



## TRONOX GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

**I. General.** (1) These General Conditions of Sale and Delivery (the “Terms”) shall automatically apply to and be an integral part of any contract for purchase of Material from Tronox (the “Seller”). No modification of any term or provision hereof will be binding unless in writing and signed by the party sought to be bound. Any addition or other modification to these Terms or in quantities, prices or deliveries which is contained in any acknowledgement, invoice or other form or communication from Buyer (the Buyer and the Seller, collectively, the “Parties” and individually, each a “Party”) not in writing signed by Seller is hereby objected to and rejected, notwithstanding Seller’s acceptance of an order for or delivery of goods. (2) If Seller agrees in writing to any addition or modification to the Terms, the remaining Terms shall remain unimpaired and Buyer shall not be entitled to derive any rights from such addition or modification in any later contract or other legal relationship. (3) The headings contained in these Terms are included for mere convenience of reference and shall not affect their construction or interpretation. (4) Any electronic communication between Seller and Buyer shall be considered to be a “writing” and/or “in writing.” The electronic communication system used by Seller serves as sole proof for content and time of delivery and receipt of such electronic communication.

**II. Offers, Orders.** (1) Seller's offers shall not be binding with respect to price, quantity, delivery time and availability. (2) Seller may withdraw offer within 5 (five) days after reception of acceptance by Buyer. All offers shall be made without any obligation and shall not be binding, even if they contain a term for acceptance. (3) The Buyer's orders shall become binding on the Seller upon receipt by the Buyer of the Seller's written order confirmation or acknowledgment (or invoice or delivery notice, as the case may be).

**III. Invoicing.** (1) The prices invoiced shall be the Seller’s prices effective at the date of delivery plus VAT, if applicable. (2) Should the Seller, in the interval between conclusion of the contract and date of delivery effect a material price increase, Buyer shall have right to withdraw from contract unless it is exclusively due to an increase in freight rates. Notice of any such withdrawal by Buyer shall be given to Seller in writing. Buyer shall be deemed to have accepted contract unless such written notice is given within two weeks after date Buyer is informed about price increase. Buyer shall not be entitled to any compensation, damages or other remedy in respect of such withdrawal. This right of withdrawal shall not apply to long-term supply contracts and/or contracts for Performance of a continuing Obligation. (3) The weight of goods on which invoiced amount is to be calculated shall be ascertained in dispatch department of the Seller’s plant from which the goods are supplied. However, the Buyer may at Buyer’s expense and time arrange for an independent weight check at licensed weighing station; provided, Seller will only consider claims for differences in weight where difference is in excess of 1.5%.

**IV. Payment.** (1) In case of default, Seller reserves statutory right to claim damages for non-performance and to cancel contract. Entirely at Seller’s discretion, Seller may, without prejudice to any other rights of Seller, charge interest on overdue accounts at higher rate of either ten percent (10%) per annum or one and a half times prevailing rate under applicable law per annum, but not to exceed maximum interest rate permitted under applicable law from due date computed on a daily basis until all accounts outstanding are paid in full. In addition, balance of debt owing to Seller under contract shall, at Seller’s option, become due and payable at once. (2) Payment shall be due no later than (14) days after date of Invoice, unless otherwise indicated on invoice or otherwise agreed in writing. (3) The handing in of bills of exchange shall be subject to Seller’s prior consent and shall not constitute payment. Discount expenses, bill charges, bill tax and similar expenses incurred after due date of invoice shall be for Buyer’s account. (4) Where Seller has reason to doubt the Buyer’s solvency or credit worthiness and Buyer is not prepared to effect advance cash payment or provide Seller with security as requested, Seller shall have right to cancel that portion of the contract which Seller has not yet performed. (5) Payment shall not be deemed to have been effected until relevant amount has been cleared into one of Seller’s accounts. (6) Seller reserves right to use payments for settlement of invoices which have been outstanding longest, plus interest on arrears and costs accrued thereon, in the following order: costs, interest, and principal claim. (7) Buyer shall not have right to withhold payments. Counterclaims may only be offset if they are uncontested or have come res judicata.

