

THESE LISTING PARTICULARS HAVE BEEN PREPARED SOLELY FOR THE
PURPOSES OF ADMITTING THE EURO NOTES TO THE OFFICIAL LIST AND
TRADING ON THE GLOBAL EXCHANGE MARKET OF THE IRISH STOCK
EXCHANGE

LISTING PARTICULARS

dated May 5, 2016 of

THE CHEMOURS COMPANY

relating to its

€360,000,000 6.125% SENIOR NOTES DUE 2023

Fully and Unconditionally Guaranteed by

**CHEMFIRST INC.
FIRST CHEMICAL CORPORATION
FIRST CHEMICAL HOLDINGS, LLC
FIRST CHEMICAL TEXAS, L.P.
FT CHEMICAL, INC.
INTERNATIONAL DIOXIDE, INC.
THE CHEMOURS COMPANY FC, LLC
THE CHEMOURS COMPANY TT, LLC**

On May 12, 2015, The Chemours Company (the “**Issuer**”), a Delaware corporation, issued pursuant to a private offering €360,000,000 aggregate principal amount of 6.125% Senior Notes due 2023 (the “**Euro Notes**”). The Euro Notes will mature on May 15, 2023. Interest on the Euro Notes will accrue at a rate of 6.125% per annum, payable semi-annually in arrears on May 15 and November 15 of each year. The Euro Notes are not registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”).

The Euro Notes are senior unsecured unsubordinated obligations of the Issuer and are *pari passu* in right of payment with all of the Issuer’s existing and future senior unsecured indebtedness and senior in right of payment to all of the Issuer’s existing and future subordinated indebtedness.

The Issuer conducted two additional series of private offerings concurrently with the private offering of the Euro Notes: (i) \$1,350,000,000 aggregate principal amount of 6.625% Senior Notes due 2023 (the “**2023 Dollar Notes**”); and (ii) \$750,000,000 aggregate principal amount of 7.000% Senior Notes due 2025 (the “**2025 Dollar Notes**,” and together with the 2023 Dollar Notes and the Euro Notes, the “**Outstanding Notes**”). Interest on the 2023 Dollar Notes will accrue at a rate of 6.625% per annum, payable semi-annually in arrears on May 15 and November 15 of each year. The 2023 Dollar Notes will mature on May 15, 2023. Interest on the 2025 Dollar Notes will accrue at a rate of 7.000% per annum, payable semi-annually in arrears on May 15 and November 15 of each year. The 2025 Dollar Notes will mature on May 15, 2025.

The Euro Notes are jointly and severally, fully and unconditionally guaranteed on a senior unsecured unsubordinated basis by each of the Issuer’s existing and future direct and indirect wholly owned Restricted Subsidiaries that incurs or guarantees indebtedness under the Issuer’s senior secured credit facilities (the “**Senior Secured Credit Facilities**”), including ChemFirst Inc., First Chemical Corporation, First Chemical Holdings, LLC, First Chemical Texas, L.P., FT Chemical, Inc., International Dioxide, Inc., The Chemours Company FC, LLC and The Chemours Company TT, LLC, or guarantees other indebtedness of the Issuer or any guarantor

in an aggregate principal amount in excess of \$75 million (collectively, the “**Guarantors**”). The Euro Notes are effectively subordinated to the Issuer’s existing and future secured indebtedness, including borrowings under the Issuer’s Senior Secured Credit Facilities, to the extent of the value of the assets securing that indebtedness, and is structurally subordinated to the liabilities of any non-guarantor subsidiaries.

The Euro Notes were issued pursuant to an indenture, dated as of May 12, 2015, between the Issuer, the Guarantors, the U.S. Bank National Association (as “**Trustee**”), Elavon Financial Services Limited, UK Branch (as “**Paying Agent**” with respect to the Euro Notes), and Elavon Financial Services Limited (as “**Registrar**” and “**Transfer Agent**” with respect to the Euro Notes), as supplemented by the first supplemental indenture, dated as of May 12, 2015 (collectively, the “**Indenture**”).

The Euro Notes are guaranteed on a senior unsecured unsubordinated basis by each of the Issuer’s direct and indirect Restricted Subsidiaries that guarantee the Issuer’s Senior Secured Credit Facilities. The Guarantors, as primary obligors and not merely as sureties, are jointly and severally, fully and unconditionally guaranteed, on a senior unsecured unsubordinated basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all of our obligations under the Indenture and the Euro Notes, whether for payment of principal of, or any premium or interest on or in respect of, the Euro Notes, expenses, indemnification or otherwise, on the terms set forth in the Indenture by executing such Indenture.

Application has been made to the Irish Stock Exchange plc (“**ISE**”) for the Euro Notes to be admitted to the Official List and trading on the Global Exchange Market. The Global Exchange Market is the exchange regulated market of the ISE. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC, as amended.

If and for so long as any Euro Notes are listed on the Official List of the ISE and admitted to trading on the Global Exchange Market and the rules of the ISE so require, any such notice to the Holder of the relevant Euro Notes shall also be released by the Issuer through the Companies Announcement Office of the ISE and, in connection with any redemption, the Issuer will notify the ISE of any change in the principal amount of Euro Notes outstanding.

This document supplements, and should be read in conjunction with the offering circular (“**Offering Circular**”) dated May 5, 2015 (relating to the Euro Notes) of the Issuer, attached hereto as Annex 1, all of which constitute the “**Listing Particulars**” relating to the Euro Notes in respect of the admission of the Euro Notes to the Official List and to trading on the Global Exchange Market of the ISE. Where there is any conflict between the terms of this document and any of the documents attached as Annex 1, this document will supersede Annex 1. Capitalized terms used in this document and not defined herein shall have the meanings ascribed to them in Annex 1. Application has been made to the ISE for the approval of this document, including Annex 1 and the documents incorporated herein by reference, as Listing Particulars.

None of these Listing Particulars or the Offering Circular is a prospectus for the purposes of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) (or any legislation which implements the Prospectus Directive).

All references in these Listing Particulars to “\$”, “U.S.\$” or to “dollars” refer to US dollars, the lawful currency of the United States of America.

Unless the context otherwise requires, references in these Listing Particulars to “**The Chemours Group,**” “**The Chemours Company,**” “**The Chemours Company, LLC,**” “**Chemours,**” “**we,**” “**us,**” “**our**” and “**our company**” refer to the Issuer and its consolidated subsidiaries.

The Issuer accepts responsibility for the information contained in these Listing Particulars. To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

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1. SUMMARY

Description of the Euro Notes

The Euro Notes were issued under the Indenture in the amount of €360,000,000 on May 12, 2015. The terms of the Euro Notes are summarized in the Offering Circular. Such summaries are subject to, and are qualified in their entirety by reference to, all the terms and conditions of the Euro Notes as set out in the Indenture, and the global certificate representing the Euro Notes and the Guarantees.

The Euro Notes, the Indenture and any Guarantee are governed by and construed in accordance with the laws of the State of New York.

The Issuer is obligated to offer to purchase the Outstanding Notes at a price of (a) 101% of their principal amount, together with accrued and unpaid interest, if any, to the date of purchase, upon the occurrence of certain change of control events and (b) 100% of their principal amount, together with accrued and unpaid interest, if any, to the date of purchase, with the proceeds from certain asset dispositions. These restrictions and prohibitions are subject to certain qualifications and exceptions set forth in the Indenture, including without limitation, reinvestment rights with respect to the proceeds of asset dispositions. The Issuer is permitted to redeem some or all of the 2023 Dollar Notes and Euro Notes by paying a “make-whole” premium prior to May 15, 2018. The Issuer also may redeem some or all of the 2023 Dollar Notes and Euro Notes on or after May 15, 2018 and thereafter at specified redemption prices. The Issuer also may redeem some or all of the 2025 Dollar Notes on or after May 15, 2020 at specified redemption prices.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, if any, or interest on the Outstanding Notes and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Issuer on its request or, if then held by the Issuer, shall be discharged from such trust; and the Holder of any such Outstanding Note shall thereafter look only to the Issuer for payment thereof as general creditors, unless an applicable abandoned property law designates another person, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in the New York Times or The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuer.

2. INCORPORATION BY REFERENCE

The specific sections of the following documents, which have all been filed with the United States Securities and Exchange Commission (the “SEC”), are incorporated by reference and form part of these Listing Particulars:

- (a) the annual report on Form 10-K of the Issuer dated February 25, 2016 (in its entirety) (the “**Form 10-K**”);
- (b) the sections titled “Current Director Nominees” and “Directors Whose Terms Have Not Yet Expired” in the Issuer’s Definitive Proxy Statement on Form DEF14A dated March 15, 2016 (the “**Proxy Statement**”); and

- (c) the sections titled “Selected Historical Consolidated Financial Data,” “Risks Related to Our Indebtedness and the Notes” and “Index to Consolidated Financial Statements” in the registration statement on Form S-4 of the Issuer dated March 18, 2016, and any amendments made thereto, which was declared effective on April 12, 2016 (the “**Form S-4**”).

3. NO SIGNIFICANT OR MATERIAL CHANGES

There has been no material adverse change in the prospects of the Issuer or the Guarantors since December 31, 2015 being the date of the last published audited financial statements of the Guarantors or the Issuer. There has also been no significant change in the financial or trading position of the Issuer or the Guarantors since December 31, 2015, the date of the last published audited financial statements of the Guarantors or the Issuer.

4. DESCRIPTION OF THE ISSUER

Introduction

The Issuer, a global provider of performance chemicals, began operating as an independent public company on July 1, 2015 after separating from E. I. du Pont de Nemours (“**DuPont**”). The Issuer has three reporting segments: Titanium Technologies, Fluoroproducts and Chemical Solutions. The Issuer’s products are key inputs into end-products and processes in a variety of industries. The Issuer’s Titanium Technologies segment is a global producer of titanium dioxide, a premium white pigment used to deliver whiteness, brightness, opacity and protection in a variety of applications. The Issuer’s Fluoroproducts segment is a global provider of fluoroproducts, such as refrigerants and industrial fluoropolymer resins. The Issuer’s Chemical Solutions segment provides industrial and specialty chemicals throughout North America to be used in gold production, oil refining, agriculture, industrial polymers and other industries.

The Issuer operates 34 production facilities located in 11 countries and serves more than 5,000 customers across a wide range of end markets in more than 130 countries.

The Issuer is committed to creating value for its customers through the reliable delivery of high quality products and services around the globe. The Issuer creates value for customers and stockholders through (i) operational excellence and asset efficiency, which includes our commitment to safety and environmental stewardship, (ii) strong customer focus to produce innovative, high-performance products, (iii) focus on cash flow generation through optimization of our cost structure, and improvement in working capital and supply chain efficiencies through our transformation plan, (iv) organic growth and (v) creation of an organization that is committed to our corporate values of safety, customer appreciation, simplicity, collective entrepreneurship and integrity.

Many of the Issuer’s commercial and industrial relationships have been in place for decades. The Issuer’s customers are comprised of a diverse group of companies. Our sales are not materially dependent on any single customer. As of December 31, 2015, no one individual customer balance represented more than 5% of the Issuer’s total outstanding receivables balance and no single customer represented more than 10% of our sales.

Although we are responsible for all of the disclosures contained in the Offering Circular, the Offering Circular contains industry, market and competitive position data and forecasts that are based on industry publications and studies conducted by third parties. The industry publications and third-party studies generally state that the information that they contain has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. This information has been accurately reproduced and, as far as we are aware have been able to ascertain from information published

by those sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

General Information on the Issuer

The Issuer was organized in the state of Delaware on February 18, 2014 as Performance Operations, LLC, changed its name to The Chemours Company, LLC on April 15, 2014, and was converted from a limited liability company to a Delaware corporation on April 30, 2015. The business address of the Issuer's principal executive officers and board of directors is 1007 Market Street, Wilmington, Delaware 19899. The Issuer's telephone number at that address is +1 (302) 773-1000.

The Issuer's Executive Officers and Directors as of the date of these Listing Particulars are as follows:

Executive Officers

Name	Occupation
Mark P. Vergnano	President, Chief Executive Officer and Director
Mark E. Newman	Senior Vice President and Chief Financial Officer
E. Bryan Snell	President — Titanium Technologies
Thierry F.J. Vanlancker	President — Fluoroproducts
Christian W. Siemer	President — Chemical Solutions
David C. Shelton	Senior Vice President, General Counsel and Corporate Secretary
Beth Albright	Senior Vice President of Human Resources
Erich Parker	Vice President of Corporate Communications and Chief Brand Officer

Board of Directors

Name	Occupation
Mark P. Vergnano	President, Chief Executive Officer and Director
Curtis V. Anastasio	Director
Bradley J. Bell	Director
Richard H. Brown	Director, Chairman of the Board of Directors
Mary B. Cranston	Director
Curtis J. Crawford	Director
Dawn L. Farrell	Director
Stephen D. Newlin	Director

For a description of the principal activities performed by the Issuer's Board of Directors, please refer to pages 8 to 11 of the Issuer's Proxy Statement, which is incorporated herein by reference.

Recent Developments

On April 22, 2016, we entered into a Stock and Asset Purchase Agreement (the “**Purchase Agreement**”) with LANXESS Corporation, a Delaware corporation (“**Lanxess**”), pursuant to which Lanxess agreed to acquire (the “**Transaction**”) certain subsidiaries and assets comprising our Clean & Disinfect product line (the “**C&D Business**”). These subsidiaries and assets include, among other things, our Guarantor subsidiary International Dioxide, Inc., which is a Restricted Subsidiary under the indenture governing the Outstanding Notes. Subject to the terms and conditions of the Purchase Agreement, Lanxess has agreed to purchase the C&D Business from us for a purchase price of \$230 million in cash, subject to certain working capital adjustments. The C&D Business, with approximately \$110 million in combined revenue, is a set of a leading oxidation chemistry businesses focused on providing innovative cleaning and disinfection solutions for a wide range of industrial, consumer, animal and human health applications. The Transaction will not impair our ability to meet our payment obligations under the Outstanding Notes.

The sale of the stock of International Dioxide, Inc. is a permitted “Asset Sale” under the terms of the indenture governing the Outstanding Notes. The guarantee by International Dioxide, Inc. will be automatically and unconditionally released and discharged with respect to the Outstanding Notes upon the completion of the sale of stock of International Dioxide, Inc. For more information regarding guarantees and permitted transactions under the indenture governing the Outstanding Notes, see the Issuer’s Form S-4, which is incorporated herein by reference.

Completion of the Transaction is subject to certain customary closing conditions, including, among other things, expiration or termination of the waiting period (and any extensions thereof) applicable under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and other antitrust filings and approvals in specified jurisdictions having been made and obtained. We anticipate closing the Transaction within the second half of 2016.

5. DESCRIPTION OF THE GUARANTORS AND THE GUARANTEE

Introduction

The Euro Notes are guaranteed by the Guarantors, comprising (a) each of the Issuer's existing direct and indirect wholly owned Restricted Subsidiaries, including ChemFirst Inc., First Chemical Corporation, First Chemical Holdings, LLC, First Chemical Texas, L.P., FT Chemical, Inc., International Dioxide, Inc., The Chemours Company FC, LLC and The Chemours Company TT, LLC, and (b) future direct and indirect wholly owned Restricted Subsidiaries that (i) incurs or guarantees indebtedness under the Issuer's Senior Secured Credit Facilities or (ii) guarantees other indebtedness of the Issuer or any Guarantor. The Guarantees of the Euro Notes will rank equally with all other senior indebtedness of the Guarantors. None of the Issuer's Foreign Subsidiaries or Foreign Subsidiary Holding Companies thereof will guarantee the Euro Notes and no Foreign Subsidiaries or such Foreign Subsidiary Holding Companies are expected to guarantee the Euro Notes in the future.

