Agreement or applicable law.

7.2

Notwithstanding the provisions of this Terms and Agreement, BASF is not obligated to grant a discount, issue credits or make payments to any title to the Purchaser, unless the Purchaser is fully in compliance with its payment and other obligations under these Terms and Agreement, and any other contractual obligation in favor of BASF. In addition, in the event that the Purchaser does not make any payment, when due, BASF is entitled to compensate all and any outstanding payment obligations or other debts of the Purchaser to BASF against any outstanding payment obligation or other debts that BASF or any of its affiliates or parent company may have open with the Purchaser.

8. Supply provision

The supply shall be carried out in accordance with the commercial terms stipulated in specific negotiations for which the understanding based on the INCOTERMS shall be applied, in the version in effect on the invoicing date.

9. Legal provisions observation

If there is no contractual provision expressed to be diverse, the Purchaser shall be liable for the observation of laws and prescriptions of the competent authorities on the goods import, transport, storage and use.

10. Delay

10.1

The non-payment of the purchase price on the due date represents an infraction essential to the contractual obligations.

10.2

In case of the Purchaser delay, BASF shall be authorized to levy interest on arrears and the charges applicable, being the sole and exclusive discretion of BASF the maintenance of the Purchaser in incentive policies applicable regarding the existing commercial relation between the Parties.

11. Purchaser rights in case of defects

11.1

Any defects of the goods shall be notified to BASF within forty-eight (48) hours after being noticed, serving the rebuttal sample of BASF for the analysis of the claimed defects. The notification shall be made in writing, reporting exactly the kind and degree of defect.

11.2

Being the good defective and having the Purchaser duly notified BASF pursuant to item 10.1, the rights provided for in the legislation in effect shall be recognized to the Purchaser.

12. Liability

BASF total liability and exclusive claim of the Purchaser for any action associated with these Terms and the corresponding agreement, whether based in illicit act, agreement, strict liability or any other legal theory is expressly limited to the non-compliant product replacement or the payment in an amount that does not exceed the specific product purchase price for which the losses and damages are claimed, at the discretion of BASF. In any case BASF shall be liable for any other damages including, without limitation, incidental, special, punitive or consequential damages. Thus excluded the incidental, emerging or special damages, the profit, production or use loss is included or any other indirect damage or loss of any type of nature to the Purchaser, its customers or other persons and entities. Any attempt to remedy a claimed defect, by person or entity not authorized by BASF to perform this work or the continuous use of this product shall void the product warranty established in these Terms and it shall be considered that the Purchaser has accepted the product as it is, without any further future obligation of BASF to the Purchaser. If requested by BASF, the Purchaser shall return the non-compliant product to BASF strictly in accordance with the written instructions of BASF with regard to the transport, handling, insurance and other matters, as to which BASF issued instructions. The failure to comply with these provisions will invalidate the Purchaser claim for breach of warranty.

13. Force Majeure

To the extent that any incident or circumstance which occurrence BASF cannot control (including natural phenomena, war, labor disputes or service disruption, lack of raw-

materials and electric power, traffic obstruction, fire and damages caused by explosion, governmental acts), reduce the goods availability from the plant from which BASF receives the goods in such a way that BASF cannot comply with its obligations arising out of this agreement (taking into account on a pro rata basis other supply obligations), BASF (i) shall be exempt from its contractual obligations by the occurrence time of such events, and (ii) has no obligation to obtain goods from other sources. The first item also applies in cases in which the events and circumstances become, in the long term, the business in question non-profitable for BASF or if a force majeure occurs regarding BASF suppliers. If such events last more than 3 (three) months, BASF has the right to terminate the agreement.

14. Payment place

Regardless of the goods or documents delivery place, the place for performing the payment obligation is the headquarters of BASF.

15. Assignment; Transfer Right

The Purchaser cannot assign, all or any portion, of its rights in these Terms and the corresponding Agreement without the prior and written consent of BASF. The Terms and the corresponding Agreement shall bind and be effective for the benefit of its successors and assigns permitted by the respective parties. So that the parties can fully perform their rights and provide their obligations deriving from this Agreement, any contractual provision necessary to ensure such term (including any obligation acquired after the termination date) shall outlast the Agreement termination.

16. Allocation

BASF may allocate its availability of product offer among its customers, to itself and its affiliates, provided that maintained the product quantities covered by the Agreement.

17. Confidentiality

17.1

The Parties agree to: (i) not to use any of the Confidential Information, except for the purpose of this Agreement; (ii) not to disclose any Confidential Information of any part of it to any third party; and (iii) not to copy, duplicate or forward the Confidential Information or any part of it, except for the strict compliance of the provisions of these Terms and the corresponding Agreement.

17.2

The Confidential Information disclosure restrictions and use limits shall not be applied in any part of the Confidential Information which: (i) demonstrably are or become publicly known or available to the general public for any reason not due to the disclosure by the disclosing party; in a breach of this Agreement, or, still, not as a result of any improper disclosure; (ii) are demonstrably known to the receiver party, non-confidentially and prior to its receipt; (iii) are disclosed to the recipient party on a non-confidential basis; and (iv) if required by law, regulation, legal proceeding or regulatory authority.

18. Communications receipt

Notifications and other communications from one part to the other shall become effective when they reach its destination. If there is a time limit to be observed, such notification must reach the destination within the deadline.

19. Laws Compliance

The Parties undertake to comply with the applicable legislation, as well as the provisions of the Code of Conduct, Values and Principles of BASF Group.

20. Jurisdiction and applicable law

Jurisdiction is the location of BASF headquarters, applying in any discussions the Brazilian legislation.

21. Agreement language

If the General Sales Terms are submitted to the Purchaser in another language in addition to the language in which the agreement was signed, this shall occur only to facilitate its understanding. In case of different interpretation, the text written in the agreement language shall prevail.