

General Terms of Sales

1. Transaction terms

The Products, Specifications, price, terms of payment, delivery terms, Material Safety Data Sheets (MSDS) shall be as specified in the Quotation and/or written confirmation of order (hereinafter the "Quotation").

2. Quality

The Products sold and purchased hereunder based upon the Quotation shall conform to the Specifications as provided for in the Quotation.

3. Certificate of analysis

The certificate of analysis provided by the Seller reports the result of analysis of particular samples of Products, and all the Products sold and purchased under the Quotation does not necessarily have the same grades and qualities of the particular samples; provided, however, that the Products sold and purchased under the Quotation shall conform to the Specification as provided for in the Quotation.

4. Set-off

Accounts payable to be paid by the Buyer to the Seller shall be paid in cash or by way of notes, and shall not be set off against any accounts receivable from the Seller.

5. Retention of title

The Seller retains title to the Products delivered by the Seller until full payment of the accounts receivable arising hereunder. Provided, however, that the buyer may consume the Products in the normal course of its business.

6. Force majeure

- (1) The obligations of the parties hereunder shall be as provided for in the Quotation; provided, however, that if either of the parties is unable, wholly or in part, by force majeure to perform of its any obligation hereunder, such obligation shall be suspended to the extent and during the confirmation of the inability to so perform. The term "force majeure" shall mean, any cause beyond its reasonable control, including but not limited to strike, accident, plant breakdown, or shutdowns, fire, flood, earthquake, storm, war, revolution, uprising, compliance with laws, rules, or regulations, requests of any civil power, act of God, or whether or not similar to the causes herein specifically mentioned. In case of the Seller, the force majeure affecting the manufactures of the Products affiliated with the Seller shall be considered to be the force majeure affecting the Seller.
- (2) The Party declaring force majeure shall give written notice within 24 (twenty four) hours to the other Party specifying the exact nature of the intervening circumstances and its estimated duration.
- (3) Should the force majeure exceed 90 (ninety) days, either Party shall have the right to terminate the Agreement.

7. Termination of contracts

If a Party hereto falls in one of the following circumstances, the other Party can terminate this contract and/or suspend performance of its obligations, in which event the terminating Party may demand compensation of damages incurred by it but subject to the limitation of liability provided for in section 8 hereof.

- (i) The other Party falls in breach of any of material terms of contract but does not rectify the breach within 14 [fourteen] days following a written notice for rectification of the breach. If the breach cannot be rectified due to its nature, no notice for rectification is required for termination.
- (ii) The other Party's credit situation has deteriorated or is likely to deteriorate in light of its circumstances as prevailing.
- (iii) The other Party becomes insolvent, such as dishonoring its notes payable.
- (iv) The other Party becomes subject to provisional or has filed a petition for civil or corporate rehabilitation, bankruptcy, or legal action similar thereto.

8. Inspection and limitation of liability

- (1) The buyer shall, upon taking delivery of the Products, inspect the Products without delay, as required in the Quotation. If the Products do not conform to the Specification of the Products hereunder, the buyer shall give written notice upon the Seller within 72 hours from the time of delivery. In such a case, the non-conforming Products shall be replaced with the Product conforming to the Specifications, or the Products shall be returned to the Seller, with the relevant prices therefor not to be paid. The liability of the Seller shall be limited to the extent as described herein.
- (2) In all instances, the Seller shall not be liable, whether in contract or in tort, for any indirect, secondary or consequential damages, including not limited to loss of profit, loss of production, loss of market, and any cost and expenses related thereto.

9. Compliance

The Parties are aware that they have to fully comply with all applicable laws and regulations including competition laws, export control and sanctions laws and regulations as well as anti-bribery and anti-corruption laws such as, but not limited to, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and the South African Prevention and Combating of Corrupt Activities Act.

10. Partial invalidity

The legal invalidity of any of individual provisions shall not affect the validity of the Quotation.

11. Governing law

The Quotation shall be governed by the laws of Japan.

12. Competent court

The court of first instance over any dispute concerning transactions concluded under the Quotation shall be Tokyo District Court.