Guarantees

Each direct and indirect Restricted Subsidiary, other than any of our direct or indirect Foreign Subsidiaries or Foreign Subsidiary Holding Companies, that (a) incurs or guarantees any Indebtedness under our Senior Secured Credit Facilities, or (b) guarantees other Indebtedness of us or any Guarantor in an aggregate principal amount in excess of \$75 million, will guarantee the Euro Notes. As of the Issue Date, none of our Foreign Subsidiaries or Foreign Subsidiary Holdings Companies guaranteed the Euro Notes, and as of the date hereof, none of our Foreign Subsidiaries or Foreign Subsidiary Holdings Companies guarantee the Euro Notes. No Foreign Subsidiaries or Foreign Subsidiary Holdings Companies are expected to guarantee the Euro Notes in the future. Each of the Guarantees of the Euro Notes:

- are a senior unsecured unsubordinated obligation of each Guarantor;
- are effectively subordinated to any existing or future Secured Indebtedness of such Guarantor (including such Guarantor's guarantee of the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Indebtedness;
- are structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of Subsidiaries of such Guarantor that do not guarantee the Euro Notes;
- rank *pari passu* in right of payment with all existing and future Senior Indebtedness of each such Guarantor, including such Guarantor's existing and future Obligations under the Senior Secured Credit Facilities; and
- are senior in right of payment to all existing and future Subordinated Indebtedness of each such Guarantor.

The Guarantors' Business

ChemFirst Inc.

ChemFirst, Inc., a Mississippi corporation, is a holding company for the First Chemical group of entities.

First Chemical Corporation

First Chemical Corporation, a Mississippi corporation, is the primary operating company of the First Chemical group of entities. First Chemical Corporation produces a variety of chemical products such as aniline and nitrobenzene.

First Chemical Holdings, LLC

First Chemical Holdings, LLC, a limited liability company under Mississippi limited liability company law, is a limited partner of First Chemical Texas, L.P.

First Chemical Texas, L.P.

First Chemical Texas, L.P. is a Delaware limited partnership whose business activities are currently inactive.

FT Chemical, Inc.

FT Chemical Inc., a Texas corporation, is the general partner of First Chemical Texas, L.P.

International Dioxide, Inc.

International Dioxide, Inc., a Delaware corporation, is an operating company that focuses on chlorine dioxide solutions.

The Chemours Company FC, LLC

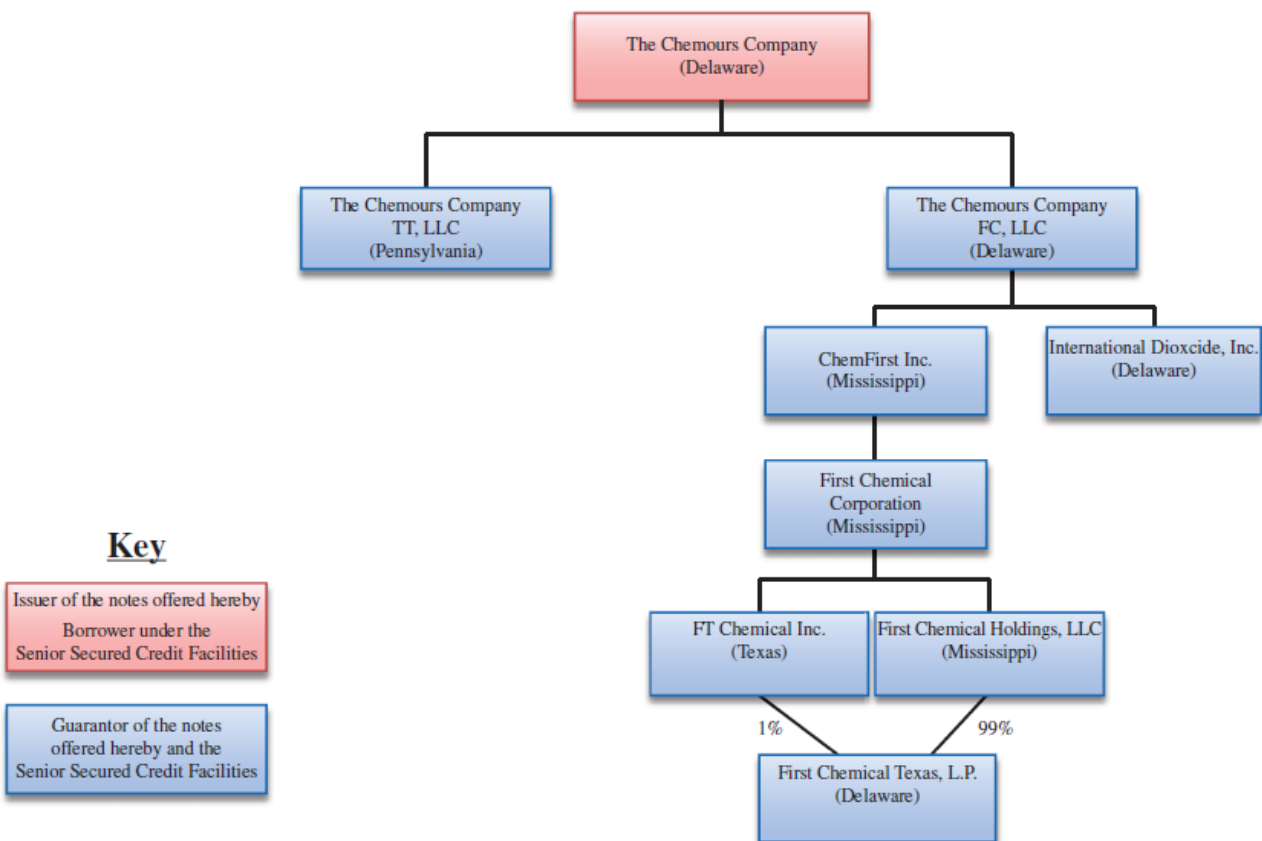
The Chemours Company FC, LLC, a Delaware Corporation, is the primary operating company of the Chemours group. This entity manufactures and sells a variety of chemical products from all segments.

The Chemours Company TT, LLC

The Chemours Company TT, LLC, a limited liability company under Pennsylvania limited liability company law, is an operating company of the Chemours group that owns and operates part of the Titanium Technologies business.

An organization chart showing the Issuer and the Guarantors is shown below. All of the subsidiaries provided below constitute subsidiaries of the Issuer as of the date of these Listing Particulars.

SUMMARY OF CORPORATE STRUCTURE



6. RISK FACTORS

Risk Factors Generally

An investment in the Euro Notes involves risk. Before investing in any of the Euro Notes, you should carefully consider the risks described below. Any of the following risks could materially adversely affect our business, financial condition or results of operations. In such case, you may lose all or part of your original investment in the Euro Notes. At the date of these Listing Particulars, these risk factors have not materially changed.

Risks Related to Chemours' Business

For information on risks relating to the Issuer's business, please refer to the section titled "Risks Related to Our Business" on pages 15 to 23 of the Issuer's Form 10-K.

Risks Related to Chemours' Indebtedness

For information on risks relating to the Issuer's indebtedness, please refer to the section titled "Risks Related to Our Indebtedness and the Notes" on pages 14 to 21 of the Issuer's Form S-4.

Risks Related to the Separation

For information on risks relating to the Issuer's separation from DuPont, please refer to the section titled "Risks Related to the Separation" on pages 26 to 28 of the Issuer's Form 10-K.

7. AUDITED FINANCIAL STATEMENTS

Financial Statements Generally

The Issuer has prepared consolidated audited financial statements as of December 31, 2015 and December 31, 2014 in accordance with U.S. Generally Accepted Accounting Principles (GAAP), forming part of the Issuer's Form S-4, which is incorporated herein by reference (the "**Consolidated Financial Statements**"). The Consolidated Financial Statements were audited by independent registered public accounting firm PricewaterhouseCoopers LLP. The Consolidated Financial Statements include financial information related to both the Issuer's subsidiary Guarantors and non-guarantor subsidiaries.

The Guarantor and non-guarantor subsidiary financials provided in this Section 7 (*Audited Financial Statements*) are presented using the equity method of accounting for The Chemours Group's investments in 100% owned subsidiaries. Under the equity method, the investments in subsidiaries are recorded at cost and adjusted for The Chemours Group's share of the subsidiaries cumulative results of operations, capital contributions, distributions and other equity changes. The elimination entries principally eliminate investments in subsidiaries and intercompany balances and transactions. The financial information contained in this Section 7 (*Audited Financial Statements*), including the net asset and EBITDA figures and percentage calculations of the Guarantor and non-guarantor subsidiaries, should be read in conjunction with the Consolidated Financial Statements and the notes related thereto, all of which form part of the Issuer's Form S-4, which is incorporated herein by reference.

Guarantor and Non-Guarantor Subsidiary Financials

For the year ended December 31, 2015, the Issuer's EBITDA represented \$(49) million and approximately (29)% of the total EBITDA of The Chemours Group on an aggregated basis. The net assets, including intercompany receivables and payables, of the Issuer as of December 31, 2015 were \$126 million, which represented 4% of the total net assets of The Chemours Group on an aggregated basis as of such date. For the year ended December 31, 2014, the Issuer's EBITDA represented \$400 million and approximately 33% of the total EBITDA of The Chemours Group on an aggregated basis. The net assets, including intercompany receivables and payables, of the Issuer as of December 31, 2014 were \$3,669 million, which represented approximately 50% of the total net assets of The Chemours Group on an aggregated basis as of such date.

For the year ended December 31, 2015, the subsidiary Guarantors' EBITDA, including intercompany sales, represented \$(198) million and approximately (115)% of the total EBITDA of The Chemours Group on an aggregated basis. The net assets, including intercompany receivables and payables, of the subsidiary Guarantors as of December 31, 2015 were \$2,413 million, which represented approximately 74% of the total net assets of The Chemours Group on an aggregated basis as of such date. For the year ended December 31, 2014, the subsidiary Guarantors' EBITDA, including intercompany sales, represented \$446 million and approximately 37% of the EBITDA of The Chemours Group on an aggregated basis. The net assets of the subsidiary Guarantors as of December 31, 2014 were \$2,227 million, which represented approximately 30% of the total net assets of The Chemours Group on an aggregated basis as of such date.

For the year ended December 31, 2015, the non-guarantor subsidiaries' EBITDA represented \$418 million and approximately 244% of the total EBITDA of The Chemours Group on an aggregated basis. The net assets of the non-guarantor subsidiaries as of December 31, 2015 were \$715 million, which represented approximately 22% of the total net assets of The Chemours Group on an aggregated basis as of December 31, 2015. For the year ended December 31, 2014, the non-guarantor subsidiaries' EBITDA represented \$360 million and approximately 30% of the total EBITDA of The Chemours Group on an aggregated basis. The

net assets of the non-guarantor subsidiaries as of December 31, 2014 were \$1,505 million, which represented approximately 20% of the total net assets of The Chemours Group on an aggregated basis as of December 31, 2014.

The Chemours Company FC, LLC

The Chemours Company FC, LLC is a subsidiary Guarantor that accounts for over 20% of The Chemours Group's net assets

The Chemours Company FC, LLC is a Guarantor, which for the year ended December 31, 2015 accounted for \$(228) million and (133)% of The Chemours Group's EBITDA on an aggregated basis (unaudited). The net assets of The Chemours Company FC, LLC as of December 31, 2015 were \$2,151 million, which represented 66% of the net assets of The Chemours Group on an aggregated basis (unaudited).

Address, number and date of incorporation

The Chemours Company FC, LLC is a limited liability company with its principal place of business at 1007 Market Street, Wilmington, Delaware 19899, USA. It was founded in Delaware on April 15, 2014. Its I.R.S. Employer Identification Number is 46-5626518.

Business of The Chemours Company FC, LLC

The Chemours Company FC, LLC is a direct, wholly-owned subsidiary of the Issuer. It serves as the primary operating company of Chemours.

Risk Factors

Apart from the risk factors described above in Section 6 (*Risk Factors*), there are no risks specific to The Chemours Company FC, LLC that could impact on its guarantee.

Encumbrances

The obligations of the Issuer under the Senior Secured Credit Facilities are guaranteed on a senior secured basis by The Chemours Company FC, LLC and are secured by a first priority lien on all of the assets of The Chemours Company FC, LLC.

The Chemours Company TT, LLC

The Chemours Company TT, LLC is a subsidiary Guarantor that accounts for over 20% of The Chemours Group's EBITDA

The Chemours Company TT, LLC is a Guarantor, which for the year ended December 31, 2015 accounted for \$102 million and 60% of The Chemours Group's EBITDA on an aggregated basis (unaudited). The net assets of The Chemours Company TT, LLC as of December 31, 2015 were \$236 million, which represented 7% of the net assets of The Chemours Group on an aggregated basis (unaudited).

Address, number and date of incorporation

The Chemours Company TT, LLC is a limited liability company with its principal place of business at 1007 Market Street, Wilmington, Delaware, 19899, USA. It was founded in Pennsylvania on April 17, 2014. Its I.R.S. Employer Identification Number is 46-5603533.

Business of The Chemours Company TT, LLC

The Chemours Company TT, LLC is a direct, wholly-owned subsidiary of the Issuer. It serves as an operating company of the Chemours group that owns and operates part of the Titanium Technologies business.

Risk Factors

Apart from the risk factors described above in Section 6 (*Risk Factors*), there are no risks specific to The Chemours Company TT, LLC that could impact on its guarantee.

Encumbrances

The obligations of the Issuer under the Senior Secured Credit Facilities are guaranteed on a senior secured basis by The Chemours Company TT, LLC and are secured by a first priority lien on all of the assets of The Chemours Company TT, LLC.

Selected Historical Consolidated Financial Data As of December 31, 2015

The following table presents the Issuer's selected historical consolidated financial data. The selected historical consolidated financial data as of December 31, 2015 and 2014, and for the years December 31, 2015, 2014 and 2013, are derived from audited information contained in the Issuer's Consolidated Financial Statements included in the Issuer's Form S-4, which is incorporated herein by reference. The selected historical consolidated financial data as of December 31, 2013 and 2012 and for the year ended December 31, 2012 are derived from the Issuer's audited consolidated financial statements.

The selected historical consolidated financial data for the periods ended December 31, 2012 through 2014 and for the first six months of the year ended December 31, 2015 include certain expenses of DuPont that were allocated to the Issuer for certain corporate functions including information technology, research and development, finance, legal, insurance, compliance and human resources activities. These costs may not be representative of the future costs the Issuer will incur as an independent, publicly traded company. In addition, the Issuer's historical financial information does not reflect changes that the Issuer expects to experience in the future as a result of the Issuer's separation and distribution from DuPont, including changes in the Issuer's cost structure, personnel needs, tax structure, capital structure, financing and business operations. Consequently, the financial information included here may not necessarily reflect what the Issuer's financial position, results of operations and cash flows would have been had it been an independent, publicly traded company during the periods presented. Accordingly, these historical results should not be relied upon as an indicator of the Issuer's future performance. For additional information related to the Issuer's historical consolidated financial data, please refer to the section titled "Selected Historical Consolidated Financial Data" in the Issuer's Form S-4, which is incorporated herein by reference.

Certain reclassifications of prior years' data have been made to conform to the current year's presentation, primarily relating to the early adoption of balance sheet classification of deferred taxes discussed in Note 3 to the section titled "Index to the Consolidated Financial Statements" included in the Issuer's Form S-4 (which is incorporated herein by reference).

