

TERMS AND CONDITIONS OF SALE

1. Definitions

In these terms, the following words shall have the following meanings:

"Buyer"	means any person, firm or company to whom Innospec sells Product.
"Contract"	means any contract between Innospec and the Buyer for the sale and purchase of product incorporating these conditions.
"Innospec"	means Innospec Chemicals Beijing Ltd whose registered office is at 17/F, Ping An International Financial Center Tower B, No.1-3 Xin Yuan Nan Road, Chaoyang district, Beijing, 100027, the People's Republic of China.
"Incoterms"	means the terms of trade for international sales of goods published by the International Chamber of Commerce applicable at the date of the formation of a contract of sale between Innospec and Buyer.
"Product"	means goods sold to Buyer by Innospec together with the container containing such goods.
"Returnable Containers"	means intermediate bulk containers and isotanks, except for those which Innospec informs Buyer are not returnable.
"Specification"	means Innospec's specification for the Product agreed in writing between Innospec and Buyer or, in the absence of such agreement, Innospec's specification prevailing from time to time or, if there is none, the normal standards of industrial quality.

2. Application of Terms

The contract of sale shall be on these terms and conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Buyer purports to apply under any purchase order, confirmation of order, specifications or other document). Variations to these terms and conditions shall have no effect unless expressly agreed in writing by Innospec. The Buyer acknowledges that it has not relied on any statement, promise or representation made or given by Innospec which is not set out in the contract of sale. Nothing in this condition shall exclude or limit Innospec's liability for fraudulent misrepresentation.

3. Delivery

- 3.1 Delivery shall be made in accordance with any terms agreed between Innospec and Buyer but otherwise shall be made ex-works (Incoterms 2010).
- 3.2 Risk in Product shall pass to Buyer on delivery, unless agreed otherwise in writing or unless any of the Incoterms applicable provide otherwise.
- 3.3 Buyer shall, unless agreed otherwise in writing, accept Innospec delivering an excess or deficiency up to 10% of the weight or quantity of Product ordered and shall pay pro rata for the actual weight or quantity delivered.
- 3.4 Where Product is the subject of more than one delivery each delivery shall be treated as a separate contract. Failure to make a delivery or any breach of contract by Innospec relating to a delivery shall not affect any remaining deliveries.
- 3.5 Failure to deliver on time shall not constitute a breach of contract.

4. Retention of Title

- 4.1 Ownership of Product shall not pass to the Buyer until Innospec has received in full (in cash or cleared funds) all sums due to it in respect of:
 - 4.1.1 Product; and
 - 4.1.2 all other sums which are or which become due to Innospec from the Buyer on any account.
- 4.2 Until ownership of Product has passed to the Buyer, the Buyer shall:
 - 4.2.1 hold Product on a fiduciary basis as Innospec's bailee;
 - 4.2.2 store Product (at no cost to Innospec) separately from all other goods of the Buyer or any third party in such a way that they remain readily identifiable as Innospec's property;
 - 4.2.3 not destroy, deface or obscure any identifying mark or packaging on or relating to Product; and
 - 4.2.4 maintain Product in satisfactory condition and keep them insured on Innospec's behalf for their full price against all risks to the reasonable satisfaction of Innospec. On request the Buyer shall produce the policy of insurance to Innospec.
- 4.3 The Buyer may resell Product before ownership has passed to it solely on the following conditions:
 - 4.3.1 any sale shall be effected in the ordinary course of the Buyer's business at full market value; and
 - 4.3.2 any such sale shall be a sale of Innospec's property on the Buyer's own behalf and the Buyer shall deal as principal when making such a sale.
- 4.4 The Buyer's right to possession of Product shall terminate immediately if:

- 4.4.1 the Buyer has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Buyer or a resolution is passed or a petition presented to any court for the winding-up of the Buyer or for the granting of an administration order in respect of the Buyer, or any proceedings are commenced relating to the insolvency or possible insolvency of the Buyer; or
- 4.4.2 the Buyer suffers or allows any execution, to be levied on his/its property or obtained against him/it, or fails to observe or perform any of his/its obligations under the Contract or any other contract between Innospec and the Buyer, or is unable to pay its debts within the meaning of Article 2 of the PRC Bankruptcy Law or the Buyer ceases to trade; or

- 4.4.3 the Buyer encumbers or in any way charges any of Product.

