

**TERMS AND CONDITIONS OF PURCHASE**

These Terms and Conditions of Purchase are comprised of the following sections:

- (A) Section A – General Terms & Conditions of Purchase, which apply to all Orders and Contracts;
- (B) Section B – Purchase or Hire of Goods, which (in addition to Section A) apply to the purchase of Sale Goods and hire of Hire Goods;
- (C) Section C – Purchase of Services, which (in addition to Section A) apply to the purchase of Services; and
- (D) Section D – Purchase of Works, which (in addition to Section A) apply to the purchase of Works.

**SECTION A – General Terms & Conditions of Purchase**

**1. Definitions and Interpretation**

1.1 The following terms shall have the following meanings:

“Amendment Order”	means a purchase order or other written instruction issued by Innospec (or a written agreement with the Supplier) which amends an Order;
“Completion Date”	means the date or dates specified in the Order by which Performance must be completed;
“Confidential Information”	means any information of a confidential nature embodied in data, technical knowledge, specifications, chemical and physical compositions, formulations, blends, materials, raw materials, process information, know-how, ideas, plans, drawings, designs and/or other communications, in tangible or non-tangible form, relating to or useful in connection with the Goods, the Services, the Works, the Site and/ or the development, processing, production and/ or marketing and sales of any of Innospec’s compositions, products and technologies (including the Goods) (and any substance derived from or incorporating any of Innospec’s compositions, products and technologies; including the Goods) and/or the operation of the Site disclosed or provided by Innospec to the Supplier and all information not in the public domain concerning Innospec, its business and its technical or commercial know-how which the Supplier may become aware of pursuant to the Contract or in the course of quoting for, tendering for, or fulfilling, the Order;
“Contract”	means the contract (incorporating these Terms and any document referred to in the Order) between Innospec and the Supplier for the purchase and/or hire (as the case may be) of the Items;
“Employees”	means any and all employees of the Supplier and of the Subcontractors;
“Goods”	means Hire Goods and/or Sale Goods as the case may be), as set out in the Order;
“Hire Goods”	means any and all goods which are to be taken on hire by Innospec from the Supplier under the Contract, as specified in the Order;
“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;
“Innospec Materials”	means all materials which are provided or paid for by Innospec and which are to be incorporated in Sale Goods or Works;
“Intellectual Property Rights”	means all the rights in products of the human intellect, including in respect of trade marks, service marks, trade names, logos, get-up, inventions (whether patentable or not), patents, utility models, trade secrets, know-how (including confidential technical, industrial and commercial information in any form), designs, copyright works, as well as any other intellectual property rights of whatsoever nature which may subsist in any part of the world; and includes, where such rights are obtained or enhanced by registration, any registration of the above and applications and rights to apply for such registration, as well as any confidential information relating to that subject matter and the word “Intellectual Property” shall have a corresponding meaning;
“Items”	means Sale Goods and/or Hire Goods and/or Services and/ or Works (as the case may be), as set out in the Order;
“Laws”	means all applicable laws, statutory instruments, regulations, directives, codes of practice and standards;
“Order”	means Innospec’s purchase order or written instruction for (or written agreement with the Supplier in respect of) the purchase and/or hire of Items together with all documents referred to therein and including any variations

	thereto made by an Amendment Order;
“Performance”	means delivery of Goods and/or provision of the Services and/ or provision of the Works (as the case may be);
“Price”	means the price payable to the Supplier for the Items;
“REACH”	means European Community Regulation (EC1907/2006) on the Registration, Evaluation, Authorization, and Restriction of Chemical Substances;
“Sale Goods”	means any and all goods which are to be purchased by Innospec from the Supplier under the Contract, as specified in the Order and/or any goods, whether or not so specified, which are to be supplied to Innospec in connection with the Works (as the case may be);
“Services”	means any and all services which are to be purchased by Innospec from the Supplier under the Contract, as specified in the Order and/or any services, whether or not so specified, which are to be supplied to Innospec in connection with Goods and/or Works (as the case may be);
“Site”	means Innospec’s premises;
“Subcontractors”	means any and all agents and permitted subcontractors of the Supplier;
“Supplier”	means the person, firm or company to whom the Order is issued;
“Terms”	means these terms and conditions of purchase, together with any amendments hereto which may be agreed by Innospec and the Supplier;
“Working Day”	means any day between the hours of 9.00am and 5.00pm (U.K. time) other than a Saturday, Sunday or public holiday in England and the People’s republic of China (PRC); and
“Works”	means any and all work to be undertaken by the Supplier under the Contract, as specified in the Order.

- 1.2 In these Terms, unless the context otherwise requires, words denoting the singular shall include the plural and vice versa.
- 1.3 The headings in these Terms are for convenience only and shall not affect their construction or interpretation.
- 1.4 Any reference to a statutory provision or regulation includes a reference to the statutory provision or regulation (as the case may be) as modified or enacted or both from time to time and any subordinate legislation made under the statutory provision from time to time.

**2. Formation and Incorporation**

- 2.1 These Terms are the only terms and conditions on which Innospec is prepared to deal with the Supplier, and shall govern the Contract to the entire exclusion of all other terms and conditions. No terms and/or conditions endorsed upon, delivered with or contained in the Supplier’s quotation, acknowledgment or acceptance of the Order, brochure, specification or other document shall form any part of the Contract and the Supplier waives any right which it otherwise might have to rely on any such terms and/or conditions.
- 2.2 Each Order is an offer to purchase and/or hire (as the case may be) the Items subject to these Terms, and acceptance by the Supplier of an Order, whether expressly or by conduct, shall be deemed to be an acceptance of (and not a counter offer to) such offer.
- 2.3 Any variation to these Terms shall have no effect unless expressly agreed by Innospec and the Supplier in writing and signed by a duly authorised representative of Innospec.

