

**SCHEDULE 1**  
**TERMS AND CONDITIONS**

1. These Terms and Conditions of Sale are referred to herein as the "Terms." Each contract document that incorporates these Terms, together with the Terms and any schedules, exhibits or other documents incorporated by reference in such contract document, is referred to below as the "Contract." Each product referred to in the Contract is referred to below as a "Product." The Contract contains the entire and exclusive agreement between the parties regarding the sale and purchase of each Product referenced in the Contract. Unless otherwise expressly provided in the contract document, if any term, condition or other provision contained in any schedule, exhibit, or other document expressly incorporated by reference in the contract document is in any way inconsistent with or creates an ambiguity concerning the terms of the contract document or these Terms these Terms shall control. No addition to, or waiver, alteration or modification of the Contract shall be valid unless made in a writing signed by an authorized representative of each party specifically referring to the Contract. Acceptance or use by Buyer of a shipment of Product after the inception of the term specified in the Contract, but before the Contract is signed by either party or before Buyer otherwise makes a definite and timely act or expression of acceptance, shall constitute acceptance of the terms of the Contract as to that shipment but shall not in itself constitute an acceptance of the final written expression of the Contract with respect to future shipments.
2. During each calendar month during the term of the Contract, Buyer shall purchase and receive no less than 90% of 1/12th of the annual quantity estimate of Product set forth in the Contract, and Seller shall be obligated to sell and deliver no more than 110% of 1/12th of such annual quantity estimate. If no estimated quantity is included, it is intended that Buyer will order Product in approximately level quantities over the term. Seller may require at least 30 days' prior notice of quantities to be delivered during each calendar month. In the event Buyer purchases less than the above-stated minimum quantity of Product during any calendar month (for reasons other than those excused under Section 5 below), Seller may, without limiting any other legal remedies that may be available to Seller, reduce the quantity of Product Seller is obligated to supply during each succeeding calendar month of the term of the Contract to an amount equal to 110% of such lesser quantity. If no monthly quantity is specified in the Contract, Seller may limit the quantity to be supplied in any month to the lesser of the minimum annual volume divided by twelve or the average of the monthly quantities shipped during the expired months of the Contract.
3. Buyer's obligation to pay the price shall arise at the moment Seller ships the Product to Buyer and Buyer shall pay the price in full without deduction for set off or counterclaim on the due date. At any time during the term of the Contract, Seller may adjust the purchase price of any Product. The purchase price applicable to any order accepted under the Contract shall be the price in effect on the date of shipment. In addition to the purchase price, Buyer shall pay Seller any and all governmental taxes, charges or duties of every kind (excluding any tax based upon Seller's income) that Seller may be required to pay with respect to the production, processing, transportation, export, import, storage, delivery, sale, or promotion of Product, and with respect to any material(s) used in the manufacture of Product. If requested by Seller, Buyer shall, within 10 days of that request, provide Seller with proof of such payment at the time that each such payment is made. Buyer shall provide Seller, on request, with properly completed exemption certificates for any tax or duty from which Buyer claims exemption.
4. Payment for the full amount of each invoice shall be made to Seller, addressed as indicated on invoice, in United States currency. All claims by Buyer shall be made by written notice to Seller in accordance with the provisions of Section 8 of these Terms, and no offset or deduction from any invoice is permitted. Acceptance by Seller of bank draft, check, or other media of payment is subject to immediate collection of the full face amount thereof. If payment is not received by Seller when due, any outstanding amount shall bear interest at the monthly rate of 1% (12.7% per year) payable on the first day of default and on the first day of every month thereafter until paid in full. Seller may, at its sole discretion, grant credit to the Buyer in respect of Product purchased hereunder upon such terms and conditions as Seller may establish from time to time. In addition, if at any time the financial responsibility of Buyer, or the credit risk involved, shall become unsatisfactory to Seller, Seller may demand immediate payment of all indebtedness outstanding, suspend deliveries or require cash or other satisfactory security prior to subsequent shipments or deliveries hereunder. The election by Seller to require such cash or security shall not affect the obligation of Buyer to take and pay for the contracted materials. Buyer agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by Seller in the collection of any sum payable by Buyer to Seller. Notwithstanding any provision in the Contract, Seller shall have no obligation to pay any rebate, issue any credit or make any other payment of any kind to Buyer unless Buyer is fully in compliance with its payment and other obligations under the Contract and any other contractual obligation in favor of Seller. In addition, in the event that Buyer fails to make any payment when due, Seller shall have the right to offset any and all outstanding payment obligations or other indebtedness of Buyer to Seller against any outstanding payment obligations or other indebtedness that Seller or any of its affiliates may owe Buyer.