	Year ended December 31,			
	2015	2014	2013	2012
<i>(Dollars in millions)</i>				
Summary of operations:				
Net sales	\$5,717	\$6,432	\$6,859	\$7,365
(Loss) income before income taxes	\$ (188)	\$ 550	\$ 576	\$1,485
(Benefit from) provision for income taxes	\$ (98)	\$ 149	\$ 152	\$ 427
Net (loss) income attributable to the Issuer	\$ (90)	\$ 400	\$ 423	\$1,057
Financial position as period end:				
Working capital ⁽¹⁾	\$ 835	\$ 543	\$ 474	\$ 601
Total assets	\$6,298	\$5,959	\$5,580	\$5,309
Borrowings and capital lease obligations, net ⁽²⁾	\$3,954	\$ 1	\$ 1	\$ 1
General:				
Purchases of property, plant and equipment	\$ 519	\$ 604	\$ 438	\$ 432
Depreciation and amortization	\$ 267	\$ 257	\$ 261	\$ 266

(1) Current assets minus current liabilities.

(2) Amount as of December 31, 2015 includes unamortized debt issuance costs of \$60 million.

8. GENERAL INFORMATION

- 8.1 For the life of the Listing Particulars, copies of the following items will be available in physical form at 1007 Market Street, Wilmington, Delaware 19899, United States of America:
- (a) these Listing Particulars, including Annex 1;
 - (b) a copy of the Issuer's Form 10-K;
 - (c) a copy of the Issuer's Proxy Statement;
 - (d) a copy of the Issuer's Form S-4;
 - (e) a copy of the Indenture; and
 - (f) the Issuer's constitutional documents.
- 8.2 Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Euro Notes and is not itself seeking admission of the Euro Notes to trading on the Global Exchange Market of the ISE.
- 8.3 The Common Codes for the Euro Notes are 122630765 (144A) and 122629660 (Reg S).
- 8.4 The International Securities Identification Number (ISIN) numbers for the Euro Notes are XS1226307657 (144A) and XS1226296603 (Reg S).
- 8.5 The issue of the Euro Notes was authorized by the Issuer's Boards of Directors in resolutions dated March 17, 2015.
- 8.6 The Issuer and the Guarantors are not aware of any potential conflicts of interest between any duties of any of the Issuer's or the Guarantors' management to the Issuer or the Guarantors, respectively, and their private interests and/or other duties.
- 8.7 The Issuer has not, during the previous 12 months, been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which have had in the recent past, or may have, a significant effect on the Issuer's financial position and profitability, except as disclosed under following sections of the Form 10-K, which is incorporated herein by reference: (i) "—Legal Proceedings" on page 31; (ii) "Management's Discussion and Analysis of Financial Condition and Results of Operations—Environmental Matters" on page 54; (iii) "Notes to the Consolidated Financial Statements—Litigation" on page F-31; and (iv) "Notes to the Consolidated Financial Statements—Environmental" on page F-34.
- 8.8 The Guarantors have not, during the previous 12 months, been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which have had in the recent past, or may have, a significant effect on the Guarantors' financial position and profitability, except as disclosed under the following sections of the Form 10-K, which is incorporated herein by reference: (i) "—Legal Proceedings" on page 31; (ii) "Management's Discussion and Analysis of Financial Condition and Results of Operations—Environmental Matters" on page 54; (iii) "Notes to the Consolidated Financial Statements—Litigation" on page F-31; and (iv) "Notes to the Consolidated Financial Statements—Environmental" on page F-34.

- 8.9 An estimate of the total expenses related to the admission of trading to the Global Exchange Market is €6,500.
- 8.10 The Issuer has the following Standard & Poor's ratings: Corporate (BB-), Senior Secured Credit Facilities (BB+) and Senior Unsecured Notes (B+).
- 8.11 The Issuer has the following Moody's ratings: Corporate (Ba3), Senior Secured Credit Facilities (Ba1) and Senior Unsecured Notes (B1).
- 8.12 The Issuer's I.R.S. Employer Identification Number is 46-4845564.
- 8.13 ChemFirst Inc.'s I.R.S. Employer Identification Number is 64-0679456.
- 8.14 First Chemical Corporation's I.R.S. Employer Identification Number is 64-0428608.
- 8.15 First Chemical Holdings, LLC's I.R.S. Employer Identification Number is 64-0873102.
- 8.16 First Chemical Texas, L.P.'s I.R.S. Employer Identification Number is 64-0873104.
- 8.17 FT Chemical, Inc.'s I.R.S. Employer Identification Number is 64-0873103.
- 8.18 International Dioxide, Inc.'s I.R.S. Employer Identification Number is 22-2817151.
- 8.19 The Chemours Company FC, LLC's I.R.S. Employer Identification Number is 46-5626518.
- 8.20 The Chemours Company TT, LLC's I.R.S. Employer Identification Number is 46-5603533.

9. DIRECTORY OF PARTICIPANTS

Listing Agent:	Arthur Cox Listing Services Limited Earlsfort Centre Earlsfort Terrace Dublin 2 Ireland
Registrar and Transfer Agent:	Elavon Financial Services Limited Fifth Floor 125 Old Broad Street London EC2N 1AR United Kingdom
Paying Agent:	Elavon Financial Services Limited, UK Branch Fifth Floor 125 Old Broad Street London EC2N 1AR United Kingdom
Legal Counsel to the Issuer:	Morrison & Foerster LLP 250 West 55 th Street New York, New York 10019-9601 Attention: Anna T. Pinedo

ANNEX 1

Offering Circular of Issuer

This offering document constitutes an offering of the securities described herein only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, and therein only by persons permitted to sell such securities. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada. No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offence.



The Chemours Company

US\$1,350,000,000 6.625% Senior Notes due 2023

US\$750,000,000 7.000% Senior Notes due 2025

€360,000,000 6.125% Senior Notes due 2023

The Offering

The securities being offered in Canada are part of an offering (the "Offering") by The Chemours Company (the "Company"), currently a wholly owned subsidiary of E. I. du Pont de Nemours and Company ("DuPont"), of US\$1,350,000,00 aggregate principal amount of the Company's 6.625% senior notes due 2023 (the "2023 notes"), US\$242,951,000 aggregate principal amount of the Company's 7.000% senior notes due 2025 (the "2025 notes") and €360,000,000 aggregate principal amount of the Company's 6.125% senior notes due 2023 (the "Euro Notes" and together with the 2023 notes and the 2025 notes, the "Notes"), and of US\$507,049,000 aggregate principal amount of the Company's 2025 notes by the selling securityholders identified in the attached confidential offering circular (the "Selling Securityholders"). Attached and forming part of this document is a copy of the confidential offering circular and related supplement regarding the Offering being made in the United States and elsewhere. **The Offering in Canada is being made only in the provinces of Ontario, Québec, Alberta and British Columbia.** If the attached confidential offering circular and related supplement remains subject to completion or amendment, this document similarly remains subject to completion or amendment. The definitions in the attached confidential offering circular and related supplement (except as otherwise stated) apply throughout this document.

THE SECURITIES ARE NOT BEING OFFERED AND MAY NOT BE SOLD TO ANY PURCHASER IN A PROVINCE OR TERRITORY OF CANADA OTHER THAN THE PROVINCES OF ONTARIO, QUÉBEC, ALBERTA AND BRITISH COLUMBIA.

Certain Relationships with the Initial Purchasers

The Company intends to use the net proceeds of the issuance of the Notes being offered by the Company to fund a dividend to DuPont. In addition, the Company will issue or transfer to DuPont (i) all outstanding shares of the Company's common stock, (ii) US\$507,049,000 aggregate principal amount of the 2025 notes, which DuPont will transfer to the Selling Securityholders pursuant to the debt-for-debt exchange and which are being offered by the Selling Securityholders pursuant to the Offering and (iii) substantially all of the net proceeds of borrowings under the Term Loan Facility. The Company will not receive any proceeds from the sale of the 2025 notes by the Selling Securityholders. Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC, certain of the initial purchasers, are Selling Securityholders of 2025 notes and are also expected to act, or their affiliates are expected to act, as agents and lenders under the Senior Secured Credit Facilities. The Selling Securityholders expect to obtain the 2025 notes from DuPont in exchange for certain debt securities of DuPont that they may have acquired pursuant to an on-going tender offer. Affiliates of each of the initial purchasers are expected to be lenders under the Company's US\$1.0 billion Senior Secured Revolving Credit Facility and US\$1.5 billion Senior

Secured Term Loan. In addition, Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC are expected to act as joint lead arrangers and joint bookrunners for the Senior Secured Credit Facilities, while an affiliate of J.P. Morgan Securities LLC is expected to be the sole administrative agent and collateral agent under the Term Loan Facility. As such, under applicable Canadian securities legislation, the Company may be considered to be a “connected issuer” of Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, J.P. Morgan Securities plc, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Merrill Lynch International, Barclays Capital Inc., Barclays Bank plc, Citigroup Global Markets Inc., Goldman, Sachs & Co., HSBC Securities (USA) Inc., RBC Capital Markets, LLC, Mizuho Securities USA Inc., Mizuho International plc, Santander Investment Securities Inc., Banco Santander, S.A., Mitsubishi UFJ Securities (USA), Inc., Mitsubishi UFJ Securities International plc, BNP Paribas Securities Corp., BNP Paribas and TD Securities (USA) LLC. For more information, see the “Use of Proceeds”, “Selling Securityholders” and “Plan of Distribution” sections in the attached confidential offering circular. The Company expects to be in compliance with the terms of its Senior Secured Credit Facilities and no breach thereof is expected to be waived by any of the initial purchasers or their affiliates. The decision of each initial purchaser to distribute the Notes was made independent of the lender with which it is affiliated, which lender had no involvement in determining whether or when to distribute the Notes under the Offering or the terms of the Offering. The initial purchasers will not receive any benefit from the Offering other than the discount to the offering price and such other matters as described in the attached confidential offering circular.

Resale Restrictions

The distribution of the Notes in Canada is being made only on a private placement basis exempt from the requirement that the Company and the Selling Securityholders prepare and file a prospectus with the securities regulatory authorities in each province where trades of Notes are made. Any resale of the Notes in Canada must be made under applicable securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the Notes.

Representations of Purchasers

By purchasing the Notes in Canada and accepting delivery of a purchase confirmation a purchaser is deemed to represent to the Company, the Selling Securityholders and the dealer from whom the purchase confirmation is received that:

- the purchaser is resident in either the Province of Ontario, Quebec, Alberta or British Columbia, and is not acquiring the Notes for the account or benefit of any individual or entity that is resident in any province or territory of Canada other than the Province of Ontario, Quebec, Alberta or British Columbia,
- the purchaser is entitled under applicable provincial securities laws to purchase the Notes without the benefit of a prospectus qualified under those securities laws as it is an “accredited investor” as defined under National Instrument 45-106—*Prospectus and Registration Exemptions*,
- the purchaser is a “permitted client” as defined in National Instrument 31-103—*Registration Requirements, Exemptions and Ongoing Registrant Obligations*, or as otherwise interpreted and applied by the Canadian Securities Administrators,
- where required by law, the purchaser is purchasing as principal and not as agent,
- the purchaser has reviewed the text above under Resale Restrictions, and
- the purchaser acknowledges and consents to the provision of specified information concerning the purchase of the Notes to the regulatory authority that by law is entitled to collect the information, including certain personal information. For purchasers in Ontario, questions about such indirect collection of personal information should be directed to the Administrative Support Clerk, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8 or on (416) 593-3684.

Rights of Action—Ontario Purchasers

Under Ontario securities legislation, certain purchasers who purchase a security offered by this document during the period of distribution will have a statutory right of action for damages, or while still the owner of the Notes, for rescission against the Company and the Selling Securityholders in the event that this document contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the Notes. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the Notes. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company or the Selling Securityholders. In no case will the amount recoverable in any action exceed the price at which the Notes was offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the Company and the Selling Securityholders will have no liability. In the case of an action for damages, the Company and the Selling Securityholders will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the Notes as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Ontario purchasers should refer to the complete text of the relevant statutory provisions.

Enforcement of Legal Rights

All of the Company's directors and officers and the Selling Securityholders as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company or those persons. All or a substantial portion of the Company's assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgement against the Company or those persons in Canada or to enforce a judgement obtained in Canadian courts against the Company or those persons outside of Canada.

Taxation and Eligibility for Investment

Canadian purchasers of Notes should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Notes in their particular circumstances and about the eligibility of the Notes for investment by the purchaser under relevant Canadian legislation.

CONFIDENTIAL OFFERING CIRCULAR



The Chemours Company

\$1,350,000,000 6.625% Senior Notes due 2023

\$750,000,000 7.000% Senior Notes due 2025

€360,000,000 6.125% Senior Notes due 2023

The Chemours Company ("Chemours," "we" or "us"), the issuer of the notes offered hereby, is currently a wholly owned subsidiary of E. I. du Pont de Nemours and Company ("DuPont"). DuPont intends to distribute to its stockholders all of the issued and outstanding shares of Chemours common stock (the "distribution"). The date of the distribution is currently anticipated to be July 1, 2015, pending approval from DuPont's Board of Directors.

We are offering \$1,350,000,000 aggregate principal amount of our 6.625% senior notes due 2023 (the "2023 notes"), \$242,951,000 aggregate principal amount of our 7.000% senior notes due 2025 (the "2025 notes") and €360,000,000 aggregate principal amount of our 6.125% senior notes due 2023 (the "Euro Notes") and certain selling securityholders are offering \$507,049,000 aggregate principal amount of our 2025 notes. The 2023 notes and the 2025 notes being offered hereby are collectively referred to herein as the "Dollar Notes." The Dollar Notes and the Euro Notes being offered hereby are collectively referred to as the "notes." The 2023 notes will mature on May 15, 2023, the 2025 notes will mature on May 15, 2025 and the Euro Notes will mature on May 15, 2023. We will pay interest on the notes semi-annually in arrears on May 15 and November 15 of each year, commencing on November 15, 2015. Interest will accrue on the notes from May 12, 2015. The selling securityholders will receive the 2025 notes being offered by them from DuPont in exchange for certain outstanding DuPont debt.

If the distribution has not been completed on or before November 30, 2015 or, if prior to such date, DuPont has abandoned the distribution, then we will be required to redeem each series of notes as specified under "Description of the Notes—Special Mandatory Redemption."

We intend to use the net proceeds of the issuance of the notes being offered by us to partially fund a dividend to DuPont. The dividend will be paid to DuPont promptly after receipt by us of the net proceeds from the issuance of such notes and such proceeds will not be deposited or held in a segregated escrow account. We will not receive any proceeds from the sale of the 2025 notes by the selling securityholders. See "Use of Proceeds" and "Selling Securityholders."

We have agreed to file a registration statement after the completion of this offering pursuant to which we will offer to exchange the notes for substantially identical notes that are registered under the Securities Act of 1933, as amended (the "Securities Act").

The notes will be our senior obligations and will be *pari passu* in right of payment with all of our existing and future senior unsecured indebtedness and senior in right of payment to all of our existing and future subordinated indebtedness. The notes will be jointly and severally, fully and unconditionally guaranteed on a senior unsecured unsubordinated basis by each of our existing and future direct and indirect domestic subsidiaries that incurs or guarantees indebtedness under our senior secured credit facilities (the "Senior Secured Credit Facilities") or guarantees other indebtedness of Chemours or any guarantor in an aggregate principal amount in excess of \$75 million (collectively, the "guarantors"). The notes will be effectively subordinated to our existing and future secured indebtedness, including borrowings under our Senior Secured Credit Facilities, to the extent of the value of the assets securing that indebtedness, and will be structurally subordinated to the liabilities of any non-guarantor subsidiaries.

We may redeem the 2023 notes and the Euro Notes, in whole or in part, at any time or from time to time at the redemption prices described under "Description of the Notes—Optional Redemption." We may redeem the 2025 notes on or after May 15, 2020 at the redemption prices described under "Description of the Notes—Optional Redemption." If we experience a change of control, we may be required to offer to purchase the notes on the terms described in this offering circular.