**V. Shipment.** (1) Seller reserves right to choose route and mode of transport. Any additional costs resulting from special shipping requests made by Buyer shall be borne by Buyer, as will any additional costs resulting from rerouting a consignment, storage expense, etc. Unless prepaid freight has been agreed, Buyer shall also bear any increases in freight rates which become effective after contract has been concluded. (2) The risk of destruction, loss or damage shall pass to Buyer upon delivery as defined in Clause VI.2 Delivery.

**VI. Delivery.** (1) Seller reserves right of supplying any order in full or in part. For purpose of Terms, each partial delivery shall be regarded as an independent delivery. While Seller will use its best endeavors to ship or deliver material covered hereby in accordance with Buyer’s wishes. Notwithstanding, to the extent permitted by law, Seller will not be liable for any loss or damage suffered by Buyer arising from or in connection with any delays in shipment or delivery. (2) The date of delivery shall be day on which goods leave the Seller’s plant or warehouse or, if that day cannot be ascertained, the day on which goods are put at the Buyer’s disposal. (3) The Provision of packaging (including, but not limited to tankers and tank containers) by the Seller shall be subject to special conditions. (4) The trade terms used in this contract shall have same meaning as those defined by INCOTERMS 2010 and any subsequent amendments.

**VII. Retention of Title.** (1) Title to the goods shall not pass to the Buyer until it has fulfilled all obligations arising from its business transactions connection with the Seller, which shall include (but not be limited to) settling accessory claims, claims for damages, and honoring checks and bills. Title to the goods shall also remain with Seller if Seller’s claims have been included in a current account and balance of this account has been acknowledged. (2) If Buyer defaults in its obligations to the Seller, Seller shall have right without granting a respite, without waiving any other rights or remedies and without cancelling the contract, to demand return of goods to which it retains title. The Buyer is obligated to co-operate in return of aforementioned goods. If expressly requested by Seller and without prejudice to any other rights held by Seller in law, Buyer shall pay Seller a penalty of 0.25% of the value of each invoice/s for each day Buyer remains in default of this obligation. Acceptance of returned goods shall not constitute cancellation of contract unless Seller has expressly declared this in writing. If Seller cancels contract, it shall have right to demand compensation for having permitted Buyer to use goods for a certain period. (3) If goods to which Seller retains title are processed into new products, Buyer shall be deemed to be effecting such processing on behalf of Seller without thereby acquiring any claims against Seller. The Seller’s title shall thus extend to the products resulting from processing. If goods to which title is retained by Seller are processed together with, mixed with or attached to goods to which title is retained by third parties, Seller shall acquire co-ownership of resulting products in ratio of invoice value of goods owned by it to invoice value of goods owned by those third parties, and if such goods, as a result of such mixing or attaching, become part of a principal matter of Buyer, Buyer assigns in advance his title to new item to the Seller. (4) The

Buyer shall be under obligation to provide, on behalf of Seller, adequate storage of goods to which Seller retains title, to service and repair them at its expense and insure them at its expense against loss and damage up to an amount which may reasonably be expected of a prudent business man. Buyer assigns in advance to the Seller any claims which may accrue to it under such insurance policies. (5) As long as the Buyer duly meets its obligations to the Seller, it shall have the right to, in the normal course of business, do as it wishes with goods to which Seller retains title. The Buyer shall not, however, have the right to pledge, mortgage or otherwise encumber goods to which Seller retains title. When reselling the goods, Buyer shall make passing of title subject to full payment for goods by customers. (6) The Buyer assigns in advance to Seller any claims which may arise from a resale of goods to which Seller retains title, together with any incidental rights and security interests (including bills of exchange or letters of credit), so as to provide Seller with security for all claims it has against Buyer as a result of business connection. If goods to which Seller retains title are sold together with other goods at a single price, the assignment shall be limited to that portion of invoice value which covers the goods to which Seller retains title. If Buyer sells goods in which Seller has co-ownership pursuant to this Clause VII, assignment shall be limited to portion of invoice value which corresponds to Seller's co-ownership. If Buyer uses goods to which Seller retains title for processing a third party's production on a contract basis, it assigns in advance its contractual claim against third party to the Seller in order to provide it with security for its claim. As long as Buyer duly meets its obligations to Seller, it may collect claims from a resale or from contract processing itself. It shall not have the right to assign or pledge such claims as security. (7) If Seller believes its claims to be at risk, Buyer shall, at Seller's request, inform its customers of assignment of its claims to Seller and supply Seller with all necessary information and documents. Any acts of third parties aimed at seizing goods to which Seller retains title or at appropriating claims assigned to it shall be brought to Seller's attention by Buyer immediately. (8) If value of security provided to Seller exceeds > 20 percent value of claims to be safeguarded, Seller shall, at Buyer's request bring excess coverage down to 20 percent by releasing security of its own choice.

