

**COFFEYVILLE RESOURCES NITROGEN FERTILIZERS, LLC**  
**GENERAL TERMS AND CONDITIONS FOR SALES OF FERTILIZER PRODUCTS (REV. JULY 2016)**

1. **General Terms and Conditions.** These General Terms and Conditions for Sales of Fertilizer Products (“**General Terms and Conditions**”) apply to sales of fertilizer products (“**Products**”) by Coffeyville Resources Nitrogen Fertilizers, LLC (“**Seller**”) to persons purchasing such Products (each a “**Buyer**”) (Seller and Buyer each a “**Party**” and collectively the “**Parties**”). Any other agreement into which these General Terms and Conditions are incorporated may be referred to herein as a “**Transaction Agreement**.”
2. **Product Delivery.** Unless the Parties agree otherwise, Products shall be delivered free-on-board (“**FOB**”) origin Seller’s designated loading facility at Seller’s plant, storage facility, or terminal (in each case, Seller’s “**Facility**”), as applicable. Notwithstanding the type of delivery or anything else to the contrary, Buyer shall be liable for loss or damage to persons or property, including the Products, caused by Buyer’s negligent acts or omissions during Product loading or unloading.
3. **FOB Seller’s Facility.** When Products are delivered FOB Seller’s Facility, Buyer shall be responsible for loading such Products at Seller’s Facility into appropriate trucks owned or contracted for by Buyer, subject to any applicable rules, terms, or conditions for accessing Seller’s Facility, and transporting the Products at Buyer’s sole cost and expense to Buyer’s destination. In such cases, title and risk of loss to the Products shall pass to Buyer when the Products pass the outlet flange on Seller’s loading device.
4. **Truck Delivered Buyer’s Destination.** When the Parties have agreed that Products will be truck delivered to Buyer’s destination, Seller shall be responsible for transporting such Products in trucks owned or contracted for by Seller at its sole cost and expense to Buyer’s agreed upon destination. In such cases, title and risk of loss to the Products shall pass to Buyer when the Products pass the outlet flange from Seller’s truck at the delivery destination. Buyer shall be responsible for unloading the Products from Seller’s trucks and loading the Products into vessels owned or contracted for by Buyer. Buyer shall unload Seller’s trucks as soon as reasonably practicable and shall be liable to Seller for costs or expenses incurred by Seller as a result of Buyer’s failure to accept delivery of Products or failure to unload Products in a reasonably prompt manner.
5. **Rail Delivered Buyer’s Destination.** When the Parties have agreed that Products will be rail delivered to Buyer’s destination, Seller shall be responsible for transporting such Products in railroad cars owned or contracted for by Seller at its sole cost and expense to Buyer’s agreed upon destination. In such cases, title and risk of loss to the Products shall pass to Buyer when the railroad car holding the Products is constructively placed by the railroad carrier at the delivery destination. Buyer shall be responsible for unloading the Products from Seller’s railroad cars and loading the Product into vessels owned or contracted for by Buyer. Buyer shall unload Seller’s railroad cars as soon as reasonably practicable, provided that Buyer shall pay Seller demurrage at the rate of \$50 per day per car or the rate charged by the applicable railroad carrier, whichever is greater, beginning on the eighth day after the railroad cars have been constructively placed at the delivery destination until the date that such cars are emptied and released to the applicable railroad carrier. Buyer shall indemnify Seller for damage caused to Seller’s railroad cars by Buyer’s negligent acts or omissions from the time Seller’s railroad cars have been constructively placed at the delivery destination until the time that such cars are emptied, released, and removed by the applicable railroad carrier.
6. **Product Measurement.** Products shall be measured by calibrated meters or scales. Product weights shall be measured in short tons (2,000 pounds). Product volumes shall be rounded to the nearest three decimal places. Upon request and within reason, each Party shall have the right to have a representative witness tests of applicable meters and scales and measurements of Products. Measurements shall be deemed to be correct absent manifest error.
7. **Limited Representations and Warranties.** Seller represents and warrants to Buyer that the Products will conform to the specifications set forth on Seller’s applicable Product Specification Sheets (the “**Specifications**”) and that Products delivered shall be free from lawful security interests, liens, and encumbrances (collectively, the “**Limited Representations and Warranties**”). **THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF. SELLER MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS OF THE PRODUCTS FOR A PARTICULAR PURPOSE (EVEN IF SUCH PURPOSE IS KNOWN TO SELLER), OR ANY WARRANTY AGAINST INFRINGEMENT (INCLUDING INFRINGEMENT OF PATENT AND TRADEMARK RIGHTS). ANY IMPLIED WARRANTIES ARE EXPRESSLY DISCLAIMED AND EXCLUDED.**
8. **Notification of Claims.** Buyer shall inspect the Products upon delivery and notify Seller with reasonable particularity as soon as practicable, but no later than 10 days after delivery, of (a) any Products that do not conform to the Specifications, (b) any failure by Seller to comply with these General Terms and Conditions or any other agreement between the Parties with respect to the Products, or (c) any other complaint that Buyer may have with respect to the Products (each a “**Claim**”). Buyer shall be deemed to have accepted any Products for which notice of a Claim is not provided as aforesaid. Buyer shall make any Products that it alleges do not conform to the Specifications available to Seller for its own investigation. Buyer waives any right to assert Claims which are not made in accordance with the terms of this Section.