Application is expected to be made to the Irish Stock Exchange for the approval of listing particulars in relation to the Euro Notes prior to the first anniversary of the issue date of the Euro Notes. Investors should note that any listing particulars approved by the Irish Stock Exchange would be issued by Chemours solely for the purposes of obtaining a listing of the Euro Notes on the Irish Stock Exchange following completion of the offering and issuance of the Euro Notes contemplated in this offering circular and such listing particulars should not be relied upon by any person. The information contained in such listing particulars will be materially different from the information included in this offering circular because, among other things, the financial information to be included in such listing particulars will be in respect of a period subsequent to the most recent period presented herein. Application is expected to be made to list the Euro Notes on the Official List of the Irish Stock Exchange and to trading on the Global Exchange Market of such exchange, which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that a listing of the Euro Notes on the Global Exchange Market of the Irish Stock Exchange will be obtained prior to the date of the first interest payment of the Euro Notes or at all. The offering and issuance of the Euro Notes will be consummated prior to the listing being obtained.

Investing in the notes involves risks. See "Risk Factors" beginning on page 21 of this offering circular.

Price per 2023 note: 100.0% plus accrued interest, if any, from May 12, 2015
Price per 2025 note: 100.0% plus accrued interest, if any, from May 12, 2015
Price per Euro note: 100.0% plus accrued interest, if any, from May 12, 2015

Delivery of the Dollar Notes in book-entry form will be made on or about May 12, 2015 through the facilities of the Depositary Trust Company ("DTC") and its direct and indirect participants, including Euroclear Bank S.A./N.V., or Euroclear, as operator of the Euroclear System, and Clearstream Banking, société anonyme, Luxembourg, or Clearstream. The Euro Notes are expected to be delivered in book-entry form through Euroclear and Clearstream on or about May 12, 2015.

The notes have not been registered under the Securities Act. The notes may not be offered or sold except to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) within the United States and to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. You are hereby notified that sellers of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

For a description of certain information about eligible offerees and restrictions on transfers of the notes, see "Notice to Investors; Transfer Restrictions" and "Plan of Distribution."

Joint Book-Running Managers

Credit Suisse
BofA Merrill Lynch

Barclays

Citigroup

J.P. Morgan
Goldman, Sachs & Co.

Senior Co-Managers

HSBC

RBC Capital Markets

Mizuho Securities
BNP PARIBAS

Co-Managers
Santander

MUFG
TD Securities

The date of this confidential offering circular is May 5, 2015.

We, the selling securityholders and the initial purchasers have not authorized anyone to provide you with any information other than that contained in this offering circular or in a document to which we have referred you. We, the selling securityholders and the initial purchasers take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should assume that the information appearing in this offering circular is accurate only as of the date on the front cover of this offering circular. None of Chemours, any of the selling securityholders or any of the initial purchasers is making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

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We and the selling securityholders are relying on an exemption from registration under the Securities Act for offers and sales of securities that do not involve a public offering. By purchasing the notes, you will be deemed to have made the acknowledgments, representations, warranties and agreements described under the heading "Notice to Investors; Transfer Restrictions" in this offering circular. You should understand that you will be required to bear the financial risks of your investment for an indefinite period of time.

We and the selling securityholders have submitted this offering circular confidentially to a limited number of institutional investors so that they can consider a purchase of the notes. We and the selling securityholders have not authorized its use for any other purpose. This offering circular may not be copied or reproduced in whole or in part. It may be distributed and its contents disclosed only to the prospective investors to whom it is provided. By accepting delivery of this offering circular, you agree to these restrictions. Please see "Notice to Investors; Transfer Restrictions."

Notwithstanding any statements to the contrary, you (and each of your employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the U.S. federal and state tax treatment and tax structure of the notes and all materials of any kind (including opinions or other tax analyses) that are provided to you relating to such tax treatment or tax structure. For this purpose, "tax structure" is limited to the facts relevant to the U.S. federal and state tax treatment of the notes and does not include information relating to the identity of us, the selling securityholders or our or their respective affiliates, agents or advisors (except to the extent relating to such tax structure or tax treatment) or any nonpublic commercial or financial information.

We and the selling securityholders are not making any representation to any purchaser of the notes regarding the legality of an investment in the notes by such purchaser under any legal investment or similar laws or regulations. You should not consider any information in this offering circular to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the notes.

Neither the Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved of these securities or determined if this offering circular is truthful or complete. Any representation to the contrary is a criminal offense.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE UNIFORM SECURITIES ACT (“RSA 421-B”), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

SECURITIES AND EXCHANGE COMMISSION REVIEW

We filed a registration statement on Form 10 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), relating to the common stock expected to be distributed by DuPont (the “Form 10”) with the SEC on December 18, 2014 and amended the Form 10 on February 12, 2015 (“Amendment No.1”) and on April 21, 2015 (“Amendment No. 2”). The Form 10 is currently under review by the SEC. The disclosures regarding our company and our business and other information, including financial information and other data, contained in this offering circular are based largely on the disclosures contained in the Form 10, Amendment No. 1 and Amendment No. 2. As a result of the continued review by the SEC of the Form 10, it is possible that certain changes or modifications may be made to the information contained in the Form 10 that formed the basis of the disclosures contained in this offering circular. Changes or modifications may be contained in future amendments to the Form 10 currently on file with the SEC to the description of our company and our business and other information, including financial information, which information is also contained in this offering circular. These changes or modifications to the Form 10 could be material and may not be reflected in this offering circular.

We have agreed to file, after the completion of this offering, a registration statement with the SEC with respect to a registered offer to exchange the notes for new exchange notes having terms identical in all material respects to the notes of such series (except that the new exchange notes will not contain terms with respect to additional interest or transfer restrictions), or to file a shelf registration statement with respect to resales of such notes. See “Exchange Offer; Registration Rights.” In the course of the SEC’s review of the exchange offer registration statement or any shelf registration statement, we may be required to make changes or modifications to the description of our business, our financial information and data and the presentation of our financial information that is also contained in this offering circular. Comments made by the SEC on the exchange offer

registration statement or any shelf registration statement may require modification, reformulation or elimination of the information contained in this offering circular. Any such modification, reformulation or elimination could be significant.

NON-GAAP FINANCIAL MEASURES

EBITDA and Adjusted EBITDA, as presented in this offering circular, are supplemental measures of performance that are not required by or presented in accordance with accounting principles generally accepted in the United States, or “GAAP.” See “Summary—Summary Historical and Unaudited Pro Forma Combined Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this offering circular for the definitions of such non-GAAP financial measures. EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation from, or as substitutes for analysis of, results as reported under GAAP. EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to invest in our business or reduce indebtedness. We rely primarily on our GAAP results and are using such non-GAAP financial measures only supplementally.

MARKET AND INDUSTRY DATA

Although we are responsible for all of the disclosures contained in this offering circular, this offering circular contains industry, market and competitive position data and forecasts that are based on industry publications and studies conducted by third parties. The industry publications and third-party studies generally state that the information that they contain has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that the market position, market opportunity and market size information included in this offering circular is generally reliable, such information is inherently imprecise. The industry forward-looking statements included in this offering circular may be materially different from actual results.

TRADEMARKS

Ti-Pure®, Vantage®, Suva®, ISCEON®, Freon®, Opteon®, Teflon®, Tefzel®, Viton®, Krytox®, Formacel®, Dymel®, FM 200®, Nafion®, Capstone®, Virkon® and Oxone® are some of our trademarks. We also have a number of other registered trademarks, trade names and pending trademark applications related to our companies, brands, and brand concepts.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This offering circular contains certain statements regarding business strategies, market potential, future financial performance, future action, results and other matters which are “forward-looking” statements. The words “believe,” “expect,” “anticipate,” “project,” “estimate,” “budget,” “continue,” “could,” “intend,” “may,” “plan,” “potential,” “predict,” “seek,” “should,” “will,” “would,” “objective,” “forecast,” “goal,” “guidance,” “outlook,” “effort,” “target” and similar expressions, among others, generally identify forward-looking statements, which speak only as of the date the statements were made. Additionally, forward-looking statements include, but are not limited to:

- DuPont’s consummation of the separation and distribution and our ability to realize the expected benefits thereof;
- general conditions in the global economy and global capital markets, such as inflation, currency exchange rates and interest rates;

- the extent to which market conditions adversely affect the demand for the end-use products that contain TiO₂ and fluoroproducts or our other products;
- seasonality of our products;
- risks involved in our international operations such as changes in government policies, laws or certain geopolitical conditions and activities;
- our exposure to fluctuations in energy and raw material prices and our ability to renew our raw materials contracts;
- our ability to comply with extensive environmental, health and safety regulations;
- certain raw materials constitute hazardous materials that may give rise to costly environmental and safety claims;
- hazards associated with chemical manufacturing, storage and transportation;
- competitiveness in each of the businesses in which we compete throughout the world;
- our ability to predict, identify and interpret changes in consumer preference and demand and our ability to develop competitive new products and respond to new processes that may reduce the demand for our products;
- failure to appropriately manage process safety and product stewardship issues;
- the operation, capacity and security of our businesses, supply chain, plants and information technology systems and infrastructure, including unanticipated business disruptions and disruptions in our information technology networks and systems;
- security threats, such as acts of sabotage, terrorism or war, weather events and natural disasters;
- our ability to adequately protect, defend and enforce our intellectual property rights;
- environmental liabilities to which we may be subject;
- litigation and regulatory proceedings to which we might be subject, including unanticipated litigation or legal settlement expenses;
- our ability to complete proposed divestitures or acquisitions;
- our ability to realize the expected benefits of acquisitions if they are completed; and
- uncertainty regarding the availability of financing to us in the future and the terms of such financing.

Where, in any forward-looking statement, an expectation or belief as to future results or events is expressed, such expectation or belief is based on the current plans and expectations of management and expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Factors that could cause actual results or events to differ materially from those anticipated include the matters described under the sections entitled “Summary,” “Risk Factors,” “The Transactions,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business.” DuPont and Chemours disclaim and do not undertake any obligation to update or revise any forward-looking statement, except as required by applicable law.

SUMMARY

The following is a summary of material information discussed in this offering circular. This summary does not contain all of the information that you should consider before investing in the notes. You should read the entire offering circular carefully, including the matters discussed under the captions “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the financial statements included elsewhere in this offering circular. Except as otherwise indicated or unless the context otherwise requires, the information included in this offering circular, including the combined financial statements of Chemours, which are comprised of the assets and liabilities of DuPont’s Performance Chemicals segment, which includes its Titanium Technologies, Fluoroproducts and Chemical Solutions businesses, and certain additional assets and liabilities associated with the DuPont businesses, assumes the completion of all the transactions referred to in this offering circular in connection with the separation and distribution. Unless the context otherwise requires, references in this offering circular to “The Chemours Company,” “The Chemours Company, LLC,” “Chemours,” “we,” “us,” “our” and “our company” refer to The Chemours Company and its combined subsidiaries. References in this offering circular to “DuPont” refer to E. I. du Pont de Nemours and Company, a Delaware corporation, and its consolidated subsidiaries (other than Chemours and its combined subsidiaries), unless the context otherwise requires. References to “DuPont stockholders” refer to stockholders of DuPont in their capacity as holders of DuPont common stock only, unless the context otherwise requires. “Pro forma” means on a pro forma basis, giving effect to the pro forma adjustments described in “Unaudited Pro Forma Combined Financial Statements.”

Chemours was organized as a limited liability company under the laws of the State of Delaware. In accordance with the separation and distribution, Chemours was converted from a limited liability company to a Delaware corporation on April 30, 2015.

This offering circular describes the businesses to be transferred to Chemours by DuPont in the separation and distribution as if the transferred businesses were our businesses for all historical periods described. References in this offering circular to the historical assets, liabilities, products, businesses or activities of our businesses are generally intended to refer to the historical assets, liabilities, products, businesses or activities of the transferred businesses as such businesses were conducted as part of DuPont and its subsidiaries prior to the separation and distribution.

Our Company

Chemours is a leading global provider of performance chemicals through three reporting segments: Titanium Technologies, Fluoroproducts and Chemical Solutions. Our performance chemicals are key inputs into products and processes in a variety of industries. Our Titanium Technologies segment is the leading global producer of titanium dioxide (“TiO₂”), a premium white pigment used to deliver opacity. Our Fluoroproducts segment is a leading global provider of fluoroproducts, such as refrigerants and industrial fluoropolymer resins. Our Chemical Solutions segment is a leading North American provider of industrial and specialty performance chemicals used in gold production, oil refining, agriculture, industrial polymers and other industries. Our position with each of these businesses reflects the strong value proposition we provide to our customers based on our long history of innovation and our reputation within the chemical industry for safety, quality and reliability. We operate 37 production facilities located in 12 countries and serve several thousand customers located in more than 130 countries.

Our Strengths

Our competitive strengths include the following:

Leading Global Market Positions

We are the largest global producer of TiO₂, with annual TiO₂ capacity of approximately 1.2 million metric tons. We are in the process of expanding capacity at our Altamira, Mexico production facility by 200,000 metric tons. Production at the expansion is scheduled to come online in mid-2016. Each of our TiO₂ production facilities ranks among those with the largest capacity globally, and our production facilities at New Johnsonville, Tennessee and DeLisle, Mississippi are the two largest capacity TiO₂ production facilities in the world. We believe that our world-scale assets, consistent quality and delivery reliability differentiate us from our competitors in the TiO₂ market.

We are the market leader in fluoroproducts, with leading positions in fluorinated refrigerants, and industrial fluoropolymer resins and downstream products. We have a leading position in hydrofluorocarbon (“HFC”) refrigerants and are at the forefront of developing high-performance sustainable technologies such as our low global warming potential (“GWP”) hydrofluoro-olefin (“HFO”) refrigerants and foam expansion agents. We are also the market leader in industrial fluoropolymer resins and downstream products and coatings, marketed under the well-known Teflon® brand name. Teflon® industrial resins are used in high-performance wire and cable and multiple components in high-tech processing equipment.

We are the leading producer of solid sodium cyanide (primarily used in gold production) in the Americas. We lead in production capability, product stewardship offerings and distribution capabilities. We are the largest provider of sulfuric acid regeneration in the U.S. Northeast and the second largest provider in the U.S. Gulf Coast. In North America, we maintain market leading positions in aniline (primarily used to make polyurethane) and glycolic acid (primarily used in personal care products). We also have a strong market position in disinfectants used for water sanitization, animal health and bio-security.

Our market-leading positions are due to the scale and scope of our operations, our outstanding process technology, our differentiated products, our competitive pricing and efficient manufacturing base and long-standing partnerships with our customers.

Industry-leading Cost Structure

We produce our products in cost-efficient manufacturing facilities that utilize proprietary process technologies to help drive our industry-leading cost structure. We continue to focus on increasing manufacturing efficiencies and mitigating cost inflation through process improvements, selected capital investments and adoption of best practices.

Our Titanium Technologies segment, in particular, has high asset productivity. Our proprietary TiO₂ process technology allows us to optimize the use of a variety of titanium-bearing ore types, providing us with a cost advantage. Our world-scale TiO₂ production facilities provide significant economies of scale. We operate large individual production lines at high utilization rates. The scale of our production facilities combined with our process technology capabilities, has allowed us to achieve one of the lowest manufacturing costs per unit in the industry over a sustained period of time. Our new Altamira, Mexico TiO₂ production line is expected to be one of the lowest cost production lines in the world. We currently estimate that the Altamira production facility has the potential to deliver between \$20 million and \$70 million of estimated cost benefits per year (based on current production volumes and the assumption that other revenue and cost items remain constant), and the potential to deliver up to \$200 million of EBITDA per year assuming the expanded facility is fully utilized (based on current

global prices for TiO₂ and titanium-bearing ores). In addition, we continually strive to improve our productivity and optimize our capacity by applying our engineering and manufacturing technology expertise to our production facilities.