- 4.5 Innospec shall be entitled to recover payment for Product notwithstanding that ownership of any of Product has not passed from Innospec.
- 4.6 The Buyer grants Innospec, its agents and employees an irrevocable licence at any time to enter any premises where Product is or may be stored in order to inspect them, or, where the Buyer's right to possession has terminated, to recover them.
- 4.7 Where Innospec is unable to determine whether any Product are the goods in respect of which the Buyer's right to possession has terminated, the Buyer shall be deemed to have sold all goods of the kind sold by Innospec to the Buyer in the order in which they were invoiced to the Buyer.
- 4.8 On termination of the Contract, howsoever caused, Innospec's (but not the Buyer's) rights contained in this condition 4 shall remain in effect.

5. Price

- 5.1 The price quoted or accepted by Innospec is exclusive of value added tax and all other governmental taxes, duties or levies relating to sale, possession or use of Product, which shall be paid by Buyer. Where Product is supplied to Buyer free of tax or duty but such tax or duty shall subsequently be or become payable, then Buyer shall forthwith pay to the relevant authority the full amount of tax or duty due in respect of such Product and shall indemnify Innospec against all liability in respect thereof.
- 5.2 Innospec reserves the right to vary quoted or accepted prices at any time prior to delivery by giving notice in writing to Buyer, in which event Buyer may elect in writing within fourteen days of receipt thereof whether Buyer wishes to take delivery of Product at the new price.

6. Payment

- 6.1 Innospec may require payment on or before delivery. If Innospec does not do so, then unless otherwise agreed in writing, payment shall be made to Innospec in the People's Republic of China in the currency in which Product is invoiced free of all charges within thirty days of date of invoice (or of despatch or collection of the quantities of Product to which such invoice relates, if such despatch or collection occurs after the date of invoice). In the event of non-receipt of payment, Innospec reserves the right (without prejudice to any other right or remedy) to suspend any deliveries due until such time as payment shall have been received.
- 6.2 Innospec reserves the right to charge interest at an annual rate of 4% above Barclays Bank plc's base lending rate for the time being, to accrue on a daily basis, on any sum owed to Innospec which is not paid by the due date. Buyer may not withhold payment or make any set-off on any account, but Innospec may set-off any sums received from Buyer against any debt Buyer owes to Innospec.
- 6.3 Accounts beyond agreed credit terms will be passed to a debt recovery agency and will therefore be subject to a surcharge of a minimum of 15% plus vat to cover the costs of recovery.

7. Description, Quality and Purpose

- 7.1 Innospec warrants that Product will comply with the Specification but gives no other warranty and makes no representation as to description or quality. Any such warranty or representation implied (whether by statute or otherwise) is excluded, so far as legally permissible.
- 7.2 If Buyer is a consumer, Buyer hereby agrees that the Specification represents a satisfactory quality for Product and is reasonable in all the circumstances.
- 7.3 Any suggestion or representation concerning any possible use of Product made by Innospec in literature or in any response to specific enquiry is given in good faith, but it is entirely for Buyer (and Buyer's customers) to satisfy themselves fully as to the suitability of Product for any particular purpose. No warranty or representation relating to such possible use shall be implied (whether by statute or otherwise) and shall be excluded, so far as legally permissible.
- 7.4 Buyer shall examine Product as soon as reasonably practicable after delivery. Buyer shall notify Innospec within ten days of delivery, (which the Buyer agrees is a reasonable time) of any incomplete or failed delivery and of any loss or damage during carriage, failing which Buyer shall be treated as having waived all claims connected with such incomplete or failed delivery and all claims connected with such loss or damage.
- 7.5 If any delivery of Product materially fails to comply with the warranty given by Innospec in clause 7.1, unless Buyer so notifies Innospec within sixty days of

delivery. Buyer shall be deemed to have waived all claims connected with such failure.

