

## TERMS AND CONDITIONS OF SALE

- SCOPE:** "AkzoNobel" means the AkzoNobel entity identified above, "Buyer" means the purchaser and any affiliate of the Buyer of Products and Services from AkzoNobel. "Contract" means the contract (in writing or otherwise) formed between AkzoNobel and Buyer for the supply of Products or Services when AkzoNobel accepts Buyer's order. Unless a product sales agreement has been signed by both parties to govern the supply of Products or Services, these Terms and Conditions apply to the Contract to the exclusion of any other terms that the Buyer seeks to impose or incorporate, or which are implied by law, trade custom, practice, or course of dealing. "Products" means any and all goods supplied by AkzoNobel to Buyer and "Services" means the services (if any) given by or on behalf of AkzoNobel. These Terms and Conditions and the Contract represent the entire agreement between AkzoNobel and the Buyer.
- OFFER / ACCEPTANCE:** 2.1 A quotation from AkzoNobel does not constitute an offer but an invitation to Buyer to place an order. 2.2 The Contract comes into effect only when AkzoNobel accepts Buyer's order. Each individual accepted order shall constitute a separate Contract. 2.3 Once accepted by AkzoNobel, Buyer's order may not be cancelled by Buyer without AkzoNobel's prior written agreement and subject to Buyer indemnifying AkzoNobel against all loss, costs and damages incurred by AkzoNobel as a result of the cancellation.
- DELIVERY / TRANSFER OF RISK:** 3.1 Delivery terms shall be interpreted in accordance with the latest edition of INCOTERMS in force at the date of the Contract. Unless otherwise agreed by AkzoNobel in writing, the delivery term is EXW and risk of loss in the Products or the nominated carrier at the premises notified by AkzoNobel. 3.2 Time of delivery or performance shall not be of the essence. Failure to deliver the Products and/or perform the Services on the specified date shall not entitle Buyer to claim any damages, losses or costs or to withdraw the order. 3.3 AkzoNobel may deliver in instalments. Any failure to deliver an instalment or any claim by Buyer in respect of an instalment will not entitle the Buyer to treat the whole order as repudiated. 3.4 Buyer is responsible for checking and signing for all deliveries and by signing the Buyer indicates that the delivery received is complete and in good condition. If the delivery is short or deemed to be damaged this must be immediately highlighted to the delivery company and to AkzoNobel. No Product returns will be accepted if not approved in advance by AkzoNobel in writing.
- QUANTITY VARIATIONS:** Buyer will pay for the quantity delivered and may not reject any delivery of Product on the grounds of variation of quantity where such variation is not more than 10% of the quantity ordered.
- PRICE AND PAYMENT:** 5.1 Unless otherwise agreed by the parties, the price for the Products and the Services will be the price quoted by AkzoNobel. AkzoNobel may adjust the price(s) of any Products for future orders at any time by giving at least thirty (30) days prior written notice. All prices are exclusive of value added tax and any other tax that may apply in respect of the Products and Services. 5.2 AkzoNobel will issue invoices to Buyer for all Products and Services. Buyer shall pay invoices within 30 days from the invoice date ("Payment Term"), unless otherwise agreed between the Parties in writing, in the currency and to the address and the bank account number of AkzoNobel as stated on the invoice. If the last day of the Payment Term is not a business day, Buyer shall pay at the latest on the last business day within the Payment Term. 5.3 Time for payment of the invoices is of the essence. Buyer must make payments free and clear and may not withhold payment of any amount due to AkzoNobel by way of set-off, counterclaim or similar deduction. 5.4 Upon demand Buyer will immediately reimburse AkzoNobel for any and all costs including fees for collection agencies and attorneys incurred or expended by AkzoNobel to collect any overdue amounts from Buyer. 5.5 Except in respect of the disputed portion (if any) of an invoice, if Buyer fails to pay on time, AkzoNobel may, either (i) terminate the relationship with Buyer with immediate effect upon written notice to Buyer, or (ii) suspend deliveries. 5.6 Any failure to pay on due date will automatically and without formalities incur interest at either (i) the rate of the statutory interest of the country in which AkzoNobel's address is located or (ii) eight per cent (8%) per annum, whichever is the higher. The interest period will run from the due date for payment until receipt by AkzoNobel of the full amount due.