Our leading fluoroproducts capacity, innovative production processes, effective supply chain and sourcing strategies make us highly cost competitive also in the fluoroproducts market. Our use of local contract manufacturing and joint venture partners in selected countries as a source of regional access and asset-light manufacturing (where possible) further enhances the overall cost position of our Fluoroproducts segment.

In Chemical Solutions, we believe we have highly attractive cost and asset positions within our cyanides, sulfur, and clean and disinfect businesses as a result of proprietary process technologies, manufacturing scale, efficient supply chain processes, and proximity to large customers.

Leading Technology and Intellectual Property

As part of our DuPont heritage, our businesses have a long history of delivering innovative and high-quality products. We expect sustained technology leadership to be a key differentiator for Chemours, as the majority of our products are critical inputs that significantly impact the functionality, performance and quality of our customers' products. Our product offerings are enhanced by application technology scientists and laboratories across the globe, whose goal it is to deliver formulation improvements to help our customers achieve lower costs, better performance and higher overall value-in-use from our products compared to those of our competitors.

In our Titanium Technologies segment, we commercialized the chloride process for TiO₂ production in 1953, providing products with better opacity and superior whiteness due to lower impurities, and generating lower waste and byproducts than the traditional sulfate production technology. Currently, we are one of the limited number of TiO₂ producers with rights to chloride process for production of TiO₂. We believe that our proprietary chloride technology enables us to operate plants at a much higher capacity than other chloride technology based TiO₂ producers, uniquely utilizing a broad spectrum of titanium bearing ore feedstocks and achieving the highest unit margins in our industry. Our research and development ("R&D") and technology efforts focus on improving production processes, developing and yielding TiO₂ grades that help customers achieve optimal performance. In our Fluoroproducts segment, we pioneered fluorine chemistry and invented polytetrafluoroethylene ("PTFE"), as well as developed the first generation of refrigeration agents in the first half of the 20th century. Our continuing innovation focus places us at the forefront of industry and regulatory changes with a focus on sustainable solutions. In fluoroproducts, we led the industry in the Montreal-Protocol (1987) driven transition from chlorofluorocarbons ("CFCs") to the lesser ozone depleting hydrochlorofluorocarbons ("HCFCs"), and non-ozone depleting HFCs. In 1988 we committed to cease production of CFCs and started manufacturing non-ozone depleting HFCs in the early 1990s. Driven by new and emerging environmental legislation and standards currently being implemented across the U.S., Europe, Latin America and Japan, we are now developing and commercializing Opteon®, a hydrofluoro-olefin ("HFO") based refrigerant with very low GWP and zero ozone depletion potential ("ODP"), for air conditioning, refrigeration and other applications. This new patented technology offers similar functionality to current HFC products but meets or exceeds currently mandated environmental standards. Like Titanium Technologies and Fluoroproducts, our Chemical Solutions segment has strong technical capabilities and a reputation for its ability to manage hazardous materials. This ability is a key competitive advantage for Chemical Solutions, as several of its products' end-users demand the highest level of excellence in the safe manufacturing, handling and shipping of the materials. Chemical Solutions also holds and occasionally licenses what it believes to be the leading process technologies for the production of aniline, acrylonitrile and hydrogen / sodium cyanide.

Our technological advantage is supported by our intellectual property portfolio of trade secrets, patents and protected innovations, covering process technologies, product formulations and various end-use applications. We

maintain a world-renowned trademark portfolio, including the widely recognized brands Ti-Pure® and Vantage® for titanium dioxide products, Suva®, ISCEON®, Freon®, Opteon®, Teflon®, Tefzel®, Viton®, Krytox®, Formacel®, Dymel®, FM 200®, Nafion®, Capstone® for fluoroproducts, and Virkon® and Oxone® for Chemical Solutions.

Geographically Diverse Revenue Base Well-Positioned to Capitalize on Economic Growth

We operate 37 production facilities located in 12 countries and serve several thousand customers located in more than 130 countries. As a result of our strong global presence, we have a widely dispersed customer base that provides us with a geographically diversified revenue stream.

Demand for TiO₂ comes from the coatings, paper and plastics industries and is highly correlated to growth in the global residential housing, commercial construction and packaging markets. Over the long-term, global TiO₂ demand has grown in line with gross domestic product (“GDP”). Growth in emerging markets, including China, however, may be greater than GDP-level growth due in part to the rising middle class in such markets, which has become a key driver of demand for end products that use our TiO₂.

We believe our Fluoroproducts segment, particularly through its low-GWP and zero-ODP products, will benefit from regulatory changes requiring phase-out and phase-downs of less sustainable incumbent products resulting in attractive margins and industry structure during sunset periods. In addition, customers continually require innovative next generation advanced materials, particularly industrial fluoropolymer resins, driving new product development and growth. We believe fluoroproducts demand growth in developed markets will be in line with global GDP, whereas demand growth in emerging markets will be higher than GDP. We also believe fluorochemicals growth will be driven by country-specific legislation phasing-down the current HFC-based refrigerants for which the new HFO-based products and blends are functional substitutes with a low environmental footprint. For fluoropolymers, we believe growth will be driven by the extension of higher performance applications in developed markets to developing markets, e.g. aerospace, automotive, electronics and communications and semiconductors in China.

Our Chemical Solutions segment serves customers in a diverse range of end markets that we believe generally grow in line with global GDP.

Long Standing Customer Relationships

We serve approximately 5,000 customers across a wide range of end markets in more than 130 countries. Many of our commercial and industrial relationships have been in place for decades and are based on our proven value proposition of safely and reliably supplying our customers with the materials needed for their operations. Our customers are comprised of a diverse group of companies, including many industry leaders. Knowledge of our customers’ business needs is at the core of our innovative processes and forms the basis of our product development initiatives. We work closely with our customers to optimize their formulations and products. We also provide ongoing technical support services to these customers, which helps them to maximize the effectiveness of our advanced performance products. Our sales are not materially dependent on any single customer. As of December 31, 2014, no one individual customer balance represented more than five percent of Chemours’ total outstanding receivables balance and no single customer represented more than ten percent of our sales.

Strong Management Team with Deep Industry Experience

Chemours has a strong executive management team that combines in-depth industry experience and demonstrated leadership. Mark Vergnano, our Chief Executive Officer, previously served as Executive Vice

President of DuPont since 2009. His prior experience includes 35 years in a variety of general management, manufacturing and technical leadership positions, including vice president and general manager for DuPont Nonwovens, DuPont Building Innovations and group vice president of DuPont Safety & Protection. Mark Newman, our Senior Vice President and Chief Financial Officer, previously served as senior vice president and chief financial officer of SunCoke Energy Inc. Prior to his time at SunCoke, Mr. Newman served in a number of senior operating and finance leadership roles in the U.S. and China, primarily with the General Motors Corporation where he began his career in 1986. Chemours' segment presidents are B.C. Chong, Thierry Vanlancker and Chris Siemer, each of whom has been in chemical industry leadership positions for more than twenty-five years. Mr. Chong has served as president of DuPont's Titanium Technologies business since 2011. Previously, he held leadership positions in manufacturing operations, new business development, strategic planning and sales and marketing. Mr. Vanlancker was named president of DuPont's Fluoroproducts and Chemical Solutions business in 2012. He brings over a decade of experience in managing fluoro-based businesses and has held leadership positions in general management and sales and marketing. Mr. Siemer joined DuPont in 2010 and has managed global industrial and specialty chemical business portfolios for more than twenty years.

In addition to our strong executive management team, we have an experienced group of employees who work to maintain our leading market positions with their commitment to safe and efficient production, technology leadership, expansion of product offerings and customer relationships.

Cash Flow Generation

We believe that after the separation we will have a balance sheet supported by a world class asset base, adequate liquidity and substantial undrawn revolving credit facility, no pension or Other Post-Employment Benefits ("OPEB") plans in the United States (except for a frozen non-qualified pension restoration plan and a U.S. OPEB plan sponsored by an unconsolidated equity investment) and minimal unfunded non-U.S. pension liability. We expect our EBITDA to increase over time through low-cost incremental production and / or overall unit cost reductions from Chemours' TiO₂ capacity expansion at its Altamira site, potential upside from an anticipated cyclical recovery in TiO₂, EU-mandated environmental regulations driving conversion to refrigerants with low GWP, and our focus on productivity improvements. The completion of the Altamira expansion in mid-2016 will meaningfully reduce our annual capital expenditures.

Our operating cash flow generation is driven by, among other things, global economic conditions generally and the resulting impact on demand for our products, raw material and energy prices, and industry-specific issues, such as production capacity and utilization. We have generated strong operating cash flow through various industry and economic cycles evidencing the operating strength of our businesses. Over the industry cycles in recent years, cash flows from operating activities increased in the years leading up to 2011, and have declined annually since the historical peak profitability achieved in 2011. Despite challenging market conditions in the TiO₂ industry since achieving a historical peak in terms of profitability in 2011 and what are believed to be relatively weak market conditions in 2013 and 2014, we have generated adequate operating cash flow. For each of the past four fiscal years, Chemours has generated cash flows from operating activities in excess of \$500 million, with such cash flows averaging approximately \$1 billion per year. See our disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity & Capital Resources."

Capital expenditures have on average equaled approximately \$460 million per year during the past four years, based on the unaudited cash flow for the year ended December 31, 2011, and the audited cash flows for the years ended December 31, 2012, 2013 and 2014. A significant increase in each of the past three fiscal years was due to expenditures relating to the expansion of the TiO₂ production facility at Altamira, Mexico. We expect our capital expenditures to be reduced in 2016 and in the near term thereafter due to the completion of the Altamira expansion, which should further bolster our free cash flow as the new capacity is expected to come online in mid-2016.

Our Strategy

Continue to Drive Operational Excellence and Asset Efficiency

Operational excellence, which includes a commitment to safety, environmental stewardship and improved reliability, is key to our future success. We continually evaluate our business to identify opportunities to increase operational efficiency throughout our production facilities with a focus on maintaining operational excellence and maximizing asset efficiency. We continue to set new, stricter operational excellence targets for each of our facilities based on industry-leading benchmarks. We intend to continue focusing on increasing manufacturing efficiencies through selected capital projects, process improvements and best practices in order to lower unit costs. We will also carefully manage our portfolio, especially in our Chemical Solutions segment, and take appropriate actions to address product lines that face challenging market conditions and do not generate returns on invested capital that we believe are sufficient to create long-term shareholder value.

Focus on Cash Flow Generation

Our goal is to focus on cash flow generation and return on invested capital through the continuing optimization of our cost structure, improvement in working capital and supply chain efficiencies, and a disciplined approach to capital expenditures.

We have a proven track record of mitigating fixed cost inflation with cost saving actions and productivity improvements. We intend to continue to identify incremental cost saving opportunities based in large part on benchmarks of industry-leading performance and productivity improvements by utilizing our engineering and manufacturing technology expertise and partnerships with low cost producers. Our goal is to maintain a cost structure that positions us favorably to compete and grow. Our goal is to continue upgrading our customer and product mix to increase our sales of value-added, differentiated products to achieve premium pricing to improve margins and enhance cash flow.

We intend to actively manage our working capital by increasing inventory turnover and reducing finished goods and raw materials inventory without affecting our ability to deliver products to our customers. We strive to improve our supply chain efficiency by focusing on reducing both operating costs and working capital needs. Our supply chain efforts to lower operating costs have consisted of reducing procurement spending, lowering transportation and warehouse costs and optimizing production scheduling.

We remain focused on disciplined capital allocation among our segments. We plan to allocate our capital expenditures to projects required to enhance the reliability of our manufacturing operations and maintain the overall asset portfolio. This includes key maintenance and repair activities in each segment, and necessary regulatory and maintenance spending to ensure safe operations. We intend to optimize capital spending on growth projects across our various businesses based on a thorough comparison of risk-adjusted returns for each project.

Maintain Strong Customer Focus

A key component of our strategy is to produce innovative, high-performance products that offer enhanced value propositions to our customers at competitive prices. Our goal is to continually work closely with our customers to provide solutions and products that optimize their formulations and products. This market-driven product development enables us to offer a high-quality product portfolio to our customers and provides our businesses with the ability to respond quickly and efficiently to changes in market demands.

Leverage our Leadership to Drive Organic Growth

We plan to continue to capitalize on our global operations network, distribution infrastructure and technology to pursue global growth. We will focus our efforts on those geographic areas and end products that we believe offer the most attractive growth and long-term profitability prospects.

Our strategy in our Titanium Technologies segment is to continue to strengthen our leading position from both product offering and cost perspective in order to increase the segment's sales and profitability. We intend to continue to position Chemours as the preferred supplier of TiO₂ worldwide by delivering the highest quality product offering to our customers coupled with superior technical expertise. We are currently expanding capacity at our Altamira, Mexico production facility, which will increase our global capacity by more than 15 percent and will be one of the lowest cost TiO₂ production lines in the world. Production at the expansion is scheduled to come online in mid-2016.

Our Fluoroproducts segment plans to make ongoing, selective investments to capitalize on market opportunities based on our innovation capabilities and industry dynamics. We intend to continue to leverage our fluoroproducts and process expertise to develop new high-performance, differentiated offerings and to promote industry transition towards more sustainable technologies. Specifically, our strategy is to focus on development of proprietary, high-value, sustainable specialties (for example, Opteon® YF and HFO-1336, which are designed to meet tighter regulatory standards and replace commodity HFC refrigerants or foaming agents).

Our Chemical Solutions segment intends to capitalize on potential growth opportunities in businesses in which we have strong regional positions, e.g. sulfuric acid and sodium cyanide. We plan to make selective capital investments to grow our sulfur products and sodium cyanide businesses, in which we have leading market positions in the Americas, and to take initiatives to improve profitability in the remainder of the businesses in our Chemical Solutions segment.

Deepen Our Presence in Emerging Markets

Emerging markets are a strategic priority for a number of our businesses. We are well positioned not only to leverage our strong market positions in mature but highly sophisticated markets in North America and Europe, but also to participate in the expected growth of emerging markets in Asia, Eastern Europe and Latin America. We believe that improving living standards and growth in GDP across emerging markets are combining to create increased demand for our products. We expect to capitalize on this growth opportunity by expanding our customer base and local capabilities in order to increase our market share across emerging markets, especially China. To accelerate our penetration of these markets and maintain our competitive cost position, we may develop relationships with leading local partners, especially in businesses where participation in the fast-growing Chinese market is particularly important for long-term sustainable growth. For example, we are well positioned to leverage our strong production technology in our industrial fluoropolymers resins business, where the Chinese market is expected to continue to evolve from low-end fluoropolymer applications to higher value PTFE, copolymer and fluoroelastomer products, as a result of an increasing percentage of aerospace, automotive, semiconductor, electronics and telecommunications manufacturing transitions to China.

Drive Organizational Alignment

We believe that maintaining alignment of the efforts of our employees with our overall business strategy and operational excellence goals is critical to our success. We have outstanding people and assets and, with the commitment to values of safety, customer appreciation, simplicity, collective entrepreneurship and integrity, we believe that we can maintain our competitiveness and help achieve our operational excellence and asset efficiency strategic objectives.

The Transactions

The Separation and Distribution

On October 24, 2013, DuPont announced its intention to separate (the “separation”) its Performance Chemicals segment, which includes its Titanium Technologies, Fluoroproducts and Chemical Solutions businesses, from the other businesses of DuPont, which comprise its Agriculture, Electronics & Communications, Industrial Biosciences, Nutrition & Health, Performance Materials and Safety & Protection segments (the “DuPont Businesses”). The distribution is intended to be generally tax free for U.S. federal income tax purposes.