- 7.6 If, following notification by Buyer to Innospec in accordance with the provisions of clause 7.5, it is shown to Innospec's satisfaction that any delivery of Product materially fails to comply with the warranty given by Innospec in clause 7.1; Innospec shall be given a reasonable opportunity to correct such failure. If Innospec does not or is unable to do so, Innospec will, at Innospec's sole option, either refund the price of the particular delivery (or, if Product has been used or put into a process, a reasonable part of that price), or replace the delivery in question (if reasonably practicable) within a reasonable time, free of charge. Replacement Product shall be supplied subject to these terms. Any delivery which is alleged not to comply with the Specification shall as far as possible be preserved for inspection by Innospec.

8. Limitation of Liability

- 8.1 Innospec will use all reasonable endeavours to supply Product but shall not be liable to Buyer in any way for shortfall or delay in delivery due to Product being unavailable for whatever reason.
- 8.2 The provisions of this clause 8 set out the entire liability of Innospec (including any liability for the acts or omissions of any of its officers, employees, agents, representatives and/or sub-contractors) to the Buyer in respect of any breach of this Agreement, any representation, statement or tortious or other act or omission, including but without limitation, negligence or breach of any statutory or other duty arising under or in connection with this Agreement.
- 8.3 Subject to clause 8.5, the liability of Innospec to the Buyer shall at all times be limited to the price of Product supplied under the relevant order in respect of which the liability has arisen.
- 8.4 Subject to clause 8.5, Innospec shall not be liable to the Buyer in contract, tort, breach of any statutory or other duty or otherwise howsoever for any economic loss of any kind (including but without limitation loss of use, loss of profit, loss of anticipated profit, loss of business, overhead recovery, machining costs, revenue, or anticipated savings), any damage to the Buyer's reputation or goodwill, any product recall or business interruption costs or any special, indirect or consequential loss or damage (even if Innospec has been advised of such loss or damage) arising out of or in connection with this Agreement.
- 8.5 Nothing in these terms and conditions shall exclude or limit the liability of Innospec for any death or any personal injury caused by Innospec's negligence or for fraud.
- 8.6 Buyer shall indemnify Innospec against all claims and liability for death, injury, damage and loss arising directly from the supply of Product by Buyer or from Buyer's breach of its obligations to Innospec and against all expenses (including legal and experts' expenses) incurred in connection therewith.
- 8.7 The only rights and remedies of Buyer in respect of any Product supplied are set out in clause 7.

9. Force Majeure

- 9.1 Innospec shall not be liable for any failure to comply with its obligations to Buyer owing to any circumstances which Innospec cannot control by taking such action as can be reasonably expected or owing to storm, flood, lightning, fire, explosion or escape of toxic or corrosive matter.
- 9.2 Innospec may, without liability, where reasonable in all circumstances, suspend or terminate (in whole or in part) its obligations to Buyer if Innospec's ability to manufacture, supply or deliver Product or to acquire materials for the production of Product, in each case by Innospec's normal means, is impaired or if any government measure is taken or threatened which may prevent, hinder or delay the receipt by Innospec of the full price of any Product or which may result in Innospec bearing any expense or loss which Innospec would not otherwise have borne.

10. Termination and Suspension

- 10.1 Innospec may (without prejudice to any other remedies) terminate or suspend forthwith Innospec's performance of the whole or any part of its obligations to Buyer, if:
- 10.1.1 Buyer is a corporation and has a receiver or administrator appointed or passes a resolution for winding-up or suffers an order of court to that effect or applies to a court for an interim order in connection with a voluntary arrangement with its creditors or if Buyer is a partnership and the partnership is dissolved or, whether Buyer is a corporation, partnership or other entity, Buyer is subject to any similar actions or proceedings in any jurisdiction outside the People's Republic of China; or
- 10.1.2 Buyer becomes unable to pay debts as they fall due, or if an encumbrancer or creditor takes any steps to enforce a security given by Buyer; or if Buyer enters into any composition or arrangement with creditors;
- 10.1.3 Buyer fails to take delivery or pay for Product on the due date or is in material breach of any obligations to Innospec; or
- 10.1.4 Innospec has any reasonable ground for suspecting that any of the circumstances set out in sub-clauses 10.1.1 to 10.1.3 have occurred or may occur.

