

General Conditions of Sale

1. Applicability

These General Conditions of Sale shall apply to all offers, sales agreements (hereinafter referred to as "The Agreement") and deliveries, unless the parties hereto have agreed otherwise in writing. "Seller" in these conditions shall mean DSM Powder Coating Resins B.V.

2. Agreement

All quotations of Seller shall be without engagement and not be binding upon Seller. A sales agreement is concluded only after Seller's written acceptance of an order. The Agreement, including Seller's General Conditions of Sale, shall not be modified by receipt or acknowledgement of receipt by Seller of any general or special purchase conditions of Buyer.

Each delivery shall stand as a separate transaction and any failure to deliver shall have no consequences for the Agreement with respect to other deliveries.

3. Delivery

3.1. Unless expressly agreed otherwise, delivery shall be Ex Works. The Incoterms 2000 plus latest amendments shall apply, with due regard to the provisions of article 6 of these General Conditions of Sale.

3.2. For each shipment of products, Buyer shall, as condition for delivery, notify Seller in writing of the quantity, preferred date of collection or delivery and any relevant shipping instructions. If buyer does not timely or not adequately supply the above-mentioned information, Seller shall not be liable for non-delivery or for any delay in delivery.

3.3. Seller shall to the best of his ability observe the time of delivery agreed upon. However, delays shall not entitle Buyer to claim cancellation of the Agreement and/or indemnification and/or damages. An agreement which does not or not accurately specify the delivery times, or in which other specifications are missing, shall not become binding upon Seller until the missing delivery times and/or specifications have been communicated to Seller and have been agreed upon.

3.4. Quantity and quality of the products shall be established at the Seller's premises by or on behalf of Seller, and the findings shall be accepted as conclusive evidence of the quantity and quality of the products. Buyer or his representative shall have the right to attend, provided Seller has been timely informed of the intention to do so.

3.5. Seller may deviate up to 5% from the agreed quantities and the sum, to be paid by buyer shall be adapted accordingly.

4. Prices, Taxes and Levies

All prices are for delivery Ex Works and include standard packaging unless agreed otherwise in writing with Seller. Prices are subject to change without prior notification, unless they are expressly designated as firm for a specific period, in conformity with a written quotation or sales acceptance issued by Seller. Unless otherwise indicated prices are exclusive of any taxes, levies and other charges, whether of a general or of a special nature, which shall be charged to Buyer.

5. Payment

5.1. Each shipment of products shall, unless agreed otherwise, be paid in cash, without any discount, deduction or setoff by Buyer being permitted.

Seller reserves the right, in addition to other rights and remedies, either to cancel the Agreement or to suspend further deliveries under the Agreement if Buyer fails to pay a shipment of products when payment is due. Payment shall be made by transfer to a bank designated by Seller. If payment has not been made on the due date Buyer shall, without prejudice to Seller's other rights, owe interest on the amount due over the period elapsed since the due date; interest shall be calculated at an annual rate that is 4.25 percentage points above the official deposit interest of the European Central Bank. In addition, all amounts owing by Buyer to Seller, for whatever reason, shall become payable at once. 'Due date' means the date on which the amount due is to be in Seller's bank account.

5.2. If Buyer fails to pay or does not pay in time or in full, all measures to be taken by Seller, both in and out of court, in so far as these serve or may serve to make Buyer pay, shall be for the account of Buyer.

5.3. If, in the opinion of Seller, the financial position of Buyer justifies this, Seller shall at all times be entitled to demand such securities, as Seller may consider necessary to ensure due fulfilment of Buyer's obligations under the Agreement, and deliveries may be suspended until said financial position is corrected in a manner necessary to ensure due fulfilment of Buyer's obligations under the Agreement.

6. Retention of title

As long as Buyer has not paid the full purchase price, title in the products shall remain with Seller. If payment is not made in time or in full, Buyer shall at Seller's first request return the products to Seller. Failing this, Seller shall be entitled, without prejudice to his other rights and remedies, to take back the sold products without any summons, notice of default or judicial intervention being required. As long as Seller retains title in the products sold, said products shall be used only by Buyer himself for processing or working up in the normal conduct of his business.