In furtherance of this plan, DuPont intends to distribute to its stockholders all of the issued and outstanding shares of Chemours common stock (the “distribution”). The date of the distribution is currently anticipated to be July 1, 2015, pending final approval from DuPont’s Board of Directors. As a result of the distribution, Chemours will become an independent, publicly traded company. We refer to the separation and distribution transactions together as the “separation and distribution.”

If the distribution has not been completed on or before November 30, 2015 or, if prior to such date, DuPont has abandoned the distribution, then we will be required to redeem each series of notes as specified under “Description of the Notes—Special Mandatory Redemption.”

Internal Reorganization

We are currently a wholly owned subsidiary of DuPont. Prior to the closing of this offering, DuPont will have transferred to us certain entities, assets and liabilities of DuPont’s Performance Chemicals segment, including its Titanium Technologies, Fluoroproducts and Chemical Solutions businesses, and certain additional assets and liabilities associated with the DuPont Businesses, other than equity interests in an entity that owns our TiO₂ production facility in Taiwan, a joint venture primarily focused on the manufacture and sale of fluoroelastomer gums and fluoroelastomer pre-compounds, and an entity in Canada that owns a fluoroproducts production facility. These entities are expected to be transferred to us upon receipt of relevant regulatory approvals. However, no assurance can be given that the assets to be transferred to the Company as part of the separation and distribution will occur prior to the date of the distribution, and any assets that are not transferred prior to such date may be material to the Company. From the date of the distribution until the date that any such transfer is effected, the Separation Agreement provides that DuPont shall hold any such asset in trust for the Company and that, during such period, the Company would have the economic and other benefits and burdens relating to such asset. In exchange for transferring such entities, assets and liabilities, DuPont will receive shares of Chemours common stock, cash and certain of the notes offered hereby, as further described below. See “The Transactions.”

Chemours’ Post-Separation Relationship with DuPont

Chemours will enter into a Separation Agreement with DuPont (the “Separation Agreement”), which will contain the principles governing the internal reorganization discussed above and will specify the terms of the distribution. The Separation Agreement will contain a cash adjustment provision, to be determined reasonably promptly after the distribution date, but in any event no later than December 31, 2015, that will assure that our aggregate cash balance at the time of the distribution would have been equal to a target level of cash in the amount of \$200 million. In connection with the separation and distribution, Chemours will enter into various other agreements to effect the separation and distribution and provide a framework for its relationship with DuPont after the separation and distribution. These other agreements will include a Transition Services Agreement (the “Transition Services Agreement”), a Tax Matters Agreement (the “Tax Matters Agreement”), an Employee Matters Agreement (the “Employee Matters Agreement”), an Intellectual Property Cross-License

Agreement (the “Intellectual Property Cross-License Agreement”) and certain manufacturing and supply arrangements. These agreements will provide for the allocation between Chemours and DuPont of DuPont’s and Chemours’ assets, employees, liabilities and obligations (including investments, property and employee benefits and tax-related assets and liabilities) attributable to periods prior to, at and after Chemours’ separation from DuPont, and will govern certain relationships between Chemours and DuPont after the separation and distribution. For additional information regarding the Separation Agreement and other transaction agreements, see the sections entitled “The Transactions,” “Risk Factors—Risks Related to the Separation and Distribution” and “Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution.”

Indemnification Obligations to DuPont

In connection with the separation, we will assume, and indemnify DuPont for, certain liabilities, including, among others, certain environmental liabilities and specified litigation liabilities. Most of our indemnification obligations to DuPont may be uncapped, and may include, among other items, associated defense costs, settlement amounts and judgments. Payments pursuant to these indemnities may be significant and could negatively impact our business. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows. For additional information, see the sections entitled “The Transactions,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Environmental Matters,” “Risk Factors—Risks Related to the Separation and Distribution” and “Financial Statements—Notes to the Combined Financial Statements.”

Related Financing Transactions

This Offering and the Debt-for-Debt Exchange

In exchange for the entities, assets and liabilities that DuPont will contribute to us in connection with the separation, we will issue or transfer to DuPont (i) all outstanding shares of Chemours common stock, (ii) \$507,049,000 aggregate principal amount of the 2025 notes, which DuPont will transfer to the selling securityholders pursuant to the debt-for-debt exchange as described below and which are being offered by the selling securityholders hereby, and (iii) approximately \$3.4 billion of cash, representing the net proceeds of the 2023 notes, the 2025 notes and the Euro Notes offered by us hereby and substantially all of the net proceeds of borrowings under the Term Loan Facility (as defined below).

DuPont intends to exchange the 2025 notes received by DuPont from Chemours as described above with certain of the initial purchasers (which we refer to, in such role, as the “selling securityholders”) for a similar amount of DuPont debt securities that they may have acquired pursuant to an on-going tender offer. We refer to this exchange as the “debt-for-debt exchange.” The selling securityholders are offering such 2025 notes pursuant to this offering circular. We expect the debt-for-debt exchange to occur on the settlement date of this offering, and to be immediately followed by the consummation of this offering.

Upon completion of the debt-for-debt exchange, the DuPont indebtedness exchanged in such debt-for-debt exchange is expected to be retired. We do not guarantee or have any other obligations in respect of such DuPont indebtedness.

The Senior Secured Credit Facilities

Substantially concurrently with the offering of the notes, we anticipate entering into a credit agreement with a syndicate of lenders consisting of a \$1,500,000,000, seven-year senior secured Term Loan B Facility (the “Term Loan Facility”) and a \$1,000,000,000, five-year senior secured Revolving Credit Facility (the “Revolving Credit Facility”). We refer to the Term Loan Facility and the Revolving Credit Facility collectively as the

“Senior Secured Credit Facilities.” We currently anticipate using substantially all of the proceeds of borrowings under the Term Loan Facility to partially fund a dividend to DuPont. See “Description of Other Indebtedness—Senior Secured Credit Facilities” and “Risk Factors—Risks Related to Our Indebtedness and the Notes.”

Recent Developments

In connection with this offering, we are providing estimates of our net sales, capital expenditures and Adjusted EBITDA for the quarter ended March 31, 2015 in the table below, as compared to the comparable period in 2014. Our actual results for the quarter ended March 31, 2015 have not yet been finalized. Actual results, which will be reported in our amended Form 10 to be filed with the SEC after they have been finalized, will be prepared on a carve-out basis. During the course of the preparation of our financial statements and related notes, we may identify items that would require us to make material adjustments to the preliminary estimates presented below.

The results below have been derived from the Performance Chemicals segment results reported by DuPont in its Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, filed with the SEC on April 21, 2015, and have been determined using DuPont’s historical basis of accounting for its segments. For purposes of this offering circular, we have made preliminary adjustments to the DuPont historical Performance Chemicals segment data to (1) separate sales and capital expenditures into our three reportable segments on a basis consistent with that of our historical carve-out results and (2) estimate certain preliminary adjustments to reflect our carve-out from DuPont.

The preliminary estimates presented below are subject to a variety of risks and uncertainties, including significant business, economic and competitive risks and uncertainties described under the headings “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” elsewhere in this offering circular. Accordingly, our actual results for the quarter ended March 31, 2015 may differ materially from those contained in the preliminary estimates set forth below.

The preliminary financial data included in this offering circular below has been prepared by, and is the sole responsibility of, Chemours. PricewaterhouseCoopers LLP has not audited, reviewed, compiled or performed any procedures with respect to such preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

We estimate that sales and capital expenditures for each segment and for the Company for the quarter ended March 31, 2015 will be as follows:

(Dollars in millions)	For the three months ended March 31,	
	2015 Estimated	2014
Net Sales		
Titanium Technologies	\$ 525-575	\$ 710
Fluoroproducts	525-575	579
Chemical Solutions	250-275	280
Total	<u>\$1,300-1,425</u>	<u>\$1,569</u>
Capital Expenditures		
Titanium Technologies	\$ 25-35	\$ 66
Fluoroproducts	15-20	22
Chemical Solutions	25-30	18
Total	<u>\$ 65-85</u>	<u>\$ 106</u>
Total Adjusted EBITDA	\$ 125-155	\$ 202

Estimated sales for the quarter ended March 31, 2015 of \$1.3 billion are down 17% versus the same period in 2014 due to lower volumes and prices for TiO₂ combined with the negative impacts of currency and portfolio changes.

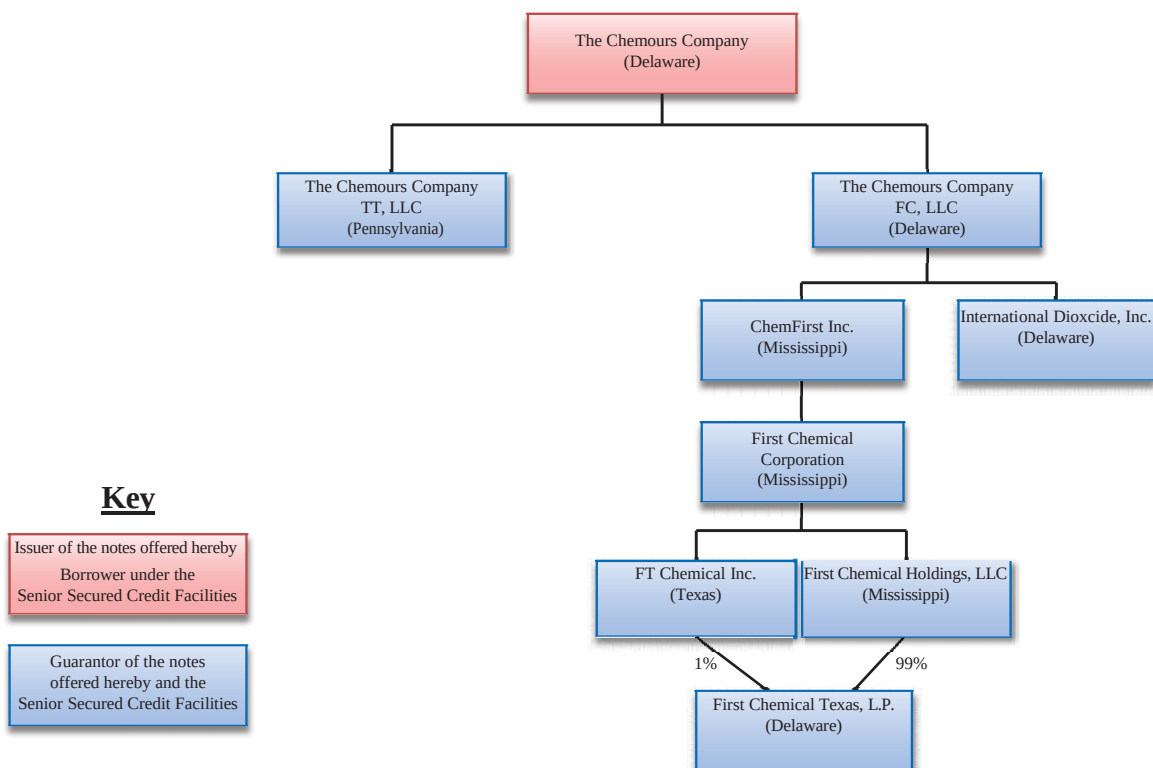
Challenging industry fundamentals continued during the quarter ended March 31, 2015 as TiO₂ volumes and prices were each down from the quarter ended March 31, 2014. Price pressure in the quarter ended March 31, 2015 was driven in part by lower than optimal industry rates and strong regional competition. Demand for Chemours' next generation refrigerant, Opteon® YF, was up more than 30% from the quarter ended March 31, 2014 due to continued adoption by automotive manufacturers, while total demand for fluorochemicals was up slightly versus the prior quarter.

Estimated Adjusted EBITDA for the quarter ended March 31, 2015 is expected to be down 23% to 38% from the quarter ended March 31, 2014 driven primarily by the negative impact of currency, lower TiO₂ prices and volumes, and the impact of portfolio changes.

Corporate Information

Chemours was organized in the state of Delaware on February 18, 2014 as Performance Operations, LLC, changed its name to The Chemours Company, LLC on April 15, 2014, and was converted from a limited liability company to a Delaware corporation on April 30, 2015. The address of Chemours' principal executive offices is 1007 Market Street, Wilmington, DE 19898. Chemours' telephone number at that address is (302) 773-1000.

Summary Corporate Structure⁽¹⁾



⁽¹⁾ Upon completion of the separation and distribution transactions

THE OFFERING

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The section entitled “Description of the Notes” in this offering circular contains a more detailed description of the terms and conditions of the notes.

Issuer	The Chemours Company, a Delaware corporation.
Selling Securityholders.	Certain of the 2025 notes will be originally issued by us to DuPont as partial consideration for the contribution of assets to us by DuPont in connection with the separation and distribution. We understand that DuPont expects to exchange those 2025 notes with the selling securityholders for certain outstanding DuPont debt. See “Selling Securityholders.”
Notes Offered.	\$1,350,000,000 aggregate principal amount of 6.625% Senior notes due 2023 (the “2023 notes”) \$750,000,000 aggregate principal amount of 7.000% Senior notes due 2025 (the “2025 notes”) €360,000,000 aggregate principal amount of 6.125% Senior notes due 2023 (the “Euro Notes”)
Maturity Date	The 2023 notes will mature on May 15, 2023. The 2025 notes will mature on May 15, 2025. The Euro Notes will mature on May 15, 2023.
Interest.	Interest on the 2023 notes will accrue at a rate of 6.625% per annum, payable semi-annually in arrears on May 15 and November 15, beginning November 15, 2015. Interest on the 2025 notes will accrue at a rate of 7.000% per annum, payable semi-annually in arrears on May 15 and November 15, beginning November 15, 2015. Interest on the Euro Notes will accrue at a rate of 6.125% per annum, payable semi-annually in arrears on May 15 and November 15, beginning November 15, 2015.
Guarantees	The notes will be fully and unconditionally guaranteed, jointly and severally, on a senior unsecured unsubordinated basis by each of our existing and future direct and indirect domestic restricted subsidiaries that (a) incurs or guarantees indebtedness under our Senior Secured Credit Facilities or (b) guarantees other indebtedness of Chemours or any guarantor in an aggregate principal amount in excess of \$75 million. The guarantees of the notes will rank equally with all other senior indebtedness of the guarantors. None of our foreign subsidiaries or holding companies thereof will guarantee the notes and no foreign subsidiaries or such holding companies are expected to

guarantee the notes in the future. The guarantees are subject to release under specified circumstances. See “Description of the Notes—Guarantees.”

- Ranking The notes and the guarantees thereof will be our and the guarantors’ senior obligations and will be:
- effectively subordinated to any of our and the guarantors’ existing or future secured indebtedness (including existing and future obligations under the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such secured indebtedness;
 - structurally subordinated to all existing and future liabilities, including trade payables, of each of our non-guarantor subsidiaries;
 - *pari passu* in right of payment with all of our and the guarantors’ existing and future senior unsecured indebtedness; and
 - senior in right of payment to all of our and the guarantors’ existing and future subordinated indebtedness.

On a pro forma basis after giving effect to the Transactions (as defined herein), before intercompany eliminations, for the year ended December 31, 2014, our guarantor subsidiaries in the aggregate would have accounted for \$4,593 million of our combined revenue, \$471 million, or 52%, of our combined Adjusted EBITDA, and \$187 million of our combined net income; and our non-guarantor subsidiaries in the aggregate would have accounted for \$3,722 million of our combined revenue, \$433 million, or 48%, of our combined Adjusted EBITDA, and \$235 million of our combined net income.

On a pro forma basis after giving effect to the Transactions, before intercompany eliminations, at December 31, 2014, our guarantor subsidiaries would have had aggregate assets of \$3,998 million and our non-guarantor subsidiaries would have had aggregate assets of \$2,599 million. On a pro forma basis after giving effect to the Transactions, at December 31, 2014, our non-guarantor subsidiaries would have had \$994 million of indebtedness and other liabilities.

