



**KRATON CORPORATION
CONDITIONS OF SALE**

- 1. CONTRACT DEFINED.** These Conditions of Sale apply to all sales of Products by Kraton Corporation, or any subsidiary of Kraton Corporation (each such entity, a "Seller") to the buyer ("Buyer") named on any documents in which these Conditions of Sale are printed, referred to or attached and, together with such documents, constitute the "Contract" between Seller and Buyer.
- 2. PRODUCT QUANTITY.** Seller will not be required to deliver a quantity of Products exceeding that specified in the Contract. If no monthly quantity is specified, Seller may limit the quantity to be supplied in any month to a pro rata amount of the quantity specified in the Contract, or in Buyer's purchase order or forecast, calculated monthly. Unless otherwise expressly agreed by Seller, Products supplied under this Contract are for Buyer's use as a raw material in its manufacturing processes, and not for resale.
- 3. ORDERS AND SHIPMENTS.** All orders placed by Buyer must be placed within Seller's standard lead times, for full load shipments of one Product each. Orders placed outside of Seller's standard lead times, and/or orders for mixed load or less than full load shipments, will be subject to Seller's consent and to Seller's standard upcharges. For purposes hereof, a full load shipment is a fully packed container based on the logistics mode selected for transportation of an order (including, without limitation, rail car, tank truck, van, isotank, isocontainer, flexitank). Shipments of Products will be made only at the location specified by Seller, and Seller will select the origin of shipment, the carrier and the manufacturing location from which Products are supplied, subject to any facility qualifications required by Buyer. The quantity of all shipments will be determined in accordance with Seller's usual weighing practices, with Seller's quantity determination governing. Buyer will promptly unload each shipment at its own risk and expense. For deliveries made in Seller owned or leased equipment, or in equipment provided by any third-party logistics service provider contracted by or on behalf of Seller, Buyer will be responsible for the payment of demurrage, detention or storage charges if Buyer holds such equipment for longer than the allowable free time for delivery notified by Seller. Buyer will further be responsible for all loss of, or damage to, any Seller or third-party equipment while in the possession of Buyer, or under Buyer's care, custody and/or control. Unless otherwise specified in the Contract, risk of loss of the Products will pass from Seller to Buyer at Seller's shipping location, with freight from the shipping location to Buyer's destination for Buyer's account.
- 4. PRICE AND PAYMENT TERMS.** Unless otherwise agreed in the Contract, the price for each Product will be as specified by Seller and such price shall be subject to change at any time by Seller giving notice to Buyer. Any tax (other than income), duty or other governmental charge now or hereafter imposed on the Products or on any raw material used in manufacturing the Products (or on Seller, or required to be paid or collected by Seller by reason of the manufacture, transportation, sale or use of such Products or raw material) will be paid by the Buyer in addition to the price. If Seller is prevented by law, regulation or governmental action from increasing or continuing any price already in effect under the Contract, Seller may terminate the Contract on thirty (30) days' notice. Funds are due in Seller's bank or financial institution within thirty (30) days from the date of Seller's invoice, failing which Buyer shall be in default by operation of law, without a notice from Seller being required. If the date for payment falls on a Saturday, Sunday or bank holiday, the date for payment shall be the nearest preceding banking day. Seller reserves the right to change the foregoing terms of payment, or reduce or cancel Buyer's credit, if payments are not made on a timely basis and/or if Seller, in Seller's sole discretion, determines that the quality of Buyer's credit is deteriorating, or that Buyer otherwise presents a credit risk to Seller. Any obligation of Seller to perform hereunder shall be subject, at all times, to Buyer being able to meet Seller's credit and financial responsibility requirements, as stipulated by Seller in its sole but reasonable discretion.
- 5. TITLE RETENTION.** If required by Applicable Law, and unless otherwise agreed, notwithstanding delivery, the property in the Products shall remain vested in Seller until Buyer has paid for them in full, including any tax (other than income) duty or other governmental charge. Under such circumstances, during the period between the delivery of the Products until full payment, Buyer holds the Products as a bailee for Seller and undertakes to store the Products in such a way as they may be clearly identified as the property of Seller. Any retention of title set forth in this Article 5 does not affect the transfer of benefits and risks otherwise set forth herein.
- 6. WARRANTIES.** Seller warrants that each Product will, upon receipt by Buyer, meet the sales specifications agreed in the Contract, or the sales specifications otherwise designated by Seller. Seller reserves the right to change the sales specifications of any Product at any time on at least thirty (30) days' notice. Seller also warrants that it will comply with all Applicable Laws in the jurisdiction where the Products are manufactured. Notwithstanding the foregoing, where Products are identified as developmental, sample, pilot, or test lot, or are sold after Seller has identified them as scrap, non-specification, off-specification, wide spec, non-prime or the like, they are given or sold to the Buyer "AS IS" at Buyer's own risk, with no warranty whatsoever. **Buyer agrees it is solely responsible for determining the suitability of any materials or Seller Product it selects for any intended purpose and acknowledges that it has not relied on any representations by or from Seller regarding the suitability for use of any Seller Product in any intended application.**
- 7. DISCLAIMER OF ALL EXPRESS AND IMPLIED WARRANTIES.** TO THE MAXIMUM EXTENT PERMITTED BY LAW, EXCEPT AS SET FORTH ABOVE AND FOR THE IMPLIED CONDITION AS TO TITLE, SELLER MAKES NO