- RETENTION OF TITLE:** Until all claims to which AkzoNobel is entitled against the Buyer on any legal basis have been satisfied, AkzoNobel reserves title to the delivered goods. The Buyer is entitled to dispose of the goods owned by AkzoNobel in the ordinary course of business. This does not apply if the Buyer is in arrears with payments. The Buyer hereby assigns to AkzoNobel the claims arising from the resale or other disposal of the reserved goods as security. The Buyer is authorized to collect these claims until revoked. This authorization to collect the claims is revocable if the Buyer is in default of payment. In this case, the Buyer must inform AkzoNobel on request to whom he has resold the goods. If AkzoNobel's reserved goods are processed by the buyer, AkzoNobel shall be regarded as the manufacturer and shall acquire ownership of the newly created goods. If the processing is carried out together with other materials, AkzoNobel shall acquire co-ownership in the ratio of the invoice value of our goods to that of the other goods. If, in the event of the combination or mixing of AkzoNobel's goods with an item of the Buyer, AkzoNobel's goods is to be regarded as the main item, the co-ownership of the item shall pass to AkzoNobel in the ratio of the invoice value of AkzoNobel's goods to the invoice value of the Buyer's item. As long as the retention of title exists, the Buyer shall in any case be deemed to be the custodian. He must insure the reserved goods against loss and damage at his own expense. He hereby assigns his claims arising from the insurance contracts to AkzoNobel in advance. AkzoNobel hereby accept this assignment. In the event of default of payment by the Buyer, AkzoNobel shall be entitled to withdraw from the purchase and take back the goods subject to retention of title or, if necessary, to demand assignment of the Buyer's claims for surrender against third parties. If the value of the goods subject to retention of title exceeds the sum of the outstanding claims against the Buyer by more than 15%, AkzoNobel shall release the reserved goods to this extent at the request of the Buyer.
- WARRANTY / BUYER'S RIGHTS:** 7.1 AkzoNobel warrants to Buyer that at the time of delivery the Products conform to AkzoNobel's standard Product specifications or such other specifications as AkzoNobel and Buyer have expressly agreed to in writing (the "Specifications") (the "Warranty"). **THIS WARRANTY IS THE SOLE WARRANTY GIVEN BY AKZONOBEL. AKZONOBEL MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE PRODUCTS, THE APPLICATION OR USE THEREOF, OR OTHERWISE. THIS WARRANTY IS IN SUBSTITUTION FOR ANY OTHER WARRANTIES OR CONDITIONS WHICH WOULD OTHERWISE APPLY UNDER CONTRACT OR AT LAW, INCLUDING SPECIFICALLY THE IMPLIED TERMS, CONDITIONS OR WARRANTIES OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, EACH OF WHICH IS SPECIFICALLY DISCLAIMED.** 7.2 In the event Products do not comply with the Warranty, AkzoNobel will, at its option, repair or replace such Products or refund the Price of the Products and, having done so, will have no further liability. 7.3 Buyer must notify AkzoNobel of any claim that Products do not comply with the Warranty within seven (7) days after Buyer becomes aware of such claim but in any event no later than thirty (30) days after delivery of the Product to Buyer. 7.4 Buyer's failure to notify AkzoNobel of a claim in accordance with section 7.3 will constitute a waiver by Buyer of such claim. 7.5 AkzoNobel makes no warranty of any kind with respect to any Services provided or alleged to be provided to Buyer or any other party and shall have no liability with respect to such Services. 7.6 It is a strict condition of this warranty that Buyer shall take all reasonable steps to mitigate the effect of any loss or damage suffered by Buyer in respect of which a claim is made.