**3. Amendments to Orders**

- 3.1 Innospec may at any time make changes in respect of an Order (which may include, without limitation, changes in specifications, design, shipment, quantities, and place or time of Performance). Innospec shall issue an Amendment Order in respect of such changes, and if such changes result in an increase in the costs of, or the time required for, Performance by the Supplier, an equitable adjustment shall be made to the Price or the Completion Date (or both). Any such adjustment must be approved in writing by Innospec before the Supplier proceeds with the Performance of any such changes.
- 3.2 Innospec may by written notice reduce the quantity or change the nature of Items, cancel the Order or require the Supplier to suspend Performance if Innospec is prevented from, or delayed in, the carrying on of its business (or any part thereof) through any circumstances beyond its reasonable control. The Supplier shall not be entitled to any additional remuneration, compensation or other right or benefit in respect of such reduction, cancellation or suspension.
- 3.3 Without prejudice to the generality of clause 3.2, the following shall be included as causes beyond Innospec’s reasonable control:
  - 3.3.1 act of God, fire, explosion, flood, epidemic or accident;
  - 3.3.2 a power failure or breakdown of plant or machinery;
  - 3.3.3 governmental actions, war or threat of war, acts of terrorism, national emergency, riot, civil disturbance, or sabotage;
  - 3.3.4 import or export regulations or embargoes;
  - 3.3.5 labour disputes or strikes; and

3.3.6 inability to obtain or difficulties in obtaining materials, transport, fuel, parts, machinery or labour.

#### 4. Price and Payment

- 4.1 Unless otherwise stated, the Price shall be:
- 4.1.1 inclusive of all charges and expenses incurred by the Supplier in relation to the Items (including, without limitation, packing, shipping, loading, carriage, insurance, delivery to the relevant Site, travel and subsistence costs) and any duties, levies or taxes (other than value added tax); and
- 4.1.2 fixed for the duration of the Contract.
- 4.2 The Supplier shall not be entitled to make any increases in the Price (whether on account of increased costs to the Supplier in respect of materials, facilities, labour, transport, exchange rates or otherwise) and Innospec shall not be liable to make any extra payment to the Supplier in respect thereof unless Innospec has agreed in writing or such change has been set out in an Amendment Order.
- 4.3 Unless otherwise stated in the Order, the Supplier shall be entitled to invoice Innospec on or any time after Performance. All invoices and statements shall be sent by e-mail to [payrequests@innospecinc.com](mailto:payrequests@innospecinc.com).
- 4.4 Each invoice shall be in the currency specified in the Order and clearly state the Order number, the reference number of Items, details of hours worked by Employees (in the case of Services or Works where any part of the Price shall be calculated by reference to hourly or day work rates), the period of hire (in the case of Hire Goods), and all information required to be stated on a tax invoice for VAT purposes, together with such other information as may be specified by Innospec.
- 4.5 Unless otherwise specified in the Order (and subject to acceptance of Items by Innospec), Innospec will pay the Supplier within 60 days following the end of the month in which Innospec received a valid invoice in accordance with clause 4.4.
- 4.6 Without prejudice to any other remedy which it may have, Innospec reserves the right to set off any sums due to it from the Supplier at any time (whether under the Contract or any other contract between the Supplier and Innospec) against sums payable to the Supplier by Innospec under the Contract.
- 4.7 Unless otherwise stated, all payments under the Contract shall be made in the currency specified in the Order. Innospec shall be entitled to deduct from any payment to the Supplier any charges, duties or taxes if and to the extent it is required to do so under any Laws.
- 4.8 Innospec and its representatives shall, from the date of the Contract until the expiry of two years following the Completion Date, be entitled (on reasonable notice and at reasonable times) to have access to the Supplier's premises (and those of the Subcontractors) to inspect such premises and all relevant documents, information and data of the Supplier for the purposes of auditing the Supplier's charges and otherwise ascertaining that the provisions of these Terms are being (or have been) complied with. The Supplier (and the Subcontractors) shall, at no cost to Innospec, provide Innospec with: (a) all assistance which Innospec reasonably requires for such purposes; and (b) any copies of such documents, information and data which Innospec may require.
- 4.9 The Supplier agrees to waive any right it may otherwise have to exercise a lien, to make a claim, or seek a judgement or award, against Sale Goods or Works at any time, and acknowledges that its sole right in the event of any failure by Innospec to pay for any Sale Goods or Works is to seek to recover such payment as a debt.

#### 5. Safety Obligations

- 5.1 The Supplier acknowledges that hazardous operations are carried out on parts of Innospec's premises. The Supplier shall, in respect of any part of Performance to be effected by the Supplier on the Site, observe (and shall ensure that the Subcontractors and the Employees observe): (a) all rules, regulations and procedures in force from time to time at the Site (including, for the avoidance of doubt but without limitation, Innospec's permit to work system, drug and alcohol policy, and searching of personnel and their vehicles by Innospec's security staff); and (b) the Laws (including, for the purpose of illustration but without limitation, Work Safety Law of the PRC and all health and safety regulations). Such observance shall not remove or diminish any of the Supplier's obligations under the Contract.
- 5.2 In the event that Innospec considers (in its sole opinion) that any such rules, regulations, procedures or Laws have been breached by any of the Subcontractors or the Employees, Innospec shall have the right to remove the relevant Subcontractors and Employees from Innospec's premises and prohibit them from returning. Such action by Innospec shall be without liability to the Supplier or the Subcontractors and shall not remove or diminish any of the Supplier's obligations under the Contract.
- 5.3 For the avoidance of doubt (but without prejudice to any of the other provisions of this clause 5), Innospec shall not be responsible for supervising and/or checking any health and safety requirements or risk assessments which are to be undertaken by the Supplier pursuant to these Terms. Such responsibility shall remain with the Supplier at all times, notwithstanding any supervision or checks which Innospec or its representatives may undertake from time to time.
- 5.4 Items supplied or installed under the Contract shall be so formulated, designed, constructed, finished and packaged as to be safe and without risk to health. Goods shall be supplied with full instructions for their proper use, maintenance and repair, and with any necessary warning notices clearly displayed.
- 5.5 Prior to any delivery of Goods and any use by the Supplier of any equipment or materials on the Site, the Supplier shall furnish Innospec with a full and accurate written list (by name and description) of any harmful or potentially harmful properties, components or ingredients in Goods or such equipment and materials (and shall thereafter notify Innospec in writing of any changes thereto from time to time). The Supplier acknowledges that Innospec will rely on such information in order to satisfy its own obligations under the Work Safety Law of the PRC, and any other relevant legislation.

