



We create chemistry

BASF Kanoo Polyurethanes LLC

بي ايه اس اف كانو بوليوريثان ذ م م

## General Condition of Sale

### 1 Scope of application

All supplies and the services associated with them shall be provided exclusively on the basis of these General Conditions of Sale. References made by Buyer to his general terms and conditions are hereby rejected. Seller's General Conditions of Sale shall also apply to all future business. Deviations from these General Conditions of Sale require the explicit written approval of the Seller.

### 2. Offer and acceptance

Seller's quotations are not binding offers but must be seen as invitations to Buyer to submit a binding offer. The contract is concluded by Buyer's written order (offer) and Seller's written acceptance. In case the acceptance differs from the offer, such acceptance constitutes a new non-binding offer of Seller.

### 3. Product quality, specimens and samples, guarantees

3.1 Unless otherwise agreed, the quality of the goods due contractually is exclusively determined by Seller's product specifications valid at the time of delivery. In case the European Chemicals Regulation REACH is applicable, identified uses under the European Chemicals Regulation REACH relevant for the goods shall neither represent an agreement on the corresponding contractual quality of the goods nor the designated use under this contract.

3.2 The properties of specimens and samples are binding only insofar as it has been explicitly agreed to define the quality of the goods.

3.3 Quality and shelf-life data as well as other data constitute a guarantee only if they have been agreed in writing and designated as such.

### 4. Advice

Any advice given by Seller is given to the best of his knowledge. Advice and information with respect to suitability and application of the goods is not binding and shall not relieve Buyer from undertaking his own investigations and tests with regards to the suitability of the goods supplied for the processes and purposes he intends to use them for.

### 5. Prices

5.1 If Seller's prices or Seller's terms of payment are generally altered between the date of contract and delivery, Seller may apply the price or the terms of payment in effect on the date of delivery. In the event of a price increase, Buyer is entitled to withdraw from the contract by giving notice to Seller within 14 days after notification of the price increase.

5.2 For delivery and performance within the EU, before the VAT is implemented, the Buyer must inform the Seller of his respective VAT identification number under which he pays taxes on his earnings within the EU.

For delivery and performance from the Federal Republic of Germany to countries outside the EU, which are not carried out or commissioned by the Seller, the Buyer has to provide the Seller with the proof of exportation necessary for taxation purposes. If this proof is not provided, then he must additionally pay for the VAT to be levied on performance within Germany on the amount invoiced.

### 6. Delivery

Delivery shall be effected in accordance with the trade terms set out in the individual contract, for which the version of the INCOTERMS in force on the date the contract is concluded is applicable. Providing no express agreement has been reached, deliveries are made carriage paid to named port of destination (CPT).

### 7. Damage in transit

Notice of claims arising out of damage in transit must be lodged by Buyer directly with the carrier within the period specified in the contract of carriage and Seller shall be provided with a copy thereof.

### 8. Compliance with legal requirements

Unless specifically agreed otherwise, Buyer is responsible for compliance with all laws and regulations regarding import, transport, storage and use of the goods.

### 9. Delay in payment

9.1 Failure to pay the purchase price by the due date constitutes a fundamental breach of contractual obligations.

9.2 In the event of a default in payment by Buyer, Seller is entitled to charge interest on the amount outstanding at the rate of 12 percent at the time the payment is due.

### 10. Buyer's rights regarding defective goods

10.1 Seller must be notified of any defects discovered during routine inspection within four weeks of receipt of the goods; other defects must be reported within four weeks after they are discovered. Notification must be in writing and must precisely describe the nature and extent of the defects.

10.2 If the goods are defective and Buyer has duly notified Seller in accordance with item 10.1, Buyer has statutory rights to the following measures:

a) Seller initially has the right to choose whether to remedy the defect or supply Buyer with non-defective replacement goods (subsequent performance).

b) Seller may make two attempts at subsequent performance. Should these fail or cause unreasonable convenience to Buyer, the latter may either withdraw from the contract or demand a reduction in the purchase price.

c) With regard to claims for compensation, including compensation for unproductive expenditure on a defect, item 11 applies.

