

CABOT CORPORATION
STANDARD TERMS AND CONDITIONS OF SALE
FOR SOUTH AMERICA

1. Contract Formation

In the absence of a written agreement to the contrary executed by Cabot Corporation or one of its affiliates or subsidiaries ("Seller"), these terms and conditions shall apply to every sale of goods ("Products") between Seller and the party purchasing goods ("Buyer") and shall survive any termination (by mutual agreement or otherwise) of this agreement. A quotation by Seller does not constitute an offer and Seller reserves the right to withdraw or revise any quotation prior to time of its acceptance of an order from Buyer. The contract shall be formed at the time when Buyer's order is confirmed in writing by Seller or delivery of the Products is made by Seller.

2. Price

The price for Products shall be the price quoted by Seller to Buyer or, when no price is quoted, the Seller's list price at date of delivery, unless otherwise agreed in writing by the parties. All prices quoted shall be exclusive of sales tax, value added tax or other applicable taxes, tariffs, duties or charges which are payable by Buyer; except that, unless as otherwise quoted by Seller, sales from, to and solely within locations in the country of Brazil are at prices inclusive of such applicable taxes. Seller may increase or decrease its prices at any time. New prices shall apply to Products not yet delivered provided Seller has notified Buyer in writing, who shall have ten (10) days prior to delivery to cancel further deliveries at such increased price by sending a written cancellation to Seller (or to Seller's designated regional or other customer care center) without being entitled to any damages from Seller. Unless otherwise specifically agreed in writing, Buyer shall be responsible for payment of (and shall reimburse Seller if Seller has paid) all freight.

Any tax, tariff, duty or charge which Seller may be required to pay or collect, now or hereafter imposed by any governmental authority or agency, foreign or domestic, with respect to the sale, purchase, production, processing, storage, delivery, transportation, use, or consumption of any of the products or services covered hereby, including all taxes upon or measured by receipts from sales or services, shall be for the account of Buyer, and any such charges may be added by Seller as a separate item to Seller's invoices.

3. Delivery

Seller shall not be required to deliver in any month more than the monthly quantities specified, and in no event more than the monthly pro rata amount of the whole quantity covered by this agreement. In the event of failure of Buyer to take pro rata quantity in any month, such deliveries or parts thereof may be canceled or included in subsequent deliveries at Seller's option. If Buyer fails to fulfill terms of purchase or payment under this agreement, Seller may defer further shipments without notice until such default is made good, or may treat such default as a final refusal by Buyer to accept further shipments. Each delivery under this agreement shall be deemed to be a separate transaction, and the cancellation or rejection of any delivery shall not affect the rights and obligations of the parties under the agreement as a whole.

Unless otherwise specifically provided herein, delivery shall be F.O.B. point of shipment, all risk of loss shall pass to Buyer upon delivery to carrier or into Buyer's transports, and Buyer shall be responsible for obtaining and paying for insurance (including war risk insurance) if desired. Product shall be shipped in the manner and route of transportation Seller decides. Dates proposed by Seller for delivery are approximate and Seller shall not be liable for any delay in delivery of Products. Time for delivery shall not be of the essence.

4. Payment

All invoices are payable in full without any setoff or deduction on the due date indicated in Seller's invoice and payable in the currency specified in the invoice, free of exchange collection, or other charges. If Buyer fails to pay any invoice in full when due, or if Seller shall have any doubt at any time as to Buyer's financial responsibility or capability, Seller may suspend production and/or decline to make shipment or delivery. Seller reserves the right to request payment or other form of security prior to delivery.

5. Force Majeure

Seller shall not be liable for any failure to perform or delay in performance due to fire; explosion; flood; accident; Acts of God; labor disputes; shortage or unavailability on reasonable commercial terms of utility, facility, raw materials or labor; delay in or unavailability on reasonable commercial terms of transportation; breakdown of equipment or machinery; compliance with or other action taken to comply with any law or regulation; acts of war or terrorism; hostilities between nations, civil war or civil commotion, restraints or requirements of any government or governmental authority or their agents; or any other causes or contingencies, whether similar or dissimilar, beyond Seller's reasonable control (a "Force Majeure Event"). In the case of a Force Majeure Event, Seller may, in its sole discretion, cancel, reduce or modify its deliveries to Buyer without liability for any damages whatsoever.

6. Warranty; Claims; Limitation of Liability; and Material Safety Data Sheet

Buyer agrees that the following terms and conditions have applied and shall apply to all Products sold or agreed to be sold to Buyer by Seller and shall not be supplemented, modified or amended unless agreed to in a writing signed by an officer of Seller.

Limited Warranty. The Seller warrants all grades of Products to be supplied by Seller to Buyer shall meet the product specifications for such grade set by Seller from time to time, or as modified, in writing, by the mutual agreement of both parties. Claims in respect of any products at any time sold or agreed to be sold by Seller, whether in contract, tort or otherwise (including negligence or misrepresentation), including claims on account of weight, quality, loss or damage to said goods, are waived by Buyer unless made in writing within 30 days after arrival thereof at destination. In case of a timely claim concerning quality, Buyer shall promptly furnish to Seller appropriate samples of nonconforming Product for testing and analysis.

