



Arizona Chemical Europe- SAP Implementation & Change of Legal Entity

Important Actions Requested of You

Dear Valued Customer

This letter provides important details and information regarding major systems and proposed business changes taking place at Arizona Chemical that are designed to improve service levels to our customers. It also highlights actions requested of you to ensure a smooth transition for both parties to the new business environment.

Effective 1st January 2010, two key changes are planned to take place within Arizona Chemical in Europe. First, we will implement SAP as our new ERP system and second, we intend to move to a single operating legal entity based in The Netherlands.

SAP Implementation

Until now, Arizona Chemical in Europe has run Movex (from Lawson) as its ERP platform. Implementing SAP will enable us to integrate more of our processes in one system and provide better planning and management tools. Arizona Chemical Europe will move to SAP on 4th January 2010 and Arizona Chemical US will upgrade its current SAP platform on 1st March 2010. From that date, Arizona Chemical will have a single integrated global SAP platform with all the benefits that will bring in data access, integrated activities and response time across the regions.

Single EU Legal Entity

Arizona Chemical BV (based in Almere, The Netherlands) is intended to become our main operating company for sales and invoicing in Europe. Currently invoices are issued by each one of our operating plants, which can result in several invoices each month from different Arizona Chemical locations, requiring payments to be made separately to the bank accounts relevant to each. After the change, invoices will be issued only by the Dutch legal entity with payments made to the bank accounts of that entity. Thus, many customers will benefit from reduction in number of invoices, bank charges and administration.

Please circulate this letter further within your organization so that changes to your own systems or processes can be prepared to become effective from 1st January 2010. The following highlights the consequences of the changes for your teams and the support requested from them to ensure a smooth transition.



Relevant to your Purchasing & Scheduling Teams

Manufacturing & Product Availability

Our European refineries in Sweden & Finland are intended to run throughout the transition period. Upgrade activities in all plants will stop on or before 28th December 2009 and restart on 4th January 2010 in Sandarne & Oulu, 7th January in Niort and 11th January in Chester-Le-Street & Gersthofen. We do not intend to despatch any products between 29th December and 3rd January inclusive. Please make arrangements to ensure that we can meet any requirements you may have over this period by placing orders early and/or providing a detailed forecast to your Arizona Chemical Account Manager.

Orders & Order Confirmations

All orders confirmed for despatch on or after 4th January 2010 will be automatically transferred from the existing system to the new SAP system. No new order confirmations will be issued for those orders already confirmed within the old system. Customers will receive order confirmations from the new system starting from 4th January 2010.

Sales Terms & Conditions

All current supply contracts with Arizona Chemical SAS, Arizona Chemical Oy, Arizona Chemical Ltd., Arizona Chemical AB and Arizona Chemical GmbH will be assigned to Arizona Chemical BV. Our standard terms and conditions for these entities are being harmonized under Arizona Chemical BV and will be printed on the reverse side of invoices as before.



Relevant to your Finance Teams

Invoicing, Payment Instructions & Bank Accounts

The invoicing party will become Arizona Chemical BV for all shipments from January 1st 2010 (including any items ordered by, but not despatched before 28th December 2009).

Customers should remit to the new bank accounts shown below. Remittance instructions will also be shown on the invoice.

Bank	Bank Account Number	Curr	Branch	IBAN	SWIFT/BIC	Domestic Sort Code
Bank of America	0266596959	EUR	Amsterdam	NL21 BOFA 0266 5969 59	BOFANLNX	02665
Bank of America	46151 023	GBP	London	GB70 BOFA 1650 5046 1510 23	BOFAGB22	Sort code: CHAPS (wires) 16- 50-50 BACS (ACH) 30- 16-35
Bank of America	46151031	USD	London	GB48 BOFA 1650 5046 1510 31	BOFAGB22	Sort code: CHAPS (wires) 16- 50-50 BACS (ACH) 30- 16-35
Handelsbanken	42 253 179	SEK	Soderhamn	SE 42 6000 0000 0000 4225 3179	HANDSESS	600

Payments for invoices already received from Arizona Chemical companies prior to 1st January 2010 should be made, as before, to the bank accounts shown on the original invoice.

We would like to highlight the importance of providing the correct details related to the invoice(s) you are paying, by notifying these on the payment proposal which is being presented at your bank.

Legal Address & VAT

For your information, the full legal address of Arizona Chemical BV is:

Arizona Chemical BV.
Transistorstraat 16
1322CE Almere
The Netherlands

The invoices you will receive from 1st January 2010 will have a different VAT number from those you are receiving now. Details of the new VAT numbers applying for each country will be available on our website from then.



Confirmation & Questions

Please confirm you have received this letter by sending a confirmation e-mail to sbe.sap@azchem.com by 11th December 2009. This is also the email address to send any questions you may have, or alternatively, you may contact your usual Customer Service agent.

We plan on a smooth transition with your support and look forward to mutual benefits from the changes in 2010.

Yours Sincerely,

A handwritten signature in black ink that reads "Jonathan Lowe". The signature is written in a cursive style with a large initial 'J'.

Jonathan Lowe
Commercial Director, Europe