OTHER WARRANTIES OF ANY NATURE WHATSOEVER REGARDING THE PRODUCTS, WHETHER OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, SHELF LIFE OR OTHERWISE, AND NONE WILL BE IMPLIED. FURTHER, SELLER MAKES NO REPRESENTATIONS AND ASSUMES NO RESPONSIBILITY WHATSOEVER WITH RESPECT TO FREEDOM FROM INFRINGEMENT OF ANY PATENT AND/OR COPYRIGHT RESULTING FROM BUYER'S USE OF PRODUCTS OR SELLER'S INFORMATION.

8. FORCE MAJEURE. Either Seller or Buyer will be excused from the obligations of the Contract (except a party's obligation to pay) to the extent that performance is delayed or prevented by any circumstance (except financial) reasonably beyond its control (any such circumstance, a "Force Majeure") including by way of example and without limitation, acts of god, fire, explosion, acts of war or terrorism, mechanical breakdown, strikes or other labor trouble, epidemic, pandemic, plant shutdown, inability to obtain raw materials, unavailability of or interference with the usual means of transporting the Products or compliance with any law, regulation, order, recommendation or request of any governmental authority. The party invoking Force Majeure hereunder shall give prompt written notice of, and utilize commercially reasonable efforts to terminate or remove, the Force Majeure condition. If, following occurrence of a Force Majeure, there is a shortage of any Products from Seller or any of Seller's sources, Seller will not be obligated to purchase Products in order to perform the Contract and may apportion its available Products among all its customers and its own internal uses in such manner as it, in its sole judgment, finds appropriate. Quantities of Products not shipped as a result of excused performance will be deducted from the applicable remaining quantity obligation.

9. SAFETY AND HEALTH. Seller has published Safety Data Sheets, Labels, Product Data Sheets and other technical bulletins and publications (copies of which have been made available to Buyer), which include health, safety, handling, storage and other environmental hazard communication information on Products and their properties consistent with Applicable Laws in the jurisdiction of manufacture. Buyer shall read such information and incorporate such information into its personnel safety programs (orientation, communications, training, procedures, etc.). Buyer shall fully and adequately inform its employees, contractors, agents and other third parties who may become exposed to Products after delivery to Buyer hereunder, of any hazards associated with Products and of the proper storage, handling and use procedures for Products, disclosed in such documents or in additional documents which are transmitted to Buyer during the term of this Contract. Buyer has an independent obligation to fully and adequately incorporate available information, such as that supplied by Seller, into its product safety communications and to provide to all of its employees, contractors, agents and customers copies of such hazard communication documents. If Product is further processed, mixed or incorporated into another product, Buyer will likewise disseminate appropriate health and safety information to all persons Buyer foresees may be exposed. Failure to abide by any storage instructions provided by Seller will void any Product warranties set forth herein.

10. LIABILITIES – CLAIMS – INDEMNIFICATION. Buyer will indemnify, defend and hold harmless Seller, its affiliates and each of their officers, directors, employees and agents from and against any liability (whether strict or otherwise) for any claim, liability, loss or expense of any nature whatsoever (including, without limitation, any injury, disease or death of persons (including Seller's and Buyer's employees, and/or any third party) or damage to property (including that of Seller, Buyer and/or any third party)) arising out of or related to: (a) Buyer's unloading, storage, handling, sale or use of the Products (except to the extent caused by Seller's negligence), (b) any product, substance or material created (directly or indirectly) by Buyer, which incorporates the Products (the "Buyer Product"), together with any application or use of that Buyer Product, and/or (c) any failure of Buyer to comply with any of Buyer's representations, warranties, covenants or agreements set forth herein.

Receipt by Buyer of any Products delivered hereunder will constitute unqualified acceptance of and waiver by Buyer of its rights to make any claim of any nature whatsoever with respect to the Products unless Buyer gives Seller written notice of such claim within thirty (30) days after receipt of such Products or, in case of non-delivery, within thirty (30) days of the date on which delivery was scheduled. For the avoidance of doubt, any claim by Buyer that Products fail to meet the sales specifications set forth herein shall be valid only if made with reference to the Product at the time of receipt of the Products by Buyer.