On a pro forma basis after giving effect to the Transactions, as of December 31, 2014, we would have had approximately \$4,000 million of indebtedness. On a pro forma basis after giving effect to the Transactions, at December 31, 2014, together with the guarantors, we would have had approximately \$1,500 million of senior secured indebtedness outstanding, and would have had an additional \$1,000 million of unutilized capacity under the Revolving Credit Facility, all of which would be senior secured indebtedness.

- Special Mandatory Redemption If the distribution has not been completed on or before November 30, 2015 or, if prior to such date, DuPont has abandoned the distribution, then we will be required to redeem each series of notes at a redemption price equal to (a) 100% of the initial issue price of such

series if the applicable redemption date is on or before August 15, 2015 and (b) 101% of the principal amount of such series of notes if the applicable redemption date is after August 15, 2015, in each case, plus accrued and unpaid interest to, but excluding, the redemption date. See “Description of the Notes—Special Mandatory Redemption.”

Optional Redemption At any time prior to May 15, 2018, the Company may redeem all or a part of the 2023 notes and/or the Euro Notes, at a redemption price equal to 100% of the principal amount of such series of notes redeemed plus the applicable “make-whole” premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption.

Additionally, until May 15, 2018, the Company may redeem up to 35% of the original amount of 2023 notes at any time and from time to time with the net cash proceeds of one or more Equity Offerings (as defined herein) at a price equal to 106.625% of the principal amount of such series of notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

Additionally, until May 15, 2018, the Company may redeem up to 35% of the original amount of the Euro Notes at any time and from time to time with the net cash proceeds of one or more Equity Offerings (as defined herein) at a price equal to 106.125% of the principal amount of such series of notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

On and after May 15, 2018, the Company may redeem the 2023 notes and the Euro Notes, in whole or in part, at the redemption prices set forth in this offering circular, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

On and after May 15, 2020, the Company may redeem the 2025 notes, in whole or in part, at the redemption prices set forth in this offering circular, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption.

In addition, the Company may, in certain circumstances, redeem the Euro Notes at 100% of the principal amount of such Euro Notes in connection with certain changes in, amendments to, or application or interpretation of, the tax laws, regulations or rulings of the United States.

See “Description of Notes—Optional Redemption.”

Offer to Repurchase upon Change of Control Upon the occurrence of a change of control, unless we have exercised our right to optionally redeem the notes, each holder of notes will have the right to require us to purchase all or a portion of such

	holder's notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date.
Certain Covenants	The notes will be issued under an indenture that will contain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to: • incur or permit to exist certain liens; • sell, transfer or otherwise dispose of assets; • consolidate, amalgamate, merge or sell all or substantially all of our assets; • enter into transactions with affiliates; • enter into agreements restricting our subsidiaries' ability to pay dividends; • incur additional indebtedness; • pay dividends or make other distributions or repurchase or redeem our capital stock; • prepay, redeem or repurchase certain debt; and • make loans and investments. However, these covenants are subject to a number of important limitations and exceptions. See "Description of the Notes—Certain Covenants." Many of these covenants will be suspended and cease to apply to the notes if, on any date following the issue date, the notes are rated at a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, or an equivalent rating by any other nationally recognized rating agency. See "Description of Notes—Certain Covenants."
Transfer Restrictions	The notes have not been registered under the Securities Act or the securities laws of any jurisdiction. Unless registered under the Securities Act, the notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. See "Notice to Investors; Transfer Restrictions."
Exchange Offer; Registration Rights	We have agreed to file a registration statement to exchange each series of notes for a new issue of substantially identical notes registered under the Securities Act and to use commercially reasonable efforts to cause the registration statement to be declared effective and consummate the exchange offer. If we fail to satisfy our obligations under the registration rights agreement, we will be required to pay additional interest to holders of such series under certain circumstances. See "Exchange Offer; Registration Rights."

No Prior Market.	The notes are new issues of securities and there is currently no established trading market for any series of notes. An active or liquid trading market may not develop for the notes. See “Plan of Distribution.”
Listing	Application is expected to be made to list the Euro Notes on the Irish Stock Exchange and to trading on the Global Exchange Market of such exchange prior to the first anniversary of the issue date of the Euro Notes. See the cover of this offering circular. If our application to list the Euro Notes on the Irish Stock Exchange is denied, or if such listing would, in the future, require us to publish financial information (a) either more regularly than we otherwise would be required to, (b) according to accounting principles which are different from the accounting principles which we would otherwise use to prepare our financial information or (c) in a format or with such content which is different from format and content which we would otherwise be required to include, we may seek an alternative admission to listing, trading and/or quotation for the Euro Notes by another listing authority, stock exchange and/or quotation system.
Use of Proceeds	We intend to use the net proceeds of the issuance of the Dollar Notes offered by us and the Euro Notes to partially fund a dividend to DuPont. The dividend will be promptly distributed to DuPont upon receipt of the net proceeds from the issuance of such notes. We will not receive any proceeds from the sale of the 2025 notes by the selling securityholders. See “Use of Proceeds.”
Form and Denomination.	The Dollar Notes will be issued only in registered form. The Dollar Notes will initially be issued in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The Dollar Notes initially sold by the initial purchasers will be represented by one or more permanent Global Notes in fully registered form, deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in the Global Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. Except as described herein, or as we otherwise agree, the Dollar Notes in certificated form will not be issued in exchange for the Global Note interests therein. The Euro Notes will initially be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. Each Global Note representing Euro Notes will be deposited upon issuance with a common depository for Euroclear and Clearstream, in each case for credit to the account of a direct or indirect participant of Euroclear and/or Clearstream. Investors in the Global Notes representing Euro Notes who are participants in Euroclear and/or Clearstream may hold their interests in the Global Notes directly through Euroclear and/or Clearstream. Investors in the Global Notes

representing Euro Notes who are not participants in Euroclear and/or Clearstream may hold their interest indirectly through organizations that are participants in Euroclear and/or Clearstream. Interest in the Global Notes representing Euro Notes will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and/or Clearstream and indirect participants (with respect to other owners of beneficial interests in the Global Notes representing Euro Notes) and any such interest may not be exchanged for certificated securities, except in limited circumstances. See “Book-Entry, Delivery and Form.” Certificated Notes cannot be traded through the facilities of Euroclear and/or Clearstream.

Risk Factors You should carefully consider all information in this offering circular before investing in the notes. In particular, you should evaluate the specific risks described in the section entitled “Risk Factors” in this offering circular for a discussion of certain risks relating to an investment in the notes.

SUMMARY HISTORICAL AND UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

The summary historical combined financial data for the years ended December 31, 2014, 2013 and 2012 are derived from Chemours' audited combined financial statements included elsewhere in this offering circular (the "Combined Financial Statements").

The summary historical combined financial data include certain expenses of DuPont that were allocated to Chemours for certain corporate functions including information technology, research and development, finance, legal, insurance, compliance and human resources activities. These costs may not be representative of the future costs Chemours will incur as an independent, publicly traded company. In addition, Chemours' historical financial information does not reflect changes that Chemours expects to experience in the future as a result of Chemours' separation and distribution from DuPont, including changes in Chemours' cost structure, personnel needs, tax structure, capital structure, financing and business operations. The Combined Financial Statements also do not reflect the assignment of certain assets and liabilities between DuPont and Chemours as reflected under "Unaudited Pro Forma Combined Financial Statements" included elsewhere in this offering circular. Consequently, the historical financial information may not necessarily reflect what Chemours' financial position, results of operations and cash flows would have been had it been an independent, publicly traded company during the periods presented. Accordingly, these historical results should not be relied upon as an indicator of Chemours' future performance.

The summary unaudited pro forma combined financial data as of and for the year ended December 31, 2014 are derived from unaudited information contained in "Unaudited Pro Forma Combined Financial Statements" included elsewhere in this offering circular. The summary unaudited pro forma combined financial data are for informational purposes only and do not purport to represent what Chemours' results of operations would have been if the separation and distribution had occurred as of that date or what those results will be for future periods. We cannot assure you that the assumptions used by us to prepare the summary unaudited pro forma combined financial data, which we believe are reasonable, will prove to be correct.

For a better understanding, this section should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Combined Financial Statements" and corresponding notes and the Combined Financial Statements and accompanying notes included elsewhere in this offering circular.

	Pro Forma Twelve Months Ended December 31,	Twelve Months Ended December 31,			
(Dollars in millions)	2014	2014	2013	2012	2011 (unaudited)
Summary of operations:					
Net sales	\$6,432	\$6,432	\$6,859	\$7,365	\$7,972
Income before income taxes	357	550	576	1,485	1,907
Provision for income taxes on continuing operations	75	149	152	427	474
Net income attributable to Chemours	281	400	423	1,057	1,431
Financial position at year end:					
Working capital	\$ 753	\$ 555	\$ 509	\$ 600	\$ 593
Total assets	6,180	5,978	5,621	5,317	5,257
Long-term capital lease obligations	1	1	1	1	2
General:					
Purchases of property, plant and equipment ⁽¹⁾	\$ 615	\$ 615	\$ 438	\$ 432	\$ 355
Depreciation and amortization	257	257	261	266	272
Other Financial Data:					
EBITDA		\$ 807	\$ 837	\$1,751	\$2,179
Adjusted EBITDA ⁽²⁾		\$ 895	\$ 982	\$1,883	\$2,223

⁽¹⁾ Purchases of property, plant, and equipment includes \$11 million of purchases of plant, property and equipment included in accounts payable excluded from the Combined Statements of Cash Flows.

- (2) EBITDA is defined as net earnings before interest expense, provision for income taxes on continuing operations, and depreciation and amortization. Adjusted EBITDA represents EBITDA as further adjusted for the following non-recurring items of revenue or gain and expense or loss: non-operating pension or other post-retirement employee benefit costs and exchange losses/gains. We believe EBITDA and Adjusted EBITDA give investors meaningful information to help them understand our operating results and to analyze our financial and business trends on a period-to-period basis because EBITDA and Adjusted EBITDA exclude various items that do not relate to or are not indicative of our operating performance. Our management uses these measures internally for forecasting, budgeting and measuring our operating performance. In addition, we believe that including EBITDA and supplemental adjustments applied in presenting Adjusted EBITDA is appropriate to provide additional information to investors and other readers to demonstrate our ability to comply with financial debt covenants and assess our ability to incur additional indebtedness. EBITDA and Adjusted EBITDA should not be considered as alternatives to net income (determined in accordance with GAAP) as indicators of our financial performance and are not alternatives to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity. Investors are cautioned that items excluded from EBITDA and Adjusted EBITDA are significant components in understanding and addressing our financial performance. See “Non-GAAP Financial Measures.”

Investors should note that the calculation of EBITDA pursuant to the indenture governing the notes, as described in “Description of Notes”, is different from our calculation of Adjusted EBITDA presented in this offering circular. Such difference arises from a difference in how we calculate our consolidated net income from joint ventures in the calculation of EBITDA. Pursuant to the indenture governing the notes, the Consolidated Net Income component of EBITDA will be calculated by excluding the net income of any Person that is not a Subsidiary or Unrestricted Subsidiary or that is accounted for by the equity method of accounting, except that Consolidated Net Income will include the amount of dividends, distributions or other payments that are actually paid in cash or Cash Equivalents to the issuer of the notes or a Restricted Subsidiary (other than any such proceeds that are used to make a JV Reinvestment (as defined in the “Description of Notes”)). However, as presented in this offering circular, EBITDA and Adjusted EBITDA include our share of net income of any joint venture accounted for by the equity method of accounting, regardless of whether it has been distributed to us. Earnings from equity affiliates were \$20 million, \$22 million, and \$25 million for the years ending December 31, 2014, 2013 and 2012, respectively. Dividends received from equity affiliates during the years ended December 31, 2014, 2013 and 2012 totaled \$19 million, \$19 million and \$31 million, respectively.

(Dollars in millions)	Twelve Months Ended December 31,			
	2014	2013	2012	2011 (unaudited)
Net income	\$401	\$424	\$1,058	\$1,433
Provision for income taxes on continuing operations.....	149	152	427	474
Depreciation and amortization	<u>257</u>	<u>261</u>	<u>266</u>	<u>272</u>
EBITDA	807	837	1,751	2,179
Adjustments to EBITDA:				
Non-operating pension or other post-retirement employee benefit costs ⁽¹⁾	22	114	127	112
Exchange losses (gains) ⁽²⁾	66	31	5	(68)
Adjusted EBITDA	<u>\$895</u>	<u>\$982</u>	<u>\$1,883</u>	<u>\$2,223</u>

- (1) Non-operating pension and other post-retirement employee benefit costs include interest cost, expected return on plan assets, amortization of loss (gain), and amortization of prior service cost (benefit). These costs are excluded from Adjusted EBITDA in the Company’s calculation.
- (2) Exchange losses (gains) on net monetary assets and liabilities are excluded from the Company’s calculation of Adjusted EBITDA.

The following table sets forth details of the calculation of EBITDA pursuant to the indenture governing the notes, as described in “Description of Notes” (“**Indenture EBITDA**”), together with cross-references to the relevant sections of this offering circular providing the source of the relevant adjustments.

(Dollars in millions)	Twelve Months Ended December 31,		
	2014	2013	2012
Adjusted EBITDA	\$895	\$ 982	\$1,883
Removal of earnings from equity affiliates ⁽¹⁾	(20)	(22)	(25)
Addition of dividends received from equity affiliates ⁽²⁾ ...	19	19	31
Add-back of employee separation / asset related charges, net ⁽³⁾	21	2	36
Removal of gain on sales of assets and businesses ⁽⁴⁾	(40)	—	—
Removal of gain on purchase of equity investment ⁽⁵⁾	—	(7)	—
Add-back of titanium dioxide antitrust litigation charge ⁽⁶⁾	—	72	—
Indenture EBITDA	\$875	\$1,046	\$1,925

Notes:

- (1) Earnings from equity affiliates are set forth under ‘equity in earnings of affiliates’ in our combined income statements on page F-3 of this offering circular.
- (2) Dividends received from equity affiliates are set forth under ‘equity in losses (earnings) of affiliates, net of dividends received’ in our combined statements of cash flows on page F-6 of this offering circular.
- (3) Employee separation / asset related charges, net are set forth under ‘employee separation/asset related charges, net’ in our combined income statements on page F-3 of this offering circular.
- (4) The gain on sales of assets and businesses is set forth under ‘gain on sales of assets and businesses’ in Note 7 ‘Other income, net’ to our combined financial statements on page F-19 of this offering circular.
- (5) The gain on purchase of equity investment is set forth under ‘gain on purchase of equity investment’ in Note 7 ‘Other income, net’ to our combined financial statements on page F-19 of this offering circular.
- (6) The titanium dioxide antitrust litigation charge is set forth in footnote (1) to Note 15 ‘Other Accrued Liabilities’ to our combined financial statements on pages F-27 and F-28 of this offering circular.

The Company is providing Indenture EBITDA solely because of the important role that Indenture EBITDA plays in respect of certain covenants contained in the indenture governing the notes, as described in “Description of Notes”. The Company does not intend for Indenture EBITDA to be an alternative to Adjusted EBITDA presented elsewhere in this offering circular as a measure of operating performance or an alternative to any other measure of financial performance presented in accordance with GAAP.

RISK FACTORS

Investment in the notes involves risk. In addition to other information contained in this offering circular, you should carefully consider the following factors before acquiring the notes offered by this offering circular. The occurrence of any of the following risks might cause you to lose all or a part of your investment. Some statements in this offering circular, including statements in the following risk factors, constitute forward-looking statement. Please refer to the section entitled “Cautionary Statement Regarding Forward-Looking Statements.”

Risks Related to Our Business

Conditions in the global economy and global capital markets may adversely affect our results of operations, financial condition, and cash flows.