11. Health and Safety

- 11.1 Innospec shall provide Buyer with health, safety and environmental information concerning Product.
- 11.2 Buyer shall ensure that all appropriate health, safety and environmental information is distributed to its employees, contractors and customers and is observed by those of its employees who require it for handling or use of Product.

12. Returnable Containers

Returnable Containers belonging to Innospec shall remain the property of Innospec. Buyer shall return them to Innospec as soon as possible at Buyer's cost (unless otherwise agreed), ensuring that they comply with all relevant national and international legal requirements pertaining to the labelling and carriage of dangerous substances (if applicable). Buyer shall ensure that Returnable Containers are securely closed and in a safe condition for transit in accordance with all such legal requirements and are safely, securely and correctly packed, despatched and carried to Innospec. Any Returnable Containers not returned or not returned in good condition within a reasonable period shall be paid for by Buyer at Innospec's standard rate.

13. Export Compliance

Buyer agrees to comply with all export controls and sanctions laws, specifically including, but not limited to, (a) the U.S. Export Administration Regulations (EAR); (b) the U.S. International Traffic in Arms Regulations (ITAR); (c) applicable U.S. sanctions and embargoes administered by the U.S. Department of Treasury; (d) U.S. antiboycott laws; (e) the applicable export control rules, economic sanctions or other restrictive measures of the European Union, as enforced by its Member States; and (f) any applicable foreign laws and regulations. Diversion of product contrary to applicable law is prohibited. Authorization may be required to re-export the commodity to a third country, therefore, Buyer agrees to obtain such a license if necessary. These commodities are expressly prohibited from being exported to the following countries without a license: Cuba, Iran, N. Korea and Sudan. If, at any time, the preceding requirements have not been, may not have been, or may not be, complied with by any party (a "Non-Compliance Event"), Buyer shall have an affirmative obligation to give actual notice thereof to Innospec immediately and without delay. Buyer agrees further that Innospec may in its sole discretion, terminate any and all of its obligations under these terms hereunder because of any Non-Compliance Event (regardless of whether Buyer has given notice as required by this section), and that Innospec shall not be subject to any liability as a result of, or in connection with any such termination.

14. General

- 14.1 These terms together with any terms agreed in writing by Buyer and Innospec's authorised representative supersede all prior representations or understandings made in good faith and contain the entire agreement between the parties in connection with Product. Buyer irrevocably waives any right to claim damages for any innocent misrepresentation or non-disclosure or for breach of any collateral obligation. Unless Innospec's authorised representative otherwise agrees in writing, these terms prevail over and exclude all other terms capable of being lawfully excluded, including but not limited to any terms contained in any documents issued by Buyer.
- 14.2 No contract between Innospec and Buyer shall be assigned by Buyer without Innospec's prior written consent.
- 14.3 Buyer shall be responsible for all storage, demurrage and other costs arising from Buyer's failure to comply with its obligations or refusal to accept Product complying with Specification.
- 14.4 No failure by Innospec to enforce any of its rights shall be construed as a release of that right or of any other right nor shall such failure by Innospec sanction any failure by Buyer to comply with its obligations.
- 14.5 Notices shall be in writing and sent by letter or facsimile message addressed to a party at its given address. Any letter notice shall be deemed to have been received at that time at which the letter would have been delivered in the ordinary course of post, or at the time of delivery if the notice was delivered personally, or at the time of receipt if transmitted by legible facsimile message with confirmation of receipt.
- 14.6 If any provision to the Contract is found by any court or tribunal to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable, it shall to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

15. Law and Jurisdiction

The law of the People's Republic of China will govern these terms and conditions. Any dispute arising from, in relation to or in connection with these terms and conditions shall be submitted to China International Economic and Trade Arbitration Commission ("CIETAC") in Beijing for arbitration which shall be conducted in accordance with the CIETAC's arbitration rules. The arbitral award shall be final and binding upon both parties.

Effective as included in all Orders placed on and after 01 October 2017.