Seller may assign, sub-let, sub-contract or novate all or any part of its rights, liabilities or obligations under the Terms or the Contract without Buyer's written consent to a third party. Without limiting the foregoing, Buyer is notified and agrees that all amounts which become payable by Buyer as price for Product are sold by Seller to INEOS Styrolution Receivables Finance

Designated Activity Company and Buyer agrees that Seller may transfer and disclose data related to such receivable to a third party purchaser of the receivable, including a third party abroad.

If Buyer breaches any term of the Contract or any other contractual obligation in favor of Seller, (a) Seller may choose to defer any or all further shipments or other performance under the Contract and performance of any other contractual obligation in favor of Buyer until Buyer cures its breach, and (b) Seller may, by delivery of written notice to Buyer describing the breach, immediately terminate the Contract and any other contractual obligation to Buyer; provided that Buyer shall have ten (10) days after receipt of the written notice to reinstate the Contract (and any other terminated contractual obligations) by curing the breach. In the event of a termination, all outstanding payment obligations or other indebtedness of Buyer to Seller shall be due and payable no later than fifteen (15) days after delivery of notice of termination, subject to the right of reinstatement.

5. Failure of Seller to make, or Buyer to take, any one or more deliveries when due, if caused by (a) fire, storm, flood, strike, lockout or other labor trouble, explosion, accident, act of war or terrorism, riot, civil commotion, embargo, interference with the usual means of transporting Product, or similar circumstances, (b) any regulation, law, or restriction of any governmental department, commission, board, bureau, agency, court, or other instrumentality of any supranational organization of sovereign states, country, state, province, territory, commonwealth, municipality, or other political subdivision thereof (a "Governmental Authority"), any seizure or requisition of Product by any Governmental Authority, or any compliance with a demand or request for such Product for purposes of national or supranational defense, (c) inability of Seller to obtain any required raw material, energy source, equipment, labor or transportation, at prices and on terms deemed (by Seller) to be practicable, from Seller's usual sources of supply, or (d) any other cause or contingency beyond the reasonable control of that party (whether or not of the same kind or nature as the causes or contingencies above enumerated and including but not limited to mechanical breakdown and plant shutdown), shall not subject the party failing to perform to any liability to the other during the period such inability to make or take delivery shall exist. Quantities so affected may, at the option of either party, be eliminated from the Contract without liability, but the Contract shall remain otherwise unaffected. In the event of Seller's inability, for any reason, to supply the quantities of Product contemplated by the Contract, Seller may allocate its available supply among its purchasers, including departments and divisions of Seller, on such basis as Seller may deem fair and practical without liability to Buyer for any failure of performance that may result therefrom.
6. Seller will provide and/or make available to Buyer a Material Safety Data Sheet (MSDS) for each Product delivered to Buyer. The MSDS sets forth information concerning such Product and describe precautions, if required, to be taken in the transportation, delivery, unloading, discharge, storage, handling and use of such Product. Buyer will familiarize itself with all information and precautions, including but not limited to such related to safety and health, contained in MSDSs or otherwise transmitted to Buyer by Seller at any time. Buyer will instruct its employees, agents, contractors, customers or any third party which may be exposed to the Product about such information and precautions and make available copies thereof to such parties. Buyer assumes full liability and responsibility for compliance with the above-referenced information and precautions, and with all laws, statutes, ordinances and regulations of any Governmental Authority applicable to the processing, transportation, delivery, unloading, discharge, storage, handling, sale and use of each Product including, without limitation, the Foreign Corrupt Practices Act and United States export control laws; in particular, without limiting the generality of the foregoing, Buyer shall not resell or ship to persons on the Denied Parties List or located within Embargoed Countries (in both cases as defined under the referenced export control laws). Buyer further agrees to protect, defend and hold harmless Seller from and against all claims, demands, causes of action, damages, losses, liabilities, costs, expenses (including reasonable attorneys' fees), penalties, and judgments associated with the processing, transportation, delivery, unloading, discharge, storage, handling, sale or use of any Product after delivery which is (i) inconsistent with any information provided to Buyer or (ii) in violation of any applicable law, statute, ordinance or regulation of any Governmental Authority. Seller assumes no liability for failure of discharge or unloading implements or materials used by Buyer whether or not supplied by Seller.