**VIII. Notification of Defects.** (1) Notification of defects shall only be recognized if filed in writing within fourteen (14) days of receipt of goods, together with supporting evidence, samples and packing slips, stating invoice number, date, and markings on packaging. (2) Goods which are subject of a complaint shall not be returned to Seller except with Seller's express prior written consent. (3) Buyer's wrongful non-acceptance or rejection of goods or cancellation or repudiation of the contract and/or Buyer's order shall entitle Seller to recover from Buyer, in addition to any other damages caused by such action: (i) in the case of goods which reasonably cannot be resold by Seller to a third party, price of such goods; or (ii) in the case of goods which can be resold by Seller or where an action for the price is not otherwise permitted by law, damages equal to five percent (5%) of the price for the goods as liquidated damages. The parties each warrant the rate of liquidated damages set out in this clause has been the subject of negotiation and is a genuine pre-estimate of loss and damage that Seller will suffer in the event of Buyer's wrongful non-acceptance or rejection of goods or cancellation or repudiation of the contract and/or Buyer's order.

**IX. Damages.** Seller's liability for damages of any kind, including damages for goods furnished in accordance with the contract not being as warranted, shall not be greater in amount than purchase price Buyer paid plus substantiated transportation costs, for goods from point of delivery to Buyer's place of business in respect of which such damages are claimed. Failure of Buyer within fourteen (14) days after receipt of material delivered hereunder to give notice in writing to Seller that material is not as warranted shall be an unqualified acceptance of such material and a waiver by Buyer of any and all claims with respect thereto.

**X. Warranty.** Seller Warrants it has good and marketable title to goods covered hereby, such goods shall conform to Seller's standard specifications therefore (if any), and such goods, in the form, condition and state as sold by Seller do not infringe any United States, Dutch, or Australian patent. No other warranty of any kind, express or implied, is made by Seller concerning the material covered hereby. The foregoing warranty is exclusive and in lieu of all other warranties, representations, conditions or other terms, express implied, statutory, contractually or otherwise, including, without limitation, any warranty of merchantability, suitability or fitness for any purpose, or absence of infringement of any claim in any intellectual property right covering the goods. If goods are originating from Australia, any guarantees or warranties under the Australian Consumer Law (being Schedule 2 to the Competition and Consumer Act 2010 (Cth)) that may apply to this sale of goods will continue to be in effect to the extent required by law.