5.6 The Supplier shall maintain detailed quality control and manufacturing records in respect of Sale Goods and Works for a period of 12 years from the Completion Date.

#### 6. Indemnities and Insurance

- 6.1 Without prejudice to any other remedy which Innospec may have (whether under these Terms or otherwise), the Supplier shall indemnify and hold harmless Innospec (and keep it indemnified and held harmless) from and against all direct, indirect and consequential loss, liability, actions, claims, costs, damages and expenses (including legal expenses on an indemnity basis) awarded against or suffered or incurred or paid by Innospec as a result of or in connection with any of the following matters (save in each case if and to the extent caused by or contributed to by any act or omission of Innospec):
- 6.1.1 any breach by the Supplier of these Terms (including, without limitation, in respect of the warranty in clause 9.1);
- 6.1.2 any act or omission (including negligence or breach of any statutory duty) of the Supplier, the Subcontractors or the Employees in effecting (or purporting to effect) Performance;
- 6.1.3 any claim by any third party that the Items infringe (or any use, resale, exportation or importation of Goods infringes) any Intellectual Property Rights (except if, and to the extent that, such claim arises from any specifications, drawings, samples or instructions provided to the Supplier by Innospec for the purposes of the Contract); and
- 6.1.4 any claim in respect of liability, loss, injury, death, damage, cost or expense sustained by any third party (including Innospec's employees and agents).
- 6.2 The Supplier shall (and shall ensure that the Subcontractors shall), for the duration of the Contract and for such period as may be necessary thereafter, maintain the following minimum insurance cover with a reputable insurance company:
- 6.2.1 public liability insurance to a level of cover not less than £5 million per occurrence or series of occurrences arising from one event (unlimited in the insurance period);
- 6.2.3 product liability insurance to a level of cover not less than £5 million per occurrence or series of occurrences arising from one event;
- 6.2.4 employer's liability insurance to a level of cover not less than £10 million per occurrence or series of occurrences arising from one event; and
- 6.2.5 legal liability insurance for automobiles and motorised equipment used or furnished by the Supplier and/or the Subcontractors.
- 6.3 The Supplier shall insure Sale Goods (and any materials of Innospec) to the full replacement value thereof against all risks (including fire, explosion and theft) for so long as the risk therein shall be with the Supplier.
- 6.4 Unless otherwise stated in the Order or agreed by Innospec in writing, the Supplier shall at all times insure Hire Goods to the full replacement value thereof against all risks (including fire, explosion and theft) for so long as the risk therein shall be with the Supplier.
- 6.5 Each of the insurance covers referred to in clauses 6.1, 6.2 and 6.3 shall contain an 'indemnity to principals' clause with waivers of rights of subrogation against Innospec and its employees.
- 6.6 The Supplier shall produce such evidence as Innospec may require to demonstrate compliance with the foregoing obligations of the Supplier with respect to insurance cover. Should the Supplier fail to maintain any such insurance, then Innospec shall be entitled (but not obliged) to insure against the relevant risks and deduct from any sums due to the Supplier under the Contract an amount equal to the premiums paid by Innospec in respect of such insurances.

#### 7. Confidential Information and Intellectual Property Rights

- 7.1 Save if and to the extent otherwise required by law, the Supplier shall keep in strict confidence all Confidential Information. The Supplier shall only use the Confidential Information in connection with the Contract and/or the Order and for no other purpose whatsoever.
- 7.2 All Intellectual Property Rights created under or arising out of the fulfilment of the Order by the Supplier, and all title thereto, shall be assigned to and vested in Innospec immediately upon the date of the Order or creation of the relevant Intellectual Property Right, as the case may be. Any documents provided by the Supplier to Innospec in connection with the fulfilment of the Order shall be deemed to be the property of Innospec from the date on which they are so provided and will be treated by the Supplier as the Confidential Information of Innospec. At the request of (and at no cost to) Innospec, the Supplier shall do all such acts and enter into and deliver (or procure the execution and delivery of) such further documents and instruments as may be necessary or desirable to enable Innospec or its nominee to confer absolute title to and ownership of and to obtain the benefit of any Item and all Intellectual Property Rights in any Item to secure patent or other appropriate forms of protection for any New Item throughout the world.
- 7.3 The Supplier shall forthwith return or destroy (at Innospec's option) the Confidential Information or any part thereof (a) if requested by Innospec at any time; (b) whenever a document is superseded by a further document; and (c) upon completion of Performance or upon termination of the Contract (whichever is earlier).
- 7.4 The Supplier shall not, without the prior written consent of Innospec:
- 7.4.1 use Innospec's name, or any business or premises of Innospec for any purpose other than for properly fulfilling the Order;
- 7.4.2 advertise or publicly announce that it supplies or has supplied Items to Innospec;
- 7.4.3 photograph any part of Innospec's premises or anything situated thereon or any equipment, plant or materials used for (or to be incorporated as part of) any Items; or
- 7.4.4 authorise or allow the Subcontractors, the Employees or any other person to do any of the foregoing.
- 7.5 The Supplier shall ensure that the Subcontractors and the Employees are subject to the same obligations of confidentiality as the Supplier under this clause 7 and provided that any breach of such provisions by any such

Subcontractors or Employees shall be deemed to be a breach of this clause 7 by the Supplier.