9. **Sole Remedy for Breach.** Buyer's sole remedy for any claims arising out of or relating to a breach or alleged breach of any of the Limited Representations and Warranties shall be limited to replacement of the Products in breach or refund of the amounts already paid by Buyer with respect to the Products in breach, as determined by Seller.

10. **Taxes.** All prices for Products shall be exclusive of all sales, use, and excise taxes, and any other similar taxes, duties, assessments, and charges of any kind imposed by any governmental authority (collectively, "**Taxes**"), and Buyer shall be responsible for and pay all such Taxes, provided that Buyer shall not be responsible for any Taxes imposed on Seller with respect to Seller's income, personnel, or real or personal property. Without limiting the foregoing, unless the Parties agree otherwise in a separate fully executed Tonnage Tax Agreement, Buyer agrees that it shall be solely responsible for remitting all State tonnage Tax owed on purchases of Products from Seller and that Seller shall have no obligation to include such amounts on its invoices.

11. **No Obligation to Offer Credit.** Seller shall have no obligation to offer credit to Buyer. If Seller offers credit to Buyer, Seller may, in its sole discretion, increase, reduce, suspend, or revoke the credit offered to Buyer at any time for any reason. The amount of any credit offered to Buyer may be referred to herein as Buyer's "**Credit Limit**."

12. **Payment Terms.** Unless the Parties agree otherwise, all amounts owed to Seller shall be paid by wire transfer of immediately available funds to an account specified by Seller. Unless the Parties agree otherwise, Buyer shall pay for Product in full prior to delivery. If Seller agrees to permit payment after Product delivery, Buyer shall pay in such amounts and at such times as set forth in an invoice prepared by Seller and delivered to Buyer. If Seller agrees to permit payment after Product delivery but has not delivered an invoice to Buyer, payment shall be due within 15 days of Product shipment. In any other case where payment is owed by Buyer to Seller and the date for payment is not specified, payment shall be due at the time set forth in an invoice prepared by Seller and delivered to Buyer. Buyer's obligation to pay when due is absolute and may not be set off against any other amounts or withheld for any other reason. If Buyer fails to pay any amount owed when due, Seller may immediately exercise any and all rights and remedies available to it, including those set forth in these General Terms and Conditions.

13. **Past Due Amounts.** Amounts owed to Seller and not paid when due shall accrue interest at the rate of 18 percent per annum or the highest rate permitted by applicable law, whichever is less, from the date due until such amounts are paid to Seller.

14. **Financial Assurance.** If Buyer fails to make payment when due, approaches or exceeds any Credit Limit, or Seller in good faith determines that Buyer may not be able to perform its obligations, Seller may refuse to sell or deliver additional Products to Buyer or suspend performance of Seller's obligations until Buyer delivers adequate financial assurance ("**Financial Assurance**") to Seller, which may include advance cash payment, a guarantee from a creditworthy entity as determined by Seller in its sole discretion, or a letter of credit from a nationally recognized financial institution.