**XI. Patents & Technical Advice.** (1) Except where produced in accordance with design, process or formula of Buyer, Seller further warrants that material supplied by it hereunder, in form, condition and state as sold by Seller, does not infringe any United States, Dutch or Australian patent; provided, Seller shall have no responsibility with respect to any claim of infringement that results from use, consumption, combination or other processing of such material. (2) Technical advice provided by Seller verbally, in writing or by way of trials or samples is given in good faith but without warranty of any kind, and shall not be considered as in any way altering the respective rights and obligations of Seller and Buyer as set forth herein nor as an endorsement of Buyer's intended uses of material (where known to Seller) or as representing that Buyer may use the materials in a particular manner without infringing the proprietary rights of third parties. (3) Should Buyer be placed on notice of a claim of infringement within scope of Seller's warranty in section XI, Buyer will promptly notify Seller and tender defense of same to Seller, including providing all information considered necessary by Seller for evaluating claim and developing a response. Seller at its sole discretion will either i) defend at its expense and through counsel of its choosing, and if the claim is sustained pay all costs and damages awarded by final, non-appealable judgment in compensation for such Infringement, ii) refund purchase price of materials to Buyer, whereupon Buyer will assume responsibility for defense of the claim and Seller's obligations to Buyer shall be considered as fully met, iii) provide an acceptable, non-infringing alternative to materials at no cost to Buyer for Buyer's use and indemnify Buyer against past infringement liability up to purchase price of materials or iv) procure a release and license from patent holder on Buyer's behalf. A material failure on Buyer's part to provide requested information or assistance to Seller in defending a claim of infringement will nullify any obligation or liability of Seller to Buyer under this Paragraph, and shall require reimbursement by Buyer of any sums paid and expenses Incurred in the investigation and defense of the claim in question. (4) Where a claim of infringement is made against Buyer such that Seller's warranty under section XI.1 does not apply and Seller is joined as a party or incurs costs in its own defense or on Buyer's request and behalf, or where a claim of infringement is made against Seller by reason of Seller's making and selling materials to Buyer in accordance with a design, process or formula of Buyer, then Buyer shall defend, indemnify and hold harmless Seller, its affiliates and the respective agents, officers, employees, directors and representatives of each in respect of such claim. (5) When using the Seller's products for manufacturing purposes or when processing them into new products, the Buyer shall not have right, without Seller's prior consent, to use Seller's product designations, (especially its trademarks) on resulting products or on packaging thereof or in any relevant printed matter or advertising literature, particularly by mentioning Seller's products as components of its own product. The supply of goods under a trademark shall not be deemed agreement to use of this trademark for products manufactured therefrom.

**XII. Applicable Law, Interpretation of Trade Terms** (1) Parties' rights and obligations arising out of or in connection with contract and these Terms shall be governed by and construed in accordance with laws of the United Kingdom. No uniform laws governing international sale of movable property or conclusion of international sales contracts movable property, both dated July 17, 1973, or UN agreement on sale of goods dated April 11, 1980, shall apply. (2) If it has been agreed that Seller pays customs and import duties in country of destination, any increases in such duties which become effective between date of order acknowledgement and delivery of goods shall be borne by Buyer. All other charges, taxes and costs connected with purchase contract shall also be borne by Buyer.

**XIII. Places of Performance and Jurisdiction, Invalidity of Individual Clauses.** (1) "Place of Performance" for delivery shall be at Seller's nominated plant or warehouse unless otherwise agreed. "Place of Performance" for payment shall be Seller's nominated bank account. (2) Place of Jurisdiction and venue for suit for both parties shall be London, England. The Seller shall furthermore have the right to sue the Buyer at the Buyer's place of business or domicile.

**XIV. Assignment.** This contract is not assignable or transferable by Buyer in whole or in part, except with prior written consent of Seller and any purported assignment without such consent shall be void.

**XV. Force Majeure, Impediments to Performance.** Force majeure of any kind, unforeseeable production, traffic or shipping disturbances, acts of God, laws, statutes, fire, floods, unforeseeable shortages of labor, utilities or raw materials supplies, strikes, lockouts, acts of government or other administrative measures, orders or decrees from any court, war, terrorism, riot, sabotage, accident, epidemic, and any other hindrances beyond the control of the Party obliged to perform which diminish, delay or prevent production, shipment acceptance or use of the goods, or make it an unreasonable proposition, shall relieve the Party from its obligation to supply or take delivery, as the case may be, as long as and to the extent that hindrance prevails; provided that, if, as a result of hindrance, supply and/or acceptance is delayed by more than eight weeks, either Party shall have the right to cancel the contract by written notice to the other Party. Should the Seller's supply be limited for any such reason, Seller shall have the right to fairly distribute any available supply among its customers in such manner as Seller may determine.