- 7.6 The Supplier represents and warrants that, as at the date of the Contract (or assignment if later):
- 7.6.1 it is or will be (as the case may be) the sole legal and beneficial owner of the rights assigned by the Contract;
  - 7.6.2 all the assigned rights are subsisting and enforceable or will be (as the case may be) and nothing has been done to make them invalid;
  - 7.6.3 it has not assigned or licensed any of the rights assigned by this Agreement;
  - 7.6.4 the rights assigned by this Agreement are free from any security interest, option, mortgage, charge or lien;
  - 7.6.5 the Services and the products of the Services are or will be (as the case may be) its original work, and have not been copied wholly or substantially from any other design or any other source, other than the Confidential Information; and
  - 7.6.6 so far as it is aware, exploitation of the rights assigned by this Agreement will not infringe the rights of any third party

## 8. Performance

- 8.1 The Supplier shall effect Performance by the Completion Date, time being of the essence of the Contract.
- 8.2 The Supplier shall (at its own expense) provide such data as Innospec shall deem necessary to ensure that the Order will be completed by the Completion Date.
- 8.3 If the Supplier shall fail to commence Performance on the starting date specified on the Order or if it appears to Innospec (in its discretion) that the Supplier may not be able to complete Performance by the Completion Date, Innospec may cancel the Order or any part thereof in accordance with the provisions of clause 11.
- 8.4 Precise conformity of Items with the provision of these Terms is of the essence of the Contract, and Innospec shall be entitled to reject any Items which do not so conform, however, slight the breach may be.
- 8.5 Where Innospec agrees to accept Performance in instalments, failure by the Supplier to effect Performance in respect of any one instalment shall entitle Innospec (at its option) to treat the whole of the Contract as repudiated.

## 9. Warranties, Defects, Breakdowns and Remedies

- 9.1 The Supplier warrants to Innospec that Goods will conform in all respects with the provisions of clause 15.1, that the Services will conform in all respects with the provisions of clause 20.1 and that the Works will conform in all respects with the provisions of clause 23.1.
- 9.2 Without prejudice to any other remedy which Innospec may have (whether under these Terms or otherwise), if Items do not so conform, or if the Supplier fails to comply with any of these Terms, Innospec shall be entitled to any one or more of the following remedies at its discretion (whether or not the whole or any part of the Goods, Services or Works has been accepted by Innospec):
  - 9.2.1 to rescind the Order (or part thereof);
  - 9.2.2 to reject the relevant Goods, Services or Works, in whole or in part (and, in the case of Goods, to return them to the Supplier, at the Supplier's risk and cost, on the basis that Innospec shall be entitled forthwith to a full refund or credit, as the case may be, for Goods so returned);
  - 9.2.3 at Innospec's option, to require the Supplier (at the Supplier's expense) to remedy any defect in the relevant Items or to supply replacement goods or works and carry out any other necessary work to ensure that the Order is fulfilled in accordance with these Terms;
  - 9.2.4 to itself carry out, or to have carried out (in each case, at the Supplier's expense), any work necessary to make Items comply with the Contract;
  - 9.2.5 to recover from the Supplier any additional costs and expenses which Innospec incurs as a result of the Supplier's breach (including, without limitation, in respect of obtaining the relevant Items from another supplier); and
  - 9.2.6 to refuse to accept any further Performance which the Supplier attempts to make, without any liability to the Supplier in respect thereof.
- 9.3 The Supplier shall promptly and properly undertake any maintenance or repairs to Items which are to be undertaken by it pursuant to these Terms.
- 9.4 The provisions of these Terms which relate to Items shall be deemed to apply (so far as is relevant) to any repairs to Items which are undertaken, and to any replacement goods which are provided, by the Supplier pursuant hereto.

## 10. Innospec Materials

- 10.1 All Innospec Materials shall:
  - 10.1.1 remain the property of Innospec but on delivery of physical possession to the Supplier shall become at the risk of the Supplier and shall so remain until acceptance by Innospec of the Sale Goods or Works in which such materials are incorporated; and
  - 10.1.2 where such materials are to be stored at the Supplier's premises, be clearly marked by the Supplier as Innospec's property and shall be stored separately from the Supplier's property in a safe and proper manner. The Supplier hereby irrevocably grants Innospec the right to enter any of the Supplier's premises (and those of the Subcontractors) at any time to remove any Innospec Materials.
- 10.2 The Supplier shall use any Innospec Materials in a proper and economical manner, in accordance with Innospec's instructions and for no other purpose whatsoever. Any surplus shall be accounted for to Innospec and disposed of in accordance with Innospec's instructions. Any waste of, loss of, or damage to such materials caused by poor or inefficient workmanship or practices or by any default of the Supplier in storing and maintaining such materials shall be made good at the Supplier's expense. Replacements thereof shall be of

equivalent quality and specification and shall not be used or substituted without Innospec's prior approval.