15. **Seller's Rights.** If Buyer (a) fails to provide Financial Assurance when requested by Seller, (b) fails to pay any amount owed when due, (c) fails to comply in any material respect with any term of these General Terms and Conditions or any Transaction Agreement, and, if such failure is capable of being cured, is not cured to the satisfaction of Seller within the earlier of 10 days after notice thereof or the applicable cure period, if any, of any Transaction Agreement, or (d) admits in writing its inability to pay its debts as they become due, makes a general assignment for the benefit of creditors, has a receiver appointed to it, institutes or agrees to the institution of proceedings in bankruptcy, insolvency, or analogous laws, or is the subject of an order by a court relating thereto, Seller may, in any of the foregoing cases, take any one or more of the following actions in its sole discretion: (a) Seller may suspend performance of its obligations under these General Terms and Conditions or any Transaction Agreement; (b) Seller may terminate these General Terms and Conditions or any Transaction Agreement; (c) Seller may demand that any amounts of money outstanding under these General Terms and Conditions or any Transaction Agreement shall be due and payable immediately; or (d) Seller may set off or net any amounts owed by Seller to Buyer against any amounts owed by Buyer to Seller. The foregoing rights and remedies shall be cumulative in nature, and any rights of Seller under this Section shall be in addition to any other rights or remedies that Seller may have under these General Terms and Conditions or any Transaction Agreement, at law, or in equity.

16. **Forward Contract.** These General Terms and Conditions, and the agreements between the Parties to sell Products, are "forward contracts" within the meaning of Title 11 of the United States Code (the "**Bankruptcy Code**"), and Sections 362(b)(6), 546(e), 556, and 562 of the Bankruptcy Code shall apply.

17. **Fees and Expenses.** Buyer shall reimburse Seller for any reasonable costs and expenses incurred by Seller in enforcing these General Terms and Conditions or any Transaction Agreement, including court costs, reasonable attorneys' fees, and costs and expenses associated with collecting amounts owed.

18. **Currency.** All amounts owed to either Party under these General Terms and Conditions or any Transaction Agreement shall be paid in United States Dollars.

19. **Failure to Ship or Take Delivery.** If Buyer fails to order shipment or take delivery of Products prior to the end of any applicable delivery period or any other date by which Buyer has agreed to ship or take delivery of Products, Seller may (a) charge monthly

storage fees to Buyer for Product not shipped or delivered at the beginning of each month thereafter in the amount of \$8 per short ton of urea ammonium nitrate Product and \$15 per short ton of anhydrous ammonia Product or (b) elect to terminate the applicable sales agreement and return to Buyer amounts already paid for Products which have not been delivered, without interest.

20. **Force Majeure.** Except with respect to payment for delivered Products, neither Party shall be liable or responsible for any failure or delay in performing its obligations, or any loss or damage resulting therefrom, when and to the extent such failure or delay is caused by or results from acts or circumstances beyond its reasonable control, including, without limitation, acts of God, the elements, floods, fires, explosions, storms, earthquakes, power outages, wars, invasions or hostilities (whether war is declared or not), terrorist threats or acts, military operations, national emergencies, riots or civil unrest, revolution, insurrections, epidemics, government proration or regulation, newly implemented or enforced laws, regulations, or ordinances, actions of courts of competent jurisdiction, strikes, lockouts, differences with workmen, labor disturbances or disputes (whether or not relating to either Party's workforce), breakage or breakdown of equipment, facilities, tankage, or pipelines, shortage of supplies or raw materials, or restraints or delays affecting carriers, manufacturers, or distributors, provided that, if the event in question continues for a continuous period in excess of 30 days, either Party may terminate these General Terms and Conditions or any Transaction Agreement with respect to future deliveries of Products upon notice to the other Party. If by reason of any such circumstances, Seller's supply of Products is insufficient to meet all of its delivery requirements, Seller shall have the right, at its option, and without liability to Buyer, to apportion its available Products among any and all parties to which it is obligated to make deliveries, including its affiliated divisions and companies, in such manner as Seller reasonably believes fair and equitable, including, but not limited to, an allocation based on historical or planned deliveries. Seller shall have no obligation to make up any shortages to Buyer resulting from any allocation hereunder.

21. **Access to Seller's Facilities.** Buyer's owned or leased truck carriers ("**Buyer Carriers**") and third party truck carriers engaged by Buyer ("**Third Party Carriers**," and together with any Buyer Carriers, "**Loading Parties**") shall have a non-exclusive right, subject to any applicable Facility rules and instructions ("**Facility Rules**"), to enter Seller's applicable Facilities for the sole purpose of loading Products that are delivered FOB Seller's Facility, provided, however, that (a) prior to entry of any Buyer Carrier, Buyer shall have provided Seller with certificates of insurance evidencing the minimum insurance coverages and limits required by Seller, and (b) prior to entry of any Third Party Carrier, (i) Buyer shall have caused such Third Party Carrier to execute and deliver to Seller a copy of Seller's form of Third Party Facility Access Agreement, and (ii) Buyer shall have caused such Third Party Carrier to provide Seller with certificates of insurance evidencing the minimum insurance coverages and limits required by such Third Party Facility Access Agreement. Buyer represents and warrants that the Loading Parties will be properly licensed and trained and will comply with all applicable Facility Rules and applicable law. Notwithstanding the foregoing, Seller shall have the right to refuse access to its Facilities to any Loading Party who, in Seller's sole judgment, poses a risk to persons, property, or the environment.