- LIMITATION OF LIABILITY:** 8.1 **AKZONOBEL IS LIABLE ONLY FOR DIRECTLY FORESEEABLE DAMAGES IN ACCORDANCE WITH THE STATUTORY PROVISIONS. NO LIMITATIONS OF LIABILITY SHALL APPLY IN THE FOLLOWING CIRCUMSTANCES ONLY:** (1) IN THE EVENT OF DAMAGES RESULTING FROM DEATH OR PERSONAL INJURY RESULTING FROM AN INTENTIONAL OR NEGLIGENT BREACH OF DUTY BY AKZONOBEL ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS; (2) IN THE EVENT OF AN INTENTIONAL OR NEGLIGENT BREACH OF A MAIN DUTY BY A LEGAL REPRESENTATIVE OR VICARIOUS AGENT OF AKZONOBEL, AND INSOFAR AS AKZONOBEL HAS FRAUDULENTLY CONCEALED A DEFECT; (3) FOR MATERIAL BUYER'S CLAIMS UNDER THE PRODUCT LIABILITY ACT; OR (4) IN THE EVENT OF INTENT AND GROSS NEGLIGENCE BY AKZONOBEL. IN THE EVENT OF A SIMPLE NEGLIGENT BREACH OF ESSENTIAL CONTRACTUAL OBLIGATIONS THE LIABILITY OF AKZONOBEL SHALL BE LIMITED
- TO THE COMPENSATION OF TYPICALLY FORESEEABLE DAMAGES AND SHALL UNDER NO CIRCUMSTANCES EXCEED A CAP IN THE AGGREGATE OF 100% OF THE VALUE OF THE CONTRACT.; IN THE EVENT OF A SIMPLE NEGLIGENT BREACH OF NON-ESSENTIAL CONTRACTUAL OBLIGATIONS, AKZONOBEL'S LIABILITY IS ENTIRELY EXCLUDED. ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH THE SALE OF AKZONOBEL'S PRODUCTS SHALL BECOME STATUTE-BARRED WITHIN ONE YEAR OF DELIVERY OF THE PRODUCTS.**
- INDEMNIFICATION:** 9.1 Buyer will indemnify, hold harmless and defend AkzoNobel and its affiliates and each of its and their respective directors, officers, employees, agents, successors and assigns (each an "Indemnified Party") from and against any and all third party claims including all losses, damages, liabilities, penalties, costs or expenses of any kind (including attorneys' fees) (collectively, "Losses") incurred by an Indemnified Party as a result of such claims arising out of or related to (i) Buyer's or any of its or its affiliates' directors, officers, employees, contractors or agents negligence or willful misconduct; or (ii) Buyer's breach of the Contract. 9.2 The provisions of this section will survive any termination of the relationship between AkzoNobel and Buyer.
- FORCE MAJEURE:** 10.1 AkzoNobel will not be liable for failure to perform its obligations, if hindered or prevented from so doing, directly or indirectly, by war (declared or undeclared), military coup, national emergency, epidemic or pandemic, terrorist attack, sanctions, inadequate transportation facilities, equipment failure, AkzoNobel's inability to secure supplies or energy for the manufacture of the Products and/or performance of the Services on terms and conditions that are acceptable to AkzoNobel, natural disaster, labour dispute, government restraint, cyberattack, any third party criminal act, or vandalism which affects AkzoNobel's ability to supply, or any other cause beyond the reasonable control of AkzoNobel (each a "Force Majeure"). 10.2 AkzoNobel shall have no obligation to procure or supply any products from any other sources in place of the Products and may allocate its available supply of Products among its buyers, affiliates and their customers, and resellers on whatever basis AkzoNobel may deem fit. 10.3 In the event the duration of an event of Force Majeure exceeds six (6) months or is reasonably expected to exceed six (6) months AkzoNobel is entitled to withdraw from any obligation it may have to supply the Products and Services to Buyer without Buyer having any right to compensation.
- COMPLIANCE WITH LAWS:** 11.1 Buyer shall, and shall procure that its officers, employees, counterparties, resellers, sub-contractors and any other persons shall comply with all applicable laws, and not take any actions that would cause AkzoNobel to be in violation of the Applicable Laws. **"Applicable Laws"** include without limitation- any laws, rules, codes, regulations and statutory requirements from time to time come into force, including specifically those that relate to (but will not be limited to) labour and employment, human rights, data privacy, safety, any applicable taxes, the environment, competition and antitrust, anti-corruption and bribery and export controls and sanctions. 11.2 Buyer, at its own expense, shall obtain and maintain all certifications, authorisations, licenses and permits necessary to conduct its business and perform its obligations. 11.3 Buyer shall adhere to the Business Partner Code of Conduct as currently published on AkzoNobel's website at <https://www.azkonzobel.com> in connection with all transactions involving AkzoNobel or any of its affiliates. 11.4 Buyer hereby indemnifies AkzoNobel in full and on demand against all losses, damages, liabilities, claims, actions and proceedings which AkzoNobel or any of its affiliates may incur as a result of any breach by Buyer of this section 11.