BUYER'S EXCLUSIVE REMEDY AND SELLER'S EXCLUSIVE LIABILITY FOR ANY AND ALL CLAIMS ARISING OUT OF SELLER'S MANUFACTURE AND SUPPLY OF PRODUCTS HEREUNDER, OR FOR NON-DELIVERY, WHETHER SUCH CLAIM OR LIABILITY IS BASED ON NEGLIGENCE, BREACH OF WARRANTY, BREACH OF CONTRACT, OR ANY OTHER LEGAL OR CONTRACTUAL BASIS, SHALL BE LIMITED TO THE PURCHASE PRICE OF THE PRODUCTS WITH RESPECT TO WHICH SUCH CLAIM IS MADE (PLUS TRANSPORTATION COSTS, IF ANY, PAID BY BUYER FOR SUCH PRODUCT) OR, AT SELLER'S OPTION IN THE CASE OF PRODUCTS DELIVERED HEREUNDER, THE REPLACEMENT OF SUCH PRODUCTS AT BUYER'S DESTINATION. NO PARTY SHALL BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOSS IN PROFIT.

Nothing in this Contract shall exclude or restrict either Buyer's or Seller's liability for intent or gross negligence of either Buyer or Seller or of the persons in charge of their enterprises, or any other liability which may not be excluded or limited as a matter of Applicable Law.

The foregoing provisions will survive delivery of the Products and termination of the Contract.

11. REMEDIES. If Buyer fails to pay any indebtedness to Seller (whether or not under the Contract), Seller may, in addition to any other remedies, suspend shipments, change terms of payment or terminate the Contract on notice to Buyer. Seller shall further have the right to charge interest at the then-maximum interest rate allowable by Applicable Law, or off-set any amounts due from Seller to Buyer (whether or not under this Contract) in the event that Buyer fails to pay any amount due hereunder in accordance with the payment terms specified herein. In the event that Buyer breaches any term or condition of this Contract, Buyer shall reimburse Seller for all costs and expenses related to Seller's pursuit of payment for any claim in any way arising from such breach, including but not limited to, reasonable attorneys' fees.

12. NOTICES. Notice by either Seller or Buyer will be made only by e-mail to the address set forth in the Contract with confirmation, or by letter addressed to the other party at its address in the Contract, and will be considered given as of: (a) the time it is sent by e-mail, or (b) the business day immediately following the day on which it is deposited with a recognized overnight courier (postage or charges prepaid). Copies of all notices to Seller shall be sent to the attention of generalcounsel@kraton.com.

13. GOVERNING LAW. THE CONTRACT AND ALL DISPUTES ARISING HEREUNDER WILL BE GOVERNED BY: (A) THE LAWS OF THE STATE OF TEXAS IF SELLER IS LOCATED IN THE UNITED STATES; OR (B) THE LAWS OF THE COUNTRY IN WHICH SELLER IS ORGANIZED IF THAT IS NOT IN THE UNITED STATES, EXCLUDING ANY CHOICE OF LAW RULES THAT DIRECT THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION. THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THE CONTRACT SHALL NOT BE GOVERNED BY OR CONSTRUED IN ACCORDANCE WITH THE PROVISIONS OF THE CONVENTION FOR THE INTERNATIONAL SALE OF GOODS.

14. ASSIGNABILITY. Neither this Contract (including all rights, duties and obligations hereunder) nor any claim against Seller or Buyer arising directly or indirectly out of or in connection with this Contract will be assignable by Seller or Buyer or by operation of law, without the prior written consent of the other party. However, notwithstanding the above, Seller may designate any affiliate controlling, controlled by or under common control with, Seller to perform any or all of Seller's obligations hereunder, and Seller shall have the right to assign this Contract or any receivables of Seller arising hereunder, in whole or in part, to any of the following, an affiliate of Seller, a lender or other third party providing financial accommodations to Seller, or a purchaser or other successor to the whole or a portion of the business to which this Contract relates, without the consent of Buyer.

15. DISPUTE RESOLUTION. In the event any dispute arises in connection with this Contract, the parties agree to attempt to settle such dispute by consulting and negotiating with each other in good faith to reach a just and equitable solution satisfactory to both parties. The parties will first attempt to resolve disputes at the manager level responsible for ongoing administration of the Contract. If such managers are unable to resolve a dispute within 45 days of origination of the dispute, the parties shall refer the dispute to executive level personnel having settlement authority. If the executive level personnel are unable to resolve the dispute within thirty (30) days of referral, either party may initiate litigation in accordance with the following: (a) if Seller is located in the United States, in any state or United States Federal court sitting in Harris County, Texas, and (ii) if Seller is located outside of the United States, in the courts having jurisdiction over the subject matter of the dispute located in the capital of the country in which Seller is located and those courts having appellate level review over the decisions and rulings of such courts. Each party consents and agrees to the jurisdiction and venue of such courts.