**XVI. Taxes.** Sales, manufacturers, production, excise or similar tax upon the production, sales or delivery of goods sold hereafter now imposed by federal, state or municipal authorities, or which may hereunder become effective, shall be added to price and be paid by Buyer.

**XVII. Divisible Contract.** If contract contemplates or provides for multiple deliveries or shipments, each delivery or shipment shall be considered as a separate sale, but always governed by these Terms. Neither failure of nor delay in any delivery, nor shortage in quantity or defect in quality in any delivery shall invalidate the contract as to other deliveries.

**XVIII. Export of Materials.** Buyer understands and agrees any export (and/or re-export) of materials purchased from Seller may be subject to applicable export laws and regulations. Compliance with these laws and regulations will be Buyer's sole responsibility.

**XIX. Anti-Bribery and Corruption.** The Buyer warrants that as it relates to the goods purchased from Seller – (1) it complies with all anti-bribery, anti-corruption and anti-money laundering laws, regulations and/or policies of United Kingdom of Great Britain and Northern Ireland ("UK"), Canada, European Union ("EU"), United States of America ("USA"), Australia, Organisation for Economic Co-operation and Development ("OECD") and United Nations ("UN") and South Africa to which Seller and/or any of its shareholders and/or any of Seller's shareholders conducts business (such laws, regulations and/or policies are hereinafter collectively referred to as "International Anti-Bribery Laws"); (2) it complies with all laws, regulations and policies relating to economic or trade sanctions or export controls of the UK, Canada, EU, USA, Australia, OECD and UN to which Seller and/or any of the Seller's shareholders is or are Seller's Employer's shareholders conducts business (such laws, regulations and/or policies are hereinafter collectively referred to as the "Sanctions Laws"); (3) it has adequate anti-corruption compliance programmes, policies and procedures ("Anti-Corruption Programme") in place to enable compliance with all anti-bribery, anti-corruption and anti-money laundering laws, regulations and/or policies as well as economic or trade sanctions or export control related laws, regulations and/or policies to which it is subject, including but not limited to the provisions of Corruption of Foreign Public Officials Act of Canada, United Kingdom Bribery Act 2010, U.S. Foreign Corrupt Practices Act, US OFAC Regulations, US Export Administration Regulations, Australian Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth), Australian Criminal Code Act 1995 (Cth) and South African Prevention of Organised Crime Act of 1998 (collectively, the "Anti-Bribery and Sanctions Legislation")

**XX. Confidentiality.** Notwithstanding cancellation or termination of these Terms or any underlying agreement, neither Party ("Receiving Party") shall, at any time after termination of these Terms, disclose to any person or use in any manner whatever other Party's confidential information or existence and contents of these Terms or any underlying agreement; provided (1) either Party may disclose the existence and contents of these Terms or any Underlying Agreement to the extent required by any rules of any stock exchange by which Party is bound; provided further no such disclosure shall be made unless the other Party has first given its written approval for form thereof, which approval may not be withheld unreasonably; (2) the Receiving Party may disclose the other Party's Confidential Information and existence and contents of these Terms or any underlying agreement – (i) to extent required by law (other than in terms of a contractual obligation of the Receiving Party); (ii) to, and permit use thereof by, its employees, representatives and professional advisers to extent strictly necessary for purpose of implementing or enforcing these Terms or any underlying agreement or obtaining professional advice or conducting its business, it being specifically agreed that any disclosure or use by any such employee, representative or adviser of such confidential or other information for any other purpose shall constitute a breach of this Clause XX by the Receiving Party; and (3) The provisions of this Clause XX shall cease to apply to any Confidential Information of a Party which is or becomes generally available to the public other than as a result of a breach by Receiving Party of its obligations in terms of this Clause XX; is also received by Receiving Party from a third party who did not acquire such Confidential Information subject to any duty of confidentiality in favor of other Party; or was known to Receiving Party prior to receiving it from other Party. "Confidential Information" of a Party shall mean any information disclosed by that Party to Receiving Party prior to termination of these Terms or any underlying agreement, in accordance or connection with Terms or any underlying agreement.