22. **Compliance with Laws.** Buyer shall comply with all applicable laws, regulations, and ordinances (collectively, "**Laws**"), including any export or import laws applicable to the sale or resale of the Products. Buyer shall maintain in effect all licenses, permissions, authorizations, consents, and permits that it needs to perform its obligations under these General Terms and Conditions or any Transaction Agreement. Buyer assumes sole responsibility for shipments of Products requiring government import clearance. Seller may terminate these General Terms and Conditions or any Transaction Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on the Products.

23. **Government Contracts Clause.** Buyer warrants that it complies with all applicable federal, state, and local laws, statutes, and regulations, including employment, wage and hour, and immigration laws. Buyer agrees, in connection with its performance hereunder, not to discriminate against any employee or applicant for employment because of race, gender, religion, color, national origin, age, disability, or veteran status. The Parties agree to comply with Executive Orders 11246 and 13496 and incorporate herein the requirements of 41 C.F.R. §§ 60-1.4(a)(1)-(7), 41 C.F.R. § 60-741.5, and 29 C.F.R. Part 471, Appendix A to Subpart A, and all other federal acquisition regulations governing this Agreement, to the extent applicable.

24. **Hazard Warnings; Safety Data Sheets.** Seller has made Safety Data Sheets for the Products (the "**Safety Data Sheets**") available to Buyer at [www.cvrpartners.com/customers/products](http://www.cvrpartners.com/customers/products). Buyer acknowledges the risks and hazards associated with handling and using the Products. Buyer represents that it has complete knowledge of the hazards of the Products and that it undertakes and assumes full responsibility to maintain, observe, and communicate adequately to its agents, employees, customers, and contractors all necessary information for the safe handling and use of the Products. Buyer agrees without limitation to promptly and properly provide to its employees, customers, and community representatives, as appropriate, any information provided by Seller relating to hazards, human health, or human or environmental safety on the Products. Buyer assumes, as to its employees, independent contractors, and subsequent purchasers of the Products, all responsibility for all such necessary warnings or other precautionary measures relating to hazards to person and property associated with the Products.

25. **Assumption of Risk.** **BUYER ASSUMES ALL RISK AND LIABILITY FOR THE USE OF THE PRODUCTS, WHETHER SINGLY OR IN COMBINATION WITH OTHER SUBSTANCES, AND FOR LOSS, DAMAGE, OR INJURY TO PERSONS OR PROPERTY OF BUYER OR OTHERS ARISING OUT OF THE USE OR POSSESSION OF THE PRODUCTS.**

26. **Indemnification.** Buyer hereby releases, indemnifies, and agrees to defend and hold Seller, its parent, affiliate, and subsidiary entities, and its and their respective directors, managers, officers, employees, agents, and representatives harmless from and against each and every suit, demand, and cause of action, and all liabilities, expenses, liens, losses, claims, damages, and costs (including court costs and reasonable attorneys' fees) directly or indirectly arising out of or relating to Buyer's or its employees, agents, contractors, or subcontractors (a) failure to comply with these General Terms and Conditions, (b) access to Seller's Facilities, (c) loading, handling, storage, sales, transportation, use, misuse, or disposal of Products, and (d) negligence or willful misconduct.

27. **Exclusion of Certain Types of Damages.** EXCEPT (A) TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF A PARTY SEEKING INDEMNIFICATION, (B) WITH RESPECT TO CLAIMS SUBJECT TO BUYER'S INDEMNIFICATION OBLIGATIONS, OR (C) AS OTHERWISE EXPRESSLY SET FORTH IN THESE GENERAL TERMS AND CONDITIONS OR ANY TRANSACTION AGREEMENT, NEITHER PARTY SHALL BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY DAMAGES PERTAINING TO LOSS OF USE, LOSS OF REVENUE, LOSS OF PROFIT, OR BUSINESS INTERRUPTION, OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, SPECIAL, OR SPECULATIVE DAMAGES, WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT, OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

28. **Limitation of Liability.** SELLER'S LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR ANY CAUSE OF ACTION ARISING OUT OF THESE TERMS AND CONDITIONS OR ANY TRANSACTION AGREEMENT IS EXPRESSLY LIMITED, AT SELLER'S OPTION, TO REPLACEMENT OF THE PRODUCTS AT ISSUE OR REFUND TO BUYER OF AN AMOUNT NOT TO EXCEED THE PURCHASE PRICE PAID BY BUYER FOR THE PRODUCTS AT ISSUE, WHETHER OR NOT SUCH REMEDY SHALL BE DEEMED TO FAIL OF ITS ESSENTIAL PURPOSE.