10.3 Buyer's claims for defective goods are subject to a limitation period of one year from receipt of the goods.

In the following cases, the legal limitation periods apply instead of the one-year limitation period:

a) Liability for an intentionally caused defect,

b) Fraudulent concealment of a defect,

c) Claims against Seller relating to the defectiveness of goods that when applied to a building in the normal manner caused it to be defective,

d) Claims for injury to life and limb and damage to health caused by negligent breach of duty on the part of Seller, or intentional or negligent breach of duty on the part of Seller's legal representative or vicarious agent,

e) Claims for other damage caused by grossly negligent breach of duty on the part of Seller, or intentional or grossly negligent breach of duty on the part of Seller's legal representative or vicarious agent,

f) In the event of a Buyer's recourse claim based on consumer goods purchasing regulations.

BASF Kanoo Polyurethanes Limited Liability Company established pursuant to Federal Law No. 8 of 1984 with a paid up share capital of AED 1 Million

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**11. Liability**

11.1 As far as permitted by law, the liability of Seller for damages in relation to this contract shall be excluded.

11.2 Seller is not liable to Buyer in case of impossibility or delay in the performance of its supply obligations if the impossibility or the delay is due to orderly compliance of regulatory and legal obligations in connection with the European Chemicals Regulation REACH being triggered by Buyer.

**12. Set off**

Buyer may only set off claims from Seller against an undisputed or adjudicated counterclaim.

**13. Security**

If there are reasonable doubts as to Buyer's ability to pay, especially if payments are in arrears, Seller may, subject to further claims, revoke credit periods and make further deliveries dependent on advance payments or other security.

**14. Retention of title**

14.1 The goods shall remain the property of the Seller until the purchase price has been paid in full.

14.2 On account of the retention of title, Seller may reclaim the goods even if he has not yet withdrawn from the contract.

14.3 If the value of securities exceeds the claims the Seller has against the Buyer by more than 10%, then on demand by the Buyer, the Seller shall release securities to this extent as selected by the Seller.

**15. Force majeure**

To the extent, any incident or circumstance beyond the Seller's control (including natural occurrences, war, strikes, lock-outs, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, acts of government) reduces the availability of goods from the plant from which the Seller receives the goods such that Seller cannot fulfil its obligations under this contract (taking into account on a pro rata basis other supply obligations). Seller shall (i) be relieved from his obligations under this contract to the extent Seller is prevented from performing such obligations and (ii) have no obligation to procure goods from other sources. The first sentence does also apply to the extent such incident or circumstance renders the contractual performance commercially impractical for Seller over a long period or occurs with suppliers of Seller. If the aforementioned occurrences last for a period of more than 3 months, Seller is entitled to withdraw from the contract without the Buyer having any right to compensation.

**16. Place of payment**

Regardless of the place of delivery of goods or documents, the place of payment shall be Seller's place of business.

**17. Communication**

Any notice or other communication required to be received by a party is only effective at the moment it reaches this party. If a time limit has to be observed, the notice or other communication has to reach the recipient party within such time limit.

**18. Place of performance, Arbitration Clause**

The place of performance for the delivery is the Seller's respective point of dispatch. If a dispute arises which cannot be settled amicably it shall be settled by arbitration in accordance with the provisions set forth under the Dubai International Arbitration Centre (DIAC) Arbitration Rules (the Rules), by three arbitrators appointed in compliance with the rules. The place of arbitration shall be Dubai and venue to hold arbitration proceedings shall be in the premises of the DIAC. The language of arbitration shall be English.

**19. Applicable law**

The law of the United Arab Emirates (UAE) as well as the law of the Emirate in which the place of performance is located is also applicable. The conclusion of this contract is exclusively subject to UAE law excluding the CISG.

**20. Contract language**

If these General Conditions of Sale are made known to Buyer in another language, in addition to the language in which the sales contract has been concluded ("Contract Language"), this is merely done for Buyer's convenience. In case of differences of interpretation, the version in the Contract Language shall be binding.

**21. Validity of these conditions**

If any provision of these General Conditions of Sale shall become invalid, the remainder of these General Conditions of Sale shall not be affected.

Edition: September 2008

**BASF Kanoo Polyurethanes LLC**

**CUSTOMER**

Place, Date:

Place, Date:

Signature:

Signature:

Name:

Name:

Title:

Title:

Place, Date:

Place, Date:

Signature:

Signature:

Name:

Name:

Title:

Title:

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