## 11. Termination

- 11.1 Innospec shall be entitled at any time to cancel the Order in whole or in part by giving written notice to the Supplier, whereupon the Supplier shall forthwith cease any further fulfilment of the Order (unless and to the extent otherwise provided in the notice of cancellation).
- 11.2 In the event of any cancellation in accordance with clause 11.1, Innospec's sole liability to the Supplier shall be to pay the Supplier on a quantum meruit basis for such parts of the Order which have been fulfilled by the Supplier to Innospec's satisfaction as at the date of cancellation, together with the costs of all goods and materials which have been procured reasonably by the Supplier from third parties for the purposes of fulfilling the Order and which the Supplier is unable to use as part of its stock-in-trade, and reasonable cancellation charges payable by the Supplier in respect of any subcontracts properly in place for fulfilment of the Order, subject always to the Supplier taking all reasonable steps to mitigate its losses and liabilities. For the avoidance of doubt (but without prejudice to the foregoing) and without limitation, Innospec shall not be liable to the Supplier in respect of such cancellation for any loss of profit, loss of anticipated profit, loss of contract or any other direct, indirect or consequential loss whatsoever.
- 11.3 Title in Sale Goods (and in any goods and materials procured by the Supplier from third parties) paid for by Innospec in accordance with clause 11.2, or to be so paid for, shall pass forthwith to Innospec on the date of cancellation of the Order.
- 11.4 Innospec shall be entitled at any time to terminate the Contract forthwith by giving written notice to the Supplier if:
  - 11.4.1 the Supplier breaches any of these Terms (regardless of the nature, type, materiality or duration of any such breach);
  - 11.4.2 if the Supplier is unable to pay its debts when they become due or ceases to carry on business; or
  - 11.4.3 if the Supplier enters into any arrangement with its creditors for the repayment of its debts; or
  - 11.4.4 if in respect of the Supplier and on account of financial difficulties of the Supplier, an administration order is made or a receiver or manager is appointed; or
  - 11.4.5 if the Supplier becomes bankrupt or in respect of the Supplier a winding up resolution is passed or a winding up order is made; or
  - 11.4.6 if events or acts occur or are done in relation to the Supplier which are equivalent to any of those described in clauses 11.4.4 or 11.4.5 above; or
  - 11.4.7 the Supplier ceases or threatens to cease to carry on its business; or
  - 11.4.8 the financial position of the Supplier deteriorates to such an extent that in the opinion of Innospec the Supplier's capability adequately to fulfil its obligations under the Contract has been placed into jeopardy; or
  - 11.4.9 there is a change in the control of the Supplier after the date of the Order; or
  - 11.4.10 Innospec reasonably apprehends that any of the events mentioned above is likely to occur.
- 11.5 Any termination of the Contract (howsoever arising) is without prejudice to the rights and obligations of Innospec and the Supplier under the Contract which accrued prior to termination. The clauses in these Terms which expressly or impliedly have effect after termination of the Contract (including, without limitation, this clause 11.5 and clauses 1, 2, 4.8, 4.9, 5.6, 6, 7, 9.1, 9.2, 10.1, 11.2, 11.6, 14.5, 18, 22 and 25) will continue to be enforceable notwithstanding any such termination.
- 11.6 If, on any termination of the Contract (howsoever arising), any sums are owed to Innospec by the Supplier, the Supplier shall pay such sums without any deduction or set-off within 60 days of the date of such termination.

## 12. Assignment and Subcontracting

- 12.1 The Supplier shall not assign, transfer or subcontract any of its rights and obligations under the Contract (or any part thereof) without Innospec's prior written consent. Innospec shall be entitled to grant or withhold such consent in its absolute discretion, and the granting of any consent may be subject to such conditions as Innospec shall determine.
- 12.2 Innospec shall be entitled to assign the Contract (or any part thereof) to any person, firm or company without the Supplier's consent.

## 13. Notices and Documents

- 13.1 Unless otherwise expressly provided in these Terms, any notice or other communication to be given under the Contract shall be in English and given in writing and shall be validly given if sent by facsimile transmission or recorded delivery post (or by airmail where appropriate) to the address or facsimile number stated for Innospec and the Supplier respectively on the Order or to any address subsequently specified in writing for this purpose.
- 13.2 Any such notice or communication shall be deemed served (in the case of service by post) on the second Working Day after the date of posting and (in the case of service by facsimile) on the next Working Day after transmission.

## 14. General

- 14.1 Unless otherwise specified by Innospec, all information and documentation to be provided by the Supplier (or the Subcontractors) pursuant to these Terms or otherwise in connection with the Order shall be in the English language.
- 14.2 The Supplier will comply with the Laws.
- 14.3 Any provision of these Terms which is held by a competent authority to be invalid, void or unreasonable (in whole or in part) shall be deemed to be severed from the other provisions of these Terms to the extent necessary, and any such provision shall not affect the validity and enforceability of the remainder of these Terms.
- 14.4 Failure by Innospec to enforce (or any delay by it in enforcing) any provision of these Terms in respect of any breach by the Supplier shall not be

construed as a waiver of such breach and shall not affect Innospec's rights in respect of that, or any subsequent, breach by the Supplier.

- 14.5 All aspects of the Contract (including, without limitation, its formation, validity, performance and construction) shall be governed by the PRC law and the terms of the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980) shall not apply.
- 14.6 Any dispute arising from, in relation to or in connection with the Contract shall be submitted to China International Economic and Trade Arbitration Commission in Beijing for arbitration which shall be conducted in accordance with the commission's arbitration rules. The arbitral award shall be final and binding upon both parties.
- 14.7 1) Supplier represents that it complies with all applicable laws and regulations, including eradication of slavery, human trafficking, and forced, indentured, involuntary or compulsory labour in any part of its business or in any of its supply chains, as well as any related transparency and/or disclosure requirements, and requires its suppliers, including labour brokers and agencies, to do the same; 2) Supplier represents that its supply chain and materials incorporated into its products comply with national and international laws prohibiting slavery and human trafficking; and 3) Supplier agrees to treat workers with dignity and respect, provide them with a safe work environment, conduct business in compliance with applicable environmental, labour and employment laws and laws relating to slavery and human trafficking, and refrain from corrupt practices and engaging in human rights violations.