Disclaimer of Other Warranties, Representations and Conditions. THE LIMITED WARRANTY ABOVE SETS FORTH THE SOLE WARRANTY OF SELLER WITH RESPECT TO ANY PRODUCTS AT ANY TIME SOLD TO BUYER. ALL OTHER WARRANTIES AND REPRESENTATIONS AND CONDITIONS OF ANY KIND, WHETHER EXPRESS OR IMPLIED, AND WHETHER ARISING UNDER STATUTE OR UNDER CONVENTION (INCLUDING THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS), ARE HEREBY EXPRESSLY EXCLUDED AND DISCLAIMED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF THIRD PARTY INTELLECTUALLY PARTY RIGHTS. THIS SHALL APPLY WHETHER THE PRODUCTS ARE USED ALONE OR IN COMBINATION WITH OTHER SUBSTANCES OR MATERIALS, EVEN IF THE PURPOSES OR USES OF SUCH PRODUCTS ARE KNOWN BY SELLER OR IF SELLER HAS BEEN INVOLVED IN THE ANALYSIS OF THE PURPOSES OR USES OF SUCH PRODUCTS OR HAS PROVIDED ANY RECOMMENDATIONS, ASSISTANCE OR INSTRUCTIONS IN CONNECTION THEREWITH. BUYER ACCEPTS AND ASSUMES ALL RESPONSIBILITY, RISK AND LIABILITY FOR, AND AGREES TO DEFEND, INDEMNIFY AND HOLD SELLER HARMLESS FROM AND AGAINST, ANY CLAIMS OR LIABILITIES RELATING TO ANY SUCH PRODUCTS OR ANY PRODUCTS MANUFACTURED BY BUYER CONTAINING ANY SUCH PRODUCTS PROVIDED BY SELLER.

Limitation of Remedies. Seller's liability, and Buyer's sole remedy, for any claim in respect of any products at any time sold or agreed to be sold by Seller, is limited to, at Seller's option (i) replacing the particular quantity of nonconforming product or (ii) refunding the purchase price of the particular quantity of nonconforming product, less the value, if any, to Buyer of the nonconforming product. IN NO EVENT SHALL SELLER BE RESPONSIBLE OR LIABLE FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION ANY LOSS OF PROFITS) EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

Material Safety Data Sheets and Warnings. Buyer acknowledges and represents that it has received, read and understands the Material Safety Data Sheet for the product and will read and undertake to understand any subsequent Material Safety Data Sheets or written warnings provided by Seller from time to time and undertakes to exercise the degree of care required to protect persons and properties from all hazards of the products disclosed in the Material Safety Data Sheets or warning, including but not limited to (i) warning the employees of Buyer and its affiliates who may become exposed to the product of the said hazards of the product, providing such employees with necessary and appropriate safety equipment and taking appropriate measures to assure that such safety equipment is adequately maintained and properly used, and (ii) warning third parties who may purchase or come into contact with the product or who handle or transport the product on behalf of the Buyer of the aforesaid hazards.

7. **Intellectual Property**

(a) If the Products themselves, as and when sold at Seller's product specifications, become the subject of a patent infringement claim, Seller may, at its sole option and expense, either replace or modify the Products, provide for the return of Products and refund the purchase price paid by Buyer, or procure for Buyer the right to continue to use such Products. The foregoing states Seller's entire obligation and liability with respect to any and all intellectual property claims.

(b) Buyer shall defend, indemnify and hold harmless Seller from and against all loss, costs, expenses, damages and liability of any kind arising out of any claims of infringement or alleged infringement of any patent or other intellectual property right with respect to (i) the use of Products in any application by Buyer or its affiliates, contract manufacturers or customers, including but not limited to the use of Products alone or in combination with other substances or components; (ii) any modification to the Products by Buyer or its affiliates, contract manufacturers or customers; or (iii) Products furnished, or methods used, by Seller in accordance with the specifications or instructions furnished by or expressly or implicitly prescribed by Buyer.

(c) Nothing herein shall be construed as granting a license to use Seller's trademarks without the express prior written permission of an officer of Cabot Corporation.

8. **Governing Law; Forum Selection; and Consent to Jurisdiction**

Any claim or dispute arising hereunder shall be governed by the laws of the country where Seller maintains its principal place of business ("Seller's Home Country"), irrespective of the choice of law rules thereof. The United Nations Convention on Contracts for the International Sale of Goods is expressly excluded. Any legal proceedings arising out of or relating in any way to this agreement shall be commenced only in federal or state court located in Seller's Home Country and each of the parties hereto consents to the jurisdiction of said courts in any such proceedings and waives any objection to venue laid therein, provided, however, that nothing in this paragraph shall be construed to preclude either party from asserting cross claims or third party claims in any forum outside Seller's Home Country.

9. **Conflicting Terms**

Any representations, warranties, conditions or indemnities or other terms or conditions proposed or stated by Buyer in connection with any sale of products by Seller or in any purchase order or other document sent by Buyer which are in conflict with the foregoing are expressly rejected by Seller and waived by Buyer. The foregoing provision of this Paragraph shall not be supplemented, modified or amended unless agreed to in a writing signed by an officer of Seller.

[Revised October 2007/Argentina, Brazil & Colombia]