- TERMINATION:** 12.1 Any accepted order shall not create any obligation on AkzoNobel in respect of any future orders. AkzoNobel shall be entitled to reject orders and otherwise terminate the relationship with Buyer at any time. 12.2 AkzoNobel shall be entitled to immediately terminate/suspend the Contract; (a) if Buyer materially or consistently breaches the Contract, (b) if Buyer undergoes a change of control in its shares or ownership, (c) if Buyer suspends (or it is reasonably likely it will), or threatens to suspend, payment of its debts or is (or it is reasonably likely it will be) unable to pay its debts as they fall due or admits an inability to pay its debts or is deemed unable to pay its debts or anything analogous with any of the foregoing. 12.3 On termination/suspension of the Contract for whatever reason; (a) all amounts invoiced by AkzoNobel to Buyer, whether or not due for payment, shall become due immediately, (b) Products supplied or committed to in manufacture but not yet invoiced shall be immediately invoiced and become owing, (c) AkzoNobel's permission for Buyer to sell, convert or process the Products set out in section 6 shall terminate immediately and (d) AkzoNobel may (without prejudice to any of its other rights) recover or resell the Products and may enter Buyer's premises for that purpose. 12.4 Under no circumstances will Buyer be entitled to any form of fee or compensation arising from termination. Upon termination or expiry Buyer will return to AkzoNobel all confidential information (as defined below), whether in written or electronic format, supplied by AkzoNobel and will make no further use of the same.
- LAW AND DISPUTE RESOLUTION:** 13.1 These Terms and Conditions, the Contract and all disputes between AkzoNobel and Buyer are governed by the laws of the country and, if applicable, state or province, in which AkzoNobel's address is located (as indicated on the top of each page of these Terms and Conditions), excluding the United Nations Convention of Contracts for the International Sale of Goods and any choice of law rules that direct the application of the law of any other jurisdiction. 13.2 Any disputes between AkzoNobel and Buyer that the parties are unable to resolve by agreement will be resolved exclusively in the courts having jurisdiction over the subject matter of the dispute located in the city in which AkzoNobel's address is located (or if no such courts exist in such city in such courts as are located closest to such city) and those courts having appellate level review over the decisions and rulings of such courts. AkzoNobel and Buyer consent to the jurisdiction and venue of such courts.
- MISCELLANEOUS:** 14.1 These Terms and Conditions, the Contract and any other terms agreed by AkzoNobel and Buyer are highly confidential and contain commercially sensitive information (in particular, the price list, rebate details and payment terms). AkzoNobel and Buyer each undertake to keep confidential and not to disclose to any third party these Terms and Conditions or any other confidential information in any form directly or indirectly belonging or relating to the other or its affiliates without the prior written consent of the other party, save that either party may disclose such information if required to do so by law, Court order, regulation or any governmental authority. Where required to make such disclosure, the party being required to make the disclosure shall consult with the other party to agree the scope of such disclosure. 14.2 AkzoNobel owns all intellectual property rights in the Products and Services and Buyer agrees to these rights may not be used in any way without AkzoNobel's prior written consent. Buyer agrees to indemnify AkzoNobel for any damages, losses and legal fees whether direct or indirect that AkzoNobel has incurred or will incur as a result of any infringement caused by Buyer of AkzoNobel's intellectual property rights in the Products and Services. 14.3 If any provision of these Terms and Conditions, the Contract or other terms agreed between AkzoNobel and Buyer is invalid, illegal or unenforceable, in whole or in part, in any jurisdiction, this will not affect any other provision or invalidate or make unenforceable such provision in any other jurisdiction and AkzoNobel and Buyer will negotiate in good faith to modify these Terms and Conditions or other terms agreed to effect the original intent of AkzoNobel and Buyer as closely as possible. 14.4 All notices will be in writing and deemed given (a) when delivered by hand or an internationally recognized commercial courier; or (b) on the date sent by e-mail (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient. 14.5 The Contract may not be assigned by Buyer without AkzoNobel's prior written consent. AkzoNobel may at any time assign or sub-contract any of AkzoNobel's obligations under the Contract. 14.6 No term in the Contract shall be enforceable by any party which is not a party to it. 14.7 Subject to section 7.4, the failure or delay by either party to exercise a right or remedy provided by the Contract or by law does not constitute a waiver of that right or remedy or of any other rights and remedies. 14.8 AkzoNobel reserves the right to amend these Terms and Conditions. Any such amendments will be communicated in text form. They shall be deemed accepted unless objection in text form is received within four (4) weeks of receipt of the amendment notice. In the amendment notification, AkzoNobel will specifically draw attention to this objection right and to the consequences of not doing so.