## **SECTION B – Purchase or Hire of Goods**

### **15. Standards of Goods**

- 15.1 Goods shall:
- 15.1.1 conform strictly as to quantity, quality and description stated in the Order and/or in any applicable specification supplied or advised by Innospec to the Supplier;
- 15.1.2 comply with the Laws (and be manufactured, packaged and delivered in accordance therewith) in particular where of a nature falling within the scope of REACH, have been appropriately pre-registered and registered in accordance with the obligations arising from REACH, whether or not sourced within the European Economic Area;
- 15.1.3 be free from defects in design, materials and workmanship;
- 15.1.4 be in strict compliance with any samples, patterns, drawings and/or specifications stated in the Order, in any applicable specification supplied or advised by Innospec to the Supplier and/or any applicable specification supplied or advised by the Supplier and agreed by Innospec;
- 15.1.5 be capable of meeting any standard of performance specified in the Order and/or in any applicable specification supplied or advised by Innospec to the Supplier; and
- 15.1.6 be fit for the express or implied purpose for which they are to be supplied under the Order.
- 15.2 Sale Goods shall (in addition to the requirements of clause 15.1) be packaged and marked in accordance with any instructions given by Innospec.
- 15.3 The Supplier shall ensure that conflict minerals are not necessary to the functionality or production (as defined under Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act and the Securities and Exchange Commission Rules issued pursuant to that Act) of the Goods supplied to Innospec. Upon Innospec's request, the Supplier shall promptly provide to Innospec a signed certification, in such form as Innospec may from time to time require, confirming compliance with the provisions of this clause.

### **16. Inspection, Testing and Documentation**

- 16.1 Innospec and its representatives shall be granted access to any premises of the Supplier (and those of the Subcontractors) and be allowed to inspect and/or test Goods at any time prior to acceptance or delivery.
- 16.2 The Supplier shall make available at its own expense all equipment, materials, services and facilities necessary for carrying out such tests on Goods as Innospec may require. If requested by Innospec or its representatives, Goods shall be completely assembled for tests and/or dismantled for inspection before despatch.
- 16.3 If, as a result of any such inspection or testing, Innospec is not satisfied that Goods will comply in all respects with the Contract and so notifies the Supplier as soon as practicable after the relevant inspection or testing, the Supplier shall take all steps within seven(7) working days which are necessary to ensure such compliance.
- 16.4 Notwithstanding any inspection or testing in accordance with this clause 16, the Supplier shall remain fully responsible for Goods and any such inspection or testing shall not remove, diminish or otherwise affect the Supplier's obligations under the Contract (including, without limitation, its responsibility for any defects subsequently found in materials and/or workmanship).
- 16.5 The Supplier shall (at its expense) provide in respect of all Goods all applicable certificates (including, certificates of analysis, tests, inspection or origin), operating and safety instructions, warning notices and customs documentation and (on request or where otherwise expressly or by implication required) written assurance that Sale Goods are and will continue to be in compliance with REACH. All such certificates and documentation shall be provided whenever requested by Innospec (and, in any event, at the same time as Performance).
- 16.6 The Supplier shall (at its expense) prepare and submit to Innospec such drawings, data and other information which Innospec may require in respect of any Items. Innospec shall have the right to approve all drawings and data but such approval shall not relieve the Supplier of any of its responsibilities under the Contract. Unless otherwise agreed in writing by Innospec, the Items shall fully comply with the drawings.

### **17. Delivery of Goods**

- 17.1 Goods shall be delivered by the Completion Date and in any manner specified in the Order.

- 17.2 Goods which are supplied earlier than the specified delivery dates will not be accepted or paid for by Innospec unless so agreed by Innospec in writing.
- 17.3 Unless otherwise stated in the Order: (a) the Supplier shall be responsible for and bear the cost of packaging, labelling, loading, carriage and/or off-loading of Goods; and (b) Goods shall be delivered to Innospec's usual place of business or the place designated by Innospec during a Working Day.
- 17.4 When Sale Goods are delivered to Innospec in bulk, their weight as measured on Innospec's weighbridge shall (in the absence of manifest error) be deemed conclusive as to the weight of Sale Goods actually delivered.
- 17.5 Innospec reserves the right to mark Sale Goods immediately on delivery, for the purposes of security. Notwithstanding any such marking or any signature on Innospec's behalf for receipt of Goods in good order, Innospec shall not be deemed to have accepted Goods until it has had 30 days following delivery to inspect them or, if later, within a reasonable time after any latent defect in Goods has become apparent. The Supplier shall not be entitled to raise any objection on the grounds of such marking or such signature to any subsequent rejection of Goods by Innospec.
- 17.6 Unless otherwise agreed by Innospec in writing, all packaging and labelling in respect of Sale Goods shall be supplied at no extra cost to Innospec. Such packaging will not be returned to the Supplier unless Innospec specifies otherwise, in which case the Supplier shall promptly remove the relevant packaging at no cost to Innospec and shall be fully responsible for its disposal.
- 17.7 The Supplier shall provide with each delivery of Goods a prominent delivery note stating the Order number, the number of packages, the contents, quantities and (in the case of part delivery) the outstanding balance remaining to be delivered.
- 17.8 If Goods are delivered to Innospec in excess of the quantities specified in the Order, Innospec shall not be bound to pay for the excess, which will be at the Supplier's risk and be returnable to the Supplier (at the Supplier's risk and expense).
- 17.9 In the case of Hire Goods, the applicable hire period shall commence when the relevant Hire Goods are delivered by the Supplier or, where Hire Goods are to be collected by Innospec, on the date of such collection.
- 17.10 Hire Goods may at any time be moved by Innospec to any location. Whenever reasonably requested by the Supplier, Innospec shall inform the Supplier of the location of Hire Goods.
- 17.11 Where Hire Goods are hired for an indefinite period and are to be collected by the Supplier at the end of the hire period, the relevant hire period shall end as soon as Innospec notifies the Supplier that the Hire Goods are ready for collection (and, for the avoidance of doubt, the relevant hire charges will cease to be applicable in respect of any period after such notice has been given). For the purposes of this clause 17.11, such notice may be given by or on behalf of Innospec verbally or by electronic mail or by other reasonable means.