7. Default by Buyer

If Buyer does not, not timely or not properly fulfil any obligation, and also if Buyer is confronted with a winding-up petition, winding-up, liquidation or dissolution of his business, or an application for or granting of an official moratorium, Seller shall have the right to give notice of termination of the whole or part of the Agreement or of suspension of its performance, in whole or in part. This shall be done by registered letter or telefax, without any further notice of default or invention of any court being required, and without Seller being liable for damages, without prejudice to all other rights of Seller. As soon as any of the above mentioned circumstances has arisen, all claims Seller has with respect to Buyer shall immediately become payable.

8. Warranty

Seller exclusively warrants that on the date of delivery by Seller the product shall be in conformity with the specifications agreed upon. The products are sold without further warranties, guarantees or representations and without any guarantee or promise by Seller with respect to their processing possibilities, potential applications and merchantability.

9. Complaints and liability

9.1. The products shall be deemed accepted by Buyer, and Buyer shall be deemed to waive any claims, unless Seller is notified in writing of a claim within fourteen (14) days of the date of delivery. Buyer shall inspect all shipments forthwith.

9.2. With respect to claims relating to the use, sale or distribution of the sold or delivered products, singly or in combination with other products, ingredients or packaging, or any other claim whatsoever relating to the Agreement, Buyer's rights and Seller's liability shall be limited to replacement of such products or reimbursement of the selling price, at the sole option of Seller. Without permission by Seller, Buyer shall not have the right to return products which, in his option, displays defects. Seller's liability shall never exceed the value of the goods involved at the moment of sale.

9.3. Seller shall not be liable for any damage, whatever its nature, directly or indirectly arising from or relating to the use, processing, sale or distribution of the products, and Buyer shall indemnify, protect and hold Seller harmless against any claim in this respect.

10. Force Majeure

In these Conditions of Sale 'force majeure' shall mean all circumstances reasonably beyond Seller's control and affecting Seller's ability to produce, acquire, sell or deliver the products in the manner meant in the Agreement. This shall include (without limitation) circumstances such as compliance with

any order, request or measure of any governmental, port, local or other competent authority or any person purporting to represent any of these, wars, hostilities, public disorder, sabotage, strikes, lockouts, labour or employment difficulties, fires, acts of god, accidents, breakdowns or other causes beyond control of Seller (whether or not similar to any of the foregoing), resulting in any such case in interruption of the supply of, or in unavailability of, products, raw materials, means or facilities for the production, manufacture, storage, transportation, distribution or delivery which, but for force majeure, would normally be available and use of which would be contemplated for the purposes of the Agreement. Seller shall not be liable to Buyer for any loss or damage arising from non-compliance, or from failure to comply in time or in full, with any obligation caused by force majeure. Seller shall not be required to remove any such cause or to replace or provide any alternative to the affected source of supply or the affected facility, etc., if that would involve additional expense or a departure from his normal practices, nor shall Seller be required to make up for any quantities not supplied or to extend the period of the Agreement in consequence of the operation of this provision. If any of the events specified in this provision has occurred, Seller shall have the right to allocate, in a manner that Seller considers reasonable, the quantities of products available to Seller among his customers and his own requirements.

11. Patents

The sale of products shall not, by implication or otherwise, convey any license under any patent relating to the products or compositions thereof, and Buyer expressly assumes all risks of patent infringement by reason of his use or sale of products singly or in combination with other materials or in any processing operation in any process.

12. Setoff

Seller, which in this respect is also understood to mean all Seller's associated companies, has the right to set off any sums receivable from Buyer, which in this respect is also understood to mean all companies forming part of the same group of companies as Buyer, against any sums payable to Buyer.

13. Applicable law

Only the laws of the Netherlands shall apply to the Agreement. The United Nations Convention on contracts for the International Sale of Goods, conclude at Vienna, the 11th of April 1980 (see Treaty Publications 1981, nr 184) shall not be applicable to the Agreement. All disputes arising from or in connection with the Agreement shall in first instance be subject to the exclusive jurisdiction of the courts of Zwolle, the Netherlands, provided, however, that Seller shall have the right to summon and bring any action against Buyer before the competent courts at the latter's domicile or main office.

14. Separability

These terms and conditions shall be deemed separable, and if any portion thereof is held to be invalid for any reason, the remainder shall not be deemed invalid but remain in full force and effect.

15. Assignment

Neither party shall assign the Agreement without written consent of the other party, the sole exception being that Seller may assign the Agreement in the whole or in part to any of its associated companies.

16. English text prevails

In case of differences between the English text of these General Conditions of Sale and any translation thereof, the English text shall prevail.

February 2010

DSM Powder Coating Resins B.V.
Trade Register Zwolle - 05067543