29. **Product Manufactured by Third Parties.** The Products may be manufactured by Seller or third parties with whom Seller has contracted. The Products may be sold by Seller on behalf of third parties as broker or agent.

30. **Miscellaneous.**

(a) **Notices.** Any notice between the Parties must be in writing (which shall include electronic mail ("**Email**")) and will be effective, and any applicable time period shall commence, when (a) delivered to the recipient Party at the address given by the Recipient Party in a Transaction Agreement by a nationally recognized delivery service (costs prepaid) with evidence of delivery or (b) transmitted by Email to the recipient Party at the Email address given by the Recipient Party in a Transaction Agreement.

(b) **Entire Agreement.** These General Terms and Conditions, along with any Transaction Agreement, supersede all prior agreements, whether written or oral, between the Parties with respect to the relevant subject matter and constitute (along with any exhibits or other documents to be delivered pursuant thereto) a complete and exclusive statement of the terms of agreement between the Parties. These General Terms and Conditions, and any Transaction Agreement, may only be amended, supplemented, or modified by a writing executed by each of the Parties, except that these General Terms and Conditions may be amended by Seller upon 30 days advance notice to Buyer, provided that any amended terms shall only apply with respect to transactions occurring following such 30 day notice period.

(c) **Governing Law.** All matters relating to or arising out of these General Terms and Conditions or any Transaction Agreement, whether sounding in contract, tort, or otherwise, will be governed by and construed and interpreted under the laws of the State of Kansas without regard to conflicts of laws principles that would require the application of any other State's law. The United Nations Convention on Contracts for the International Sale of Goods or any subsequently enacted treaty or convention of similar nature shall not apply to these General Terms and Conditions or any Transaction Agreement.

(d) **Jurisdiction.** Any proceeding arising out of or relating to these General Terms and Conditions or any Transaction Agreement shall be brought in the courts of the State of Kansas, in the Counties of Johnson or Montgomery, or, if it has or can acquire jurisdiction, in the United States District Court for the District of Kansas, and each of the Parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of such proceeding shall be heard and determined only in any such court, and agrees not to bring any proceeding arising out of or relating to these General Terms and Conditions or any Transaction Agreement in any other court.

(e) **WAIVER OF JURY TRIAL.** EACH PARTY, KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY, WAIVES ITS RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THESE GENERAL TERMS AND CONDITIONS OR ANY TRANSACTION AGREEMENT, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE.

(f) **No Waiver.** Except as expressly provided otherwise in these General Terms and Conditions, neither any failure nor any delay by any Party in exercising any right, power, or privilege will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege will preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege.

(g) **No Third Party Beneficiaries.** Except as expressly set forth in these General Terms and Conditions, nothing in these General Terms and Conditions or any Transaction Agreement shall entitle any person other than Seller or Buyer, or their successors or assigns, to any claim, cause of action, right, or remedy of any kind relating to the matters contemplated hereby.

(h) **Survival.** The terms of these General Terms and Conditions and any Transaction Agreement which expressly or by their nature are intended to survive the termination shall continue in full force and effect notwithstanding the termination of such other provisions which are not intended to survive.

(i) **Severability.** If any provision of these General Terms and Conditions or any Transaction Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of these General Terms and Conditions or such Transaction Agreement will remain in full force and effect. Any provision of these General Terms and Conditions or any Transaction Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

(j) **Counterparts and Electronic Signatures.** Agreements between the Parties may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement or document, and will be effective when counterparts have been signed by each of the Parties and delivered to the other Parties. A manual signature on the signature page to an agreement, an image of which shall have been transmitted electronically, will constitute an original signature for all purposes. The delivery of copies of the signature page an agreement or other document to be delivered pursuant to an agreement, including executed signature pages where required, by electronic transmission will constitute effective delivery for all purposes.

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