### **18. Title and Risk**

- 18.1 Title in Sale Goods shall pass to Innospec on delivery. Risk in Sale Goods shall remain with the Supplier until acceptance by Innospec.
- 18.2 Title and (save as provided in clause 10) risk in Hire Goods shall remain with the Supplier at all times.

### **19. Hire of Goods**

- 19.1 Unless otherwise stated in the Order or agreed by Innospec in writing, the Supplier shall throughout the hire period (and at no extra cost to Innospec) supply all fuel, oil, grease and other consumables for Hire Goods, and all tyres required to be replaced on Hire Goods through fair wear and tear or faulty manufacture.
- 19.2 Innospec shall not be required to pay for any period during which Hire Goods are subject to breakdown, maintenance or repair (except where caused or necessitated by Innospec) and the amount of the Supplier's charges shall be adjusted accordingly. For the purposes of this clause 19.2, where two or more items of Hire Goods are hired together as one working unit or group, the period of breakdown, maintenance or repair of any one such item shall be deemed to apply also to all other items of Hire Goods forming part of such working unit or group.
- 19.3 Save as provided in clause 19.4 (and unless otherwise stated in the Order or agreed by Innospec in writing), the Supplier shall at its own cost provide all maintenance of and repairs to Hire Goods which are required to keep Hire Goods in good full working order throughout the hire period.
- 19.4 Innospec shall make good to the Supplier all damage to Hire Goods which is caused by Innospec (other than fair wear and tear).
- 19.5 The Supplier shall promptly and properly undertake any maintenance or repairs to Hire Goods which are to be undertaken by it pursuant to these Terms.
- 19.6 Innospec shall inform the Supplier as soon as reasonably practicable of any breakdown or unsatisfactory working of Hire Goods. Notwithstanding clauses 19.2 and 19.3, Innospec shall be entitled (but not obliged) to repair any punctures in tyres on Hire Goods without the prior authority of the Supplier.

## **SECTION C – Purchase of Services**

### **20. Standards of Services**

- 20.1 Services shall:
- 20.1.1 conform strictly with the requirements stated in the Order and/or in any applicable instruction or specification supplied or advised by Innospec to the Supplier;
- 20.1.2 be provided in accordance with the Laws;
- 20.1.3 be provided using all due care, skill and diligence in accordance with best industry practice and to the highest standards of performance which are practised in any industry in which services similar to the Services are carried out; and

- 20.1.4 in respect of any applicable subject matter of Services, produce an end result which is capable of meeting any function and/or standard of performance which has expressly or by implication been made known to the Supplier.
- 20.2 All Employees who are engaged in the provision of Services at any time shall possess suitable skills, qualifications, competency and experience and shall, whilst engaged in the provision of Services:
- 20.2.1 comply with Innospec's reasonable directions and co-operate fully with Innospec's employees and contractors;
- 20.2.2 observe any relevant policies of Innospec; and
- 20.2.2 maintain strict discipline and good order and shall not engage in behaviour or activities which are or could be detrimental to Innospec's business or reputation.
- 20.3 Innospec reserves the right to require the Supplier to remove from the Site all or any Employees who do not comply with the provisions of clause 20.2. The Supplier shall provide replacements for such Employees as soon as reasonably practicable and at no extra cost to Innospec. Any request by Innospec to remove Employees pursuant to this clause 20.3 shall be without liability to the Supplier and shall not remove or diminish any of the Supplier's obligations under the Contract.

## 21. Provision of Services

- 21.1 Services shall be undertaken in any manner and times specified in the Order.
- 21.2 The Supplier shall provide competent supervision of the Services and shall provide a lead person who shall be authorised on behalf of the Supplier to receive and act upon any directions and instructions from Innospec.
- 21.3 The Supplier shall not at any time interfere in any way with the business or other operations of Innospec, its employees and contractors.
- 21.4 In rendering the Services to Innospec as an independent contractor, the Supplier shall not be under the supervision or control of Innospec with respect to the details, manner or means of performance except to the limited extent set forth in this Agreement.
- 21.5 The Supplier shall keep true, full and accurate records of all things done (and, where appropriate, all expenses incurred) in relation to the provision of the Services. Innospec shall be entitled (free of charge) to inspect and take copies of such records on request.
- 21.6 The Supplier shall be responsible for providing (at its own expense) all necessary accommodation, office facilities, equipment, materials, administration, transport and support services and such other facilities as shall be necessary or desirable for the provision of the Services.
- 21.7 If, in respect of Services, any part of the Price shall be calculated by reference to hourly, daily or weekly rates (as the case may be), then the level and number of staff to be utilised by the Supplier shall be subject to prior written agreement with Innospec.

## 22. Title and Risk

- 22.1 Title in any product of the Services (including all Intellectual Property Rights) shall pass to Innospec on delivery. Risk in any product of the Services shall remain with the Supplier until acceptance by Innospec.