16. NO USE OF SELLER'S MARKS. Buyer shall not use Seller's trade names, trademarks, logos or other similar identifying marks or characteristics for the manufacture, sale or promotion of Buyer's products incorporating the Products without Seller's prior written consent, which consent Seller may grant or withhold in Seller's sole discretion.

17. NO LICENSE: Neither this Contract nor the purchase of any Products by Buyer from Seller shall be construed to confer upon Buyer or its customers any license under any patent or other proprietary rights of Seller, except the right to use such goods for the purposes for which they are sold.

18. PROPRIETARY INFORMATION: As used herein, the term "Proprietary Information" includes, without limitation, any information, material or apparatus of a confidential or proprietary nature obtained from Seller, and any information obtained from Seller that is not readily available to Seller's competitors and that, if known by a competitor of Seller, might lessen any competitive advantage of Seller or give such competitor a competitive advantage. Seller retains ownership of all Proprietary Information, whether written, oral, electronic, visual, graphic, photographic, observational or otherwise, and all documentation that contains Proprietary Information. Buyer shall not disclose, duplicate or reproduce any Proprietary Information, in whole or in part, or use any Proprietary Information other than in the course of performing its obligations hereunder. Buyer shall take all reasonable steps to prevent the disclosure, duplication or reproduction of any Proprietary Information. Buyer shall limit access to the Proprietary Information to those employees of Buyer with a valid need to know. Notwithstanding the foregoing, Buyer shall not be required to refrain from disclosing or using any Proprietary Information that has become known to Buyer if the original source of such Proprietary Information was not Seller or any person or party affiliated with Seller or having a relationship of confidentiality with

or an obligation of confidentiality to Seller. Upon request of Seller or termination of this Contract, Buyer shall immediately return any Proprietary Information provided by Seller.

19. ACCEPTANCE, ENTIRETY AND RELEASE. Seller's acceptance of Buyer's order or proposal is expressly conditional on Buyer's assent to the terms of the Contract and Seller rejects any terms of Buyer's order or proposal that differ from or are in addition to them. Buyer's assent to the terms of the Contract will be conclusively presumed by Buyer's acceptance of Product delivery. This Contract, as of its beginning date, contains the complete and exclusive agreement of Seller and Buyer concerning the Product, merges and supersedes all prior understandings and representations (oral or written) between the parties concerning the Product and, except for any indebtedness or indemnity obligation of Buyer to Seller, each releases the other from all claims arising in connection with any such prior contract.

20. COMPLIANCE. The obligations stipulated in the Contract shall be performed in an ethical manner, using sound business practices and in accordance with all Applicable Laws. For purposes hereof "Applicable Laws" means laws, regulations, rules, statutes, codes, orders, permits, policies, licenses, certifications, decrees, standards, ordinances and interpretations imposed by any governmental authority related to the purchase and sale of Products hereunder including but not limited to, those dealing with protection of the environment, labor and employee safety, prohibiting anti-bribery and anti-corruption, governing the export, re-export, transport, trafficking and brokering of the Products including, but not limited to, the export control and sanctions laws and regulations of the country in which the Buyer conducts its business and the export control and sanctions laws and regulations of the United States, and those containing any prohibition against the use of forced labor in the mining, production or manufacture of Products or products made from Products, or any requirement that Products be registered to allow legal import and placing on the market in the country of purchase.

21. WAIVER. Failure of Seller to enforce, at any time or from time to time, any provision of the Contract, shall not be construed as a waiver of such provisions or of the right thereafter to enforce such provisions. When in this Contract a remedy or remedies have been specified with respect to a particular subject matter, it or they, cumulatively, shall be exclusive as to that subject matter. When this Contract is silent as to the remedy for any particular subject matter hereunder, Seller shall be entitled to exercise all rights and remedies available to it at law and in equity, without limitation.

22. SEVERABILITY. In case any one or more of the provisions contained in these Conditions of Sale should be found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect against any party hereto, such invalidity, illegality, or unenforceability shall only apply to such party in the specific jurisdiction where such judgment shall be made, and the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, except that these Conditions of Sale shall not be reformed in any way that will deny to any party the essential benefits of these Conditions of Sale, unless such party waives in writing its rights to such benefits.