**ANY TECHNICAL ADVICE FURNISHED OR RECOMMENDATION MADE BY SELLER OR ANY REPRESENTATIVE THEREOF CONCERNING ANY USE OR APPLICATION OF ANY PRODUCT IS BELIEVED TO BE RELIABLE BUT SELLER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO ITS ACCURACY OR COMPLETENESS OR OF THE RESULTS TO BE OBTAINED. WITH REGARD TO ANY PROCESSING OF ANY PRODUCT, BUYER ASSUMES FULL RESPONSIBILITY FOR QUALITY CONTROL, TESTING AND DETERMINATION OF SUITABILITY OF PRODUCT FOR ITS INTENDED APPLICATION OR USE.**

7. **SELLER MAKES NO WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, BY FACT OR LAW, OTHER THAN SELLER'S (I) OBLIGATION TO DELIVER PRODUCT COMPLYING WITH SELLER'S PUBLISHED SPECIFICATIONS (OR AS OTHERWISE REFERENCED IN THE CONTRACT) AND (II) IMPLIED WARRANTIES OF TITLE, FREEDOM FROM ENCUMBRANCE, AND RIGHT TO TRANSFER SAME. SELLER MAKES NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTY OF MERCHANTABILITY OTHER THAN AS STATED HEREIN.**
8. **SELLER'S TOTAL LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION ASSOCIATED WITH THE CONTRACT, WHETHER BASED IN TORT, CONTRACT, STRICT LIABILITY OR ANY OTHER LEGAL THEORY IS EXPRESSLY LIMITED TO REPLACEMENT OF NONCONFORMING PRODUCT OR PAYMENT IN AN AMOUNT NOT TO EXCEED THE PURCHASE PRICE OF THE SPECIFIC PRODUCT FOR WHICH DAMAGES ARE CLAIMED, AT SELLER'S**

**OPTION. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY OTHER DAMAGES INCLUDING, WITHOUT LIMITATION, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES.**

**BUYER SHALL INSPECT THE PRODUCT SUPPLIED HEREUNDER IMMEDIATELY AFTER DELIVERY. EXCEPT FOR CLAIMS FOR SHORTAGE, BUYER'S FAILURE TO GIVE NOTICE TO SELLER OF ANY CLAIM WITHIN THIRTY (30) DAYS AFTER THE DATE OF DELIVERY SHALL CONSTITUTE UNQUALIFIED ACCEPTANCE OF THE PRODUCT AND A WAIVER BY BUYER OF ALL CLAIMS WITH RESPECT THERETO. CLAIMS FOR SHORTAGES MUST BE RECEIVED BY SELLER IN WRITING WITHIN FORTY-EIGHT (48) HOURS AFTER DELIVERY OF PRODUCTS. SELLER SHALL BE GIVEN A REASONABLE OPPORTUNITY TO INSPECT ANY SHIPMENT CLAIMED BY BUYER TO CONTAIN A SHORTAGE.**

**BUYER'S FAILURE TO COMMENCE ANY CAUSE OF ACTION RELATED TO THE PRODUCT OR OTHERWISE ARISING UNDER THE CONTRACT WITHIN ONE YEAR AFTER THE DATE OF DELIVERY SHALL CONSTITUTE A WAIVER BY BUYER OF ANY OTHERWISE APPLICABLE STATUTE OF LIMITATIONS AND FOREVER BAR ALL RIGHTS TO COMMENCE ANY CAUSE OF ACTION WITH RESPECT THERETO.**