## SECTION D – Purchase of Works

### 23. Standards of Works

- 23.1 Works shall:
- 23.1.1 conform strictly with the requirements stated in the Order and/or in any applicable instruction, drawing or specification supplied or advised by Innospec to the Supplier;
- 23.1.2 be provided in accordance with the Laws;
- 23.1.3 be provided using the best quality materials and workmanship;
- 23.1.4 be provided using all due care, skill and diligence in accordance with best industry practice and to the highest standards of performance which are practised in any industry in which services similar to the Works are carried out; and
- 23.1.5 in respect of any applicable subject matter of Works, produce an end result which is capable of meeting any function and/or standard of performance which has expressly or by implication been made known to the Supplier.
- 23.2 All Employees who are engaged in the provision of Works at any time shall possess suitable skills, qualifications, competency and experience and shall, whilst engaged in the provision of Works:
- 23.2.1 comply with Innospec's reasonable directions and co-operate fully with Innospec's employees and contractors; and
- 23.2.2 maintain strict discipline and good order and shall not engage in behaviour or activities which are or could be detrimental to Innospec's business or reputation.
- 23.3 Innospec reserves the right to require the Supplier to remove from the Site all or any Employees who do not comply with the provisions of clause 23.2. The Supplier shall provide replacements for such Employees as soon as reasonably practicable and at no extra cost to Innospec. Any request by Innospec to remove Employees pursuant to this clause 23.3 shall be without liability to the Supplier and shall not remove or diminish any of the Supplier's obligations under the Contract.

### 24. Provision of Works

- 24.1 Works shall be undertaken in any manner specified in the Order.
- 24.2 All equipment to be used by the Supplier in the provision of Works shall be kept in a good and safe operating condition at all times. All equipment and materials to be so used by the Supplier shall comply, and be used in accordance with, the Laws. The Supplier shall be responsible for ensuring that such equipment and materials are adequately protected against theft, adverse weather and (to the extent practicable) other loss or damage.
- 24.3 The Supplier shall effect Performance in a clean and tidy manner and shall keep such part of the Site on which Works are being performed reasonably

clean and tidy at all times. Without prejudice to the foregoing, the Supplier shall, on completion of Works and whenever required by Innospec, forthwith clear away and remove from the Site its rubbish of every kind and any surplus materials and equipment. The Supplier shall ensure that all such rubbish, materials and equipment are removed and (where relevant) disposed of with due diligence and in accordance with the Laws.

- 24.4 The Supplier shall not at any time interfere in any way with the business or other operations of Innospec, its employees and contractors.

- 24.5 The Supplier shall provide a competent supervisor who shall be available on the Site at all times during which Works are being undertaken and who shall be authorised on behalf of the Supplier to receive and act upon any directions and instructions from Innospec.

- 24.6 Unless otherwise specified by Innospec in writing, Innospec will provide, at no cost to the Supplier and to the extent necessary to enable the Supplier to undertake Works, water and electricity from such points on the Site (and, in the case of electricity, alternating current at such voltages) as shall be specified by Innospec. All connections to such water and electricity shall be the responsibility of the Supplier and must be approved by Innospec in advance of the relevant Works commencing (but such approval shall not relieve the Supplier of any responsibility in respect of such connections). The Supplier shall provide, install and maintain such temporary facilities as may be required to enable Works to be carried out in a safe and proper manner (including, for the purpose of illustration but without limitation, adequate lighting). Upon completion of Works (or on any earlier termination of the Contract), the Supplier shall remove such connections and facilities and make good any damage caused by such removal.

- 24.7 If, in respect of Works, any part of the Price shall be calculated by reference to day work rates, then the number of staff to be utilised by the Supplier shall be subject to prior written agreement with Innospec.

## 25. Title and Risk

- 25.1 Title in Works shall pass to Innospec on delivery. Risk in Works shall remain with the Supplier until acceptance by Innospec.

- 25.2 All materials, plant and equipment removed from the Site by the Supplier in the course of providing Works shall remain the property of Innospec unless Innospec specifies otherwise (in which case the property therein shall transfer to the Supplier and the Supplier shall be fully responsible for the disposal thereof).

## 26. Safety Obligations

- 26.1 The Supplier shall be responsible for the management of operations and the execution of Works at the Site, including health and safety matters. Prior to the commencement of Works, the Supplier will prepare, to the extent required by the Laws, a risk assessment, method statement and a suitable health and safety plan. The Supplier shall provide copies of such risk assessment and health and safety plan whenever requested by Innospec (which Innospec shall be entitled to copy and provide to all relevant third parties).

- 26.2 The health and safety plan to be prepared by the Supplier pursuant to clause 26.1 shall address (without limitation):

- 26.2.1 arrangements for fulfilling the Supplier's health and safety duties;
- 26.2.2 the approach to be adopted for managing health and safety in respect of Works;
- 26.2.3 the technical and managerial approach to be adopted for controlling and dealing with the risks identified in the risk assessment undertaken by the Supplier (which approach shall include ongoing development and implementation of the health and safety plan);
- 26.2.4 arrangements for monitoring compliance with Laws relating to health and safety; and
- 26.2.5 mechanisms for effecting modifications to the health and safety plan as Works proceed, according to information received from Innospec and the experience of, and information received from, Employees engaged in the provision of Works.

- 26.3 The Supplier shall provide for Employees engaged in the provision of Works all necessary information and training on health and safety, risks thereto and related issues.

- 26.4 The Supplier shall ensure that only persons who are authorised by Innospec or the Supplier as being required to be present by the nature of their duties have access to areas where Works are being performed. Notification of exclusion of all other persons shall be undertaken by the Supplier in the form of signs and/or barriers, or other further reasonable security measures. Consideration shall be given at all times for necessary rights of way and access for emergencies.

- 26.5 Without prejudice to any of the other provisions of this clause 26, all Employees engaged in the provision of Works shall (a) be issued by the Supplier, at its own cost, with all protective clothing and equipment as may be deemed appropriate by Innospec (in its absolute discretion); and (b) undergo medicals whenever reasonably required by Innospec.

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