9. Seller warrants that the process or processes of manufacture of the Product and the Product itself does not infringe any U.S. patents. Since Seller has no control over Buyer's (or others') use, disposition, subsequent processing, admixing or reaction of any Product with other products, chemicals or materials, Buyer assumes the entire liability and responsibility therefore and agrees to protect, defend and hold harmless Seller from and against all claims associated therewith including, without limiting the generality of the foregoing, claims associated with infringement of any third party's intellectual property rights, patents on processes practiced by Buyer or patents on products made by Buyer.
10. **BUYER WILL INDEMNIFY SELLER AGAINST ANY LIABILITY (WHETHER STRICT OR OTHERWISE) FOR ANY CLAIM, LOSS OR EXPENSE, DIRECT OR INDIRECT, ON ACCOUNT OF ANY INJURY, DISEASE OR DEATH OF ANY PERSON (INCLUDING BUYERS EMPLOYEES) OR DAMAGE TO PROPERTY (INCLUDING BUYERS) ARISING OUT OF BUYERS TRANSPORTATION, STORAGE, HANDLING, SALE, USE IN ANY MANUFACTURING PROCESS OR DISPOSAL OF THE PRODUCT.**
11. Seller will deliver Product to the delivery point specified in the Contract or the delivery point stated by Seller at the time Seller confirms Buyer's order. If place of delivery is ambiguous or not stated, delivery of Product shall be at that facility of Seller or a third party where Product is finished or stored. Risk of loss of Product shall pass to Buyer when the Product is transferred to the custody of the first carrier engaged to deliver Product to the delivery point. Upon arrival and placement of the railcar, bulk truck, or other delivery vehicle (the "Equipment") at the delivery point, Buyer will be responsible for promptly unloading the Equipment in a manner that does not damage the Equipment, and for promptly releasing the Equipment empty and in a condition suitable for loading by Seller. Buyer shall make no use of such Equipment other than Buyer may use, subject to any demurrage or detention charges, the Equipment for temporary storage of Product at the delivery point only while promptly unloading. Without limiting the foregoing, Buyer shall not use such Equipment to transport or store any other products. At no time prior to the empty return to Seller of any railcar used to deliver Product shall Buyer cause the railcar to be transported to any other location without the express prior written consent of Seller. All movement or temporary storage of any such railcar shall be at the risk and expense of Buyer and Buyer shall indemnify and hold Seller harmless from any claims, costs, expenses or damages arising from the unloading, movement, or temporary storage or other use of the railcar prior to its empty return to Seller.
12. The Contract shall bind and inure to the benefit of the successors and assigns of the respective parties. In order that the parties may fully exercise their rights and perform their obligations arising under the Contract or these Terms, any provisions of the Contract or the Terms that are required to ensure such exercise or performance (including any obligation accrued as of the termination date) shall survive the termination of the Contract or the Terms.
13. The Contract shall take effect and be construed in accordance with the laws of the Province of Ontario for Product delivered in Canada and the laws of the State of Illinois, USA for product delivered in the United States or elsewhere, but excluding any conflict of laws principles or the provisions of the United Nations Convention on Contracts for the International Sale of Goods and the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended. Failure of either party to exercise any right it has under the Contract on one occasion shall not operate or be construed as a waiver by such party of its right to exercise the same right on another occasion or any other rights it has. Any waiver must be in a writing signed by the waiving party. In the event that any provision of the Contract shall be adjudicated to be invalid or unenforceable, it is the parties' intent that the remaining provisions of the Contract will remain in full force and effect, and the affected provision or portion thereof will be deemed modified so that it is enforceable to the maximum extent permissible to reflect as closely as possible the economic intentions of the parties as evidenced from the provisions of the Contract. Nothing in the Contract shall be construed as creating any direct or beneficial right in or on behalf of any third party.