Our business and operating results may in the future be adversely affected by global economic conditions, including instability in credit markets, declining consumer and business confidence, fluctuating commodity prices and interest rates, volatile exchange rates, and other challenges such as the changing financial regulatory environment that could affect the global economy. Our customers may experience deterioration of their businesses, cash flow shortages, and difficulty obtaining financing. As a result, existing or potential customers may delay or cancel plans to purchase products and may not be able to fulfill their obligations to us in a timely fashion. Further, suppliers could experience similar conditions, which could impact their ability to supply materials or otherwise fulfill their obligations to us. Because we will have significant international operations, there will be a large number of currency transactions that result from international sales, purchases, investments and borrowings. Also, our effective tax rate may fluctuate because of variability in geographic mix of earnings, changes in statutory rates, and taxes associated with repatriation of non-U.S. earnings. Future weakness in the global economy and failure to manage these risks could adversely affect our results of operations, financial condition and cash flows in future periods.

Market conditions, as well as global and regional economic downturns that adversely affect the demand for the end-use products that contain TiO₂, fluoroproducts or our other products, could adversely affect the profitability of our operations and the prices at which we can sell our products, negatively impacting our financial results.

Our revenue and profitability is largely dependent on the TiO₂ industry and the industries that are end users of our fluoroproducts. TiO₂ and our fluoroproducts, such as refrigerants and resins, are used in many “quality of life” products for which demand historically has been linked to global, regional and local GDP and discretionary spending, which can be negatively impacted by regional and world events or economic conditions. Such events are likely to cause a decrease in demand for our products and, as a result, may have an adverse effect on our results of operations and financial condition. The future profitability of our operations, and cash flows generated by those operations, also will be affected by the available supply of our products in the market, such as TiO₂ and our fluoroproducts.

Additionally, our profitability may be affected by the market for, and use of, by-products generated as part of our manufacturing processes. A significant decrease in the demand for such products could adversely impact our operations by limiting our ability to manufacture our products.

The markets for many of our products have seasonally affected sales patterns.

The demand for TiO₂, certain of our fluoroproducts and certain of our other products during a given year is subject to seasonal fluctuations. As a result of seasonal fluctuations, our operating cash flow may be negatively impacted due to demand fluctuations. In particular, because TiO₂ is widely used in coatings, demand is higher in the painting seasons of spring and summer. Because certain fluoroproducts are used in refrigerants, such products are in higher demand in the spring and summer. We may be adversely affected by anticipated or unanticipated

changes in regional weather conditions. For example, poor weather conditions in a region can lead to an abbreviated painting season, which can depress consumer sales of paint products that use TiO₂, which could have a negative effect on our cash position.

As a substantial percentage of our operations are conducted internationally, and we plan to grow our presence in developing markets, unforeseen or adverse changes in government policies, laws or certain geopolitical conditions and activities could adversely affect our financial results.

We have 37 production facilities, with operations primarily located in the United States, Canada, Mexico, Brazil, the Netherlands, Belgium, China, Japan, Switzerland, the United Kingdom, France and Sweden. Sales to customers outside the U.S. constituted about 59 percent of our 2014 revenue. We anticipate that international sales will continue to represent a substantial portion of our total sales and that continued growth and profitability will require further international expansion, particularly in developing markets. For example, we use local contract manufacturing and joint venture partners in selected countries, including China, as a source of regional access and asset-light manufacturing (where possible) to further enhance the overall cost position of our Fluoroproducts segment. Sales from developing markets represent 33 percent of our revenue in 2014 and our growth plans include focusing on expanding our presence in developing markets, such as Asia, Eastern Europe and Latin America. While we believe developing markets offer prospects for business growth, we also anticipate that such markets could be subject to more volatile economic, political and market conditions than other market areas in which we operate. Our financial results could be affected by changes in trade, monetary and fiscal policies, laws and regulations, or other activities of U.S. and non-U.S. governments, agencies and similar organizations. These factors include, but are not limited to, changes in a country's or region's economic or political conditions, trade or other economic-based regulations, environmental regulations, including climate change-based regulations or legislation and regulations relating to the transport or shipment of hazardous materials, and policies affecting production, pricing and marketing of products, local labor conditions and regulations, reduced protection of intellectual property rights in some countries, changes in the regulatory or legal environment, restrictions on currency exchange activities, burdensome taxes and tariffs and other trade barriers or policies. For example, demand growth in the fluoroproducts markets is expected to be driven by country-specific legislation phasing down the current HFC refrigerants for which our new HFO-based products and blends are functional substitutes with a low environmental footprint. In Titanium Technologies, we believe that some local producers in China may be required to incur additional capital expenditures to meet recently enacted environmental standards for pollution abatement, which could exert pressure on competing regional producers in China utilizing the sulfate process. The certainty, timing and enforcement of these regulations is less predictable in developing countries, adding an element of uncertainty to business decisions including those related to long-term capital investment. International risks and uncertainties, including changing social and economic conditions as well as terrorism, political hostilities and war, could lead to reduced sales and profitability.

Our reported results could be adversely affected by currency exchange rates and currency devaluation could impair our competitiveness.

Due to our international operations, we transact in many foreign currencies, including but not limited to the Euro, Japanese Yen, Swiss Franc and Mexican Peso. As a result, we are subject to the effects of changes in foreign currency exchange rates. During times of a strengthening U.S. dollar, our reported net revenues and operating income will be reduced because the local currency will be translated into fewer U.S. dollars. During periods of local economic crisis, local currencies may be devalued significantly against the U.S. dollar, potentially reducing our margin. For example, unfavorable movement in the Euro negatively impacted our results of operations in the second half of 2014, and the further decline of the Euro in recent months could affect future periods. Chemours may enter forward exchange contracts and other financial contracts in an attempt to mitigate the impact of currency rate fluctuations. However, there can be no assurance that such actions will eliminate any adverse impact from variation in currency rates. Also, actions to recover margins may result in lower volume and a weaker competitive position, which may have an adverse effect on our profitability. For example, in Titanium

Technologies, a substantial portion of our manufacturing is located in the United States and Mexico, while our TiO₂ is delivered to customers around the world. Furthermore, our ore cost is principally denominated in U.S. dollars. Accordingly, in periods when the U.S. dollar or Mexican Peso strengthen against other local currencies, our costs are higher relative to our competitors who operate largely outside of the United States, and the benefits we realize from having lower costs associated with our manufacturing process will be reduced, impacting our profitability.

Price fluctuations in energy and raw materials could have a significant impact on our ability to sustain and grow earnings.

Our manufacturing processes consume significant amounts of energy and raw materials, the costs of which are subject to worldwide supply and demand as well as other factors beyond our control. Variations in the cost of energy, which primarily reflect market prices for oil and natural gas, and for raw materials, may significantly affect our operating results from period to period. Additionally, consolidation in the industries providing our raw materials may have an impact on the cost and availability of such materials. To the extent we do not have fixed price contracts with respect to specific raw materials, we have no control over the costs of raw materials and such costs may fluctuate widely for a variety of reasons, including changes in availability, major capacity additions or reductions, or significant facility operating problems. These fluctuations could negatively affect our operating margins and our profitability.

We endeavor to offset the effects of higher energy and raw material costs through selling price increases, productivity improvements and cost reduction programs. However, the outcome of these efforts is largely determined by existing competitive and economic conditions, and may be subject to a time delay between the increase in our raw materials costs and our ability to increase prices, which could vary significantly depending on the market served. If we are not able to fully offset the effects of higher energy or raw material costs, it could have a material adverse effect on our financial results.

Effects of our raw materials contracts, including our inability to renew such contracts, could have a significant impact on our earnings.

When possible we have purchased, and we plan to continue to purchase, raw materials, including titanium bearing ores and fluorospar, through negotiated medium- or long-term contracts to minimize the impact of price fluctuations. To the extent that we have been able to achieve favorable pricing in our existing negotiated long-term contracts, we may not be able to renew such contracts at the current prices, or at all, and this may adversely impact our cash flow from operations. However, to the extent that the prices of raw materials that we utilize significantly decline, we may be bound by the terms of our existing long-term contracts and obligated to purchase such raw materials at higher prices as compared to other market participants.

We are subject to extensive environmental, health and safety laws and regulations that may result in unanticipated loss or liability, which could reduce our profitability.

Our operations and production facilities are subject to extensive environmental and health and safety laws and regulations at national, international and local levels in numerous jurisdictions relating to pollution, protection of the environment, climate change, transporting and storing raw materials and finished products and storing and disposing of hazardous wastes. Such laws would include, in the United States, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, often referred to as Superfund), the Resource Conservation and Recovery Act ("RCRA") and similar state and global laws for management and remediation of hazardous materials, the Clean Air Act ("CAA") and the Clean Water Act, for protection of air and water resources, the Toxic Substances Control Act ("TSCA"), and in the European Union, Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"), for regulation of chemicals in commerce and reporting of potential known adverse effects and numerous local, state and federal laws and regulations governing materials transport and packaging. If we are found to be in violation of these laws or regulations, we may incur substantial costs, including fines, damages, criminal or civil sanctions and remediation costs, or

experience interruptions in our operations. We also may be subject to changes in our operations and production based on increased regulation or other changes to, or restrictions imposed by, any such additional regulations. In addition, the manner in which adopted regulations (including environmental regulations) are ultimately implemented may affect our products and results of operations. In the event of a catastrophic incident involving any of the raw materials we use or chemicals we produce, we could incur material costs as a result of addressing the consequences of such event and future reputational costs associated with any such event.

There is also a risk that one or more of our key raw materials or one or more of our products may be found to have, or be characterized as having, a toxicological or health-related impact on the environment or on our customers or employees, which could potentially result in us incurring liability in connection with such characterization and the associated effects of any toxicological or health-related impact. If such a discovery or characterization occurs, we may incur increased costs in order to comply with new regulatory requirements or the relevant materials or products, including products of our customers incorporating our materials or products, may be recalled or banned. Changes in laws and regulations, or their interpretation, and our customers' perception of such changes or interpretations may also affect the marketability of certain of our products.

Hazards associated with chemical manufacturing, storage and transportation could adversely affect our results of operations.

There are hazards associated with chemical manufacturing and the related storage and transportation of raw materials, products and wastes. These hazards could lead to an interruption or suspension of operations and have an adverse effect on the productivity and profitability of a particular manufacturing facility or on us as a whole. While we endeavor to provide adequate protection for the safe handling of these materials, issues could be created by various events, including natural disasters, severe weather events, acts of sabotage and performance by third parties, and as a result we could face the following potential hazards:

- piping and storage tank leaks and ruptures;
- mechanical failure;
- employee exposure to hazardous substances; and
- chemical spills and other discharges or releases of toxic or hazardous substances or gases.

These hazards may cause personal injury and loss of life, damage to property and contamination of the environment, which could lead to government fines, work stoppage injunctions, lawsuits by injured persons, damage to our public reputation and brand, and diminished product acceptance. If such actions are determined adversely to us or there is an associated economic impact to our business, we may have inadequate insurance or cash flow to offset any associated costs. Such outcomes could adversely affect our financial condition and results of operations.

The businesses in which we compete are highly competitive. This competition may adversely affect our results of operations and operating cash flows.

Each of the businesses in which we operate is highly competitive. Competition in the performance chemicals industry is based on a number of factors such as price, product quality and service. We face significant competition from major international and regional competitors. Additionally, our Titanium Technologies business competes with numerous regional producers, including producers in China, which have expanded their readily available production capacity during the previous five years. Additionally, there have also been reports of potential development of chloride production of TiO_2 by certain of such producers.

In addition, historically, information about our business and operations was presented as part of the broader DuPont corporate organization. As an independent, publicly traded company, we will be required to publicly provide more detailed information about our business and operations, including financial information, as a stand-alone company. This information will be accessible to our customers, suppliers and competitors, each of which

may factor the new information into their commercial dealings with us or the markets in which we operate. The use of such information by third parties in the marketplace could have an adverse effect on us and our results of operations, including our relative level of profitability.

If we are unable to innovate and successfully introduce new products, or new technologies or processes reduce the demand for our products or the price at which we can sell products, our profitability could be adversely affected.

Our industries and the end-use markets into which we sell our products experience periodic technological change and product improvement. Our future growth will depend on our ability to gauge the direction of commercial and technological progress in key end-use markets and on our ability to fund and successfully develop, manufacture and market products in such changing end-use markets. We must continue to identify, develop and market innovative products or enhance existing products on a timely basis to maintain our profit margins and our competitive position. We may be unable to develop new products or technology, either alone or with third parties, or license intellectual property rights from third parties on a commercially competitive basis. If we fail to keep pace with the evolving technological innovations in our end-use markets on a competitive basis, including with respect to innovation with regard to the development of alternative uses for, or application of, products developed that utilize such end-use products, our financial condition and results of operations could be adversely affected. We cannot predict whether technological innovations will, in the future, result in a lower demand for our products or affect the competitiveness of our business. We may be required to invest significant resources to adapt to changing technologies, markets, competitive environments and laws and regulations. We cannot anticipate market acceptance of new products or future products. In addition, we may not achieve our expected benefits associated with new products developed to meet new laws or regulations if the implementation of such laws or regulations is delayed.

Our results of operations and financial condition could be seriously impacted by business disruptions and security breaches, including cybersecurity incidents.

Business and/or supply chain disruptions, plant downtime and/or power outages and information technology system and/or network disruptions, regardless of cause including acts of sabotage, employee error or other actions, geo-political activity, weather events and natural disasters could seriously harm our operations as well as the operations of our customers and suppliers. Failure to effectively prevent, detect and recover from security breaches, including attacks on information technology and infrastructure by hackers; viruses; breaches due to employee error or actions; or other disruptions could result in misuse of our assets, business disruptions, loss of property including trade secrets and confidential business information, legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales and interference with regulatory compliance. Like most major corporations, we have been and expect to be the target of industrial espionage, including cyber-attacks, from time to time. We have determined that these attacks have resulted, and could result in the future, in unauthorized parties gaining access to certain confidential business information, and have included the obtaining of trade secrets and proprietary information related to the chloride manufacturing process for TiO₂ by third parties. Although we do not believe that we have experienced any material losses to date related to these breaches, there can be no assurance that we will not suffer any such losses in the future. We plan to actively manage the risks within our control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, we may be required to expend significant resources to enhance our control environment, processes, practices and other protective measures. Despite these efforts, such events could materially adversely affect our business, financial condition or results of operations.

If our intellectual property were compromised or copied by competitors, or if our competitors were to develop similar or superior intellectual property or technology, our results of operations could be negatively affected.

Intellectual property rights, including patents, trade secrets, confidential information, trademarks, tradenames and trade dress, are important to our business. We will endeavor to protect our intellectual property

rights in key jurisdictions in which our products are produced or used and in jurisdictions into which our products are imported. Our success will depend to a significant degree upon our ability to protect and preserve our intellectual property rights. However, we may be unable to obtain protection for our intellectual property in key jurisdictions. Although we own and have applied for numerous patents and trademarks throughout the world, we may have to rely on judicial enforcement of our patents and other proprietary rights. Our patents and other intellectual property rights may be challenged, invalidated, circumvented, and rendered unenforceable or otherwise compromised. A failure to protect, defend or enforce our intellectual property could have an adverse effect on our financial condition and results of operations. Similarly, third parties may assert claims against us and our customers and distributors alleging our products infringe upon third party intellectual property rights.

We also rely materially upon unpatented proprietary technology, know-how and other trade secrets to maintain our competitive position. While we maintain policies to enter into confidentiality agreements with our employees and third parties to protect our proprietary expertise and other trade secrets, these agreements may not be enforceable or, even if legally enforceable, we may not have adequate remedies for breaches of such agreements. We also may not be able to readily detect breaches of such agreements. The failure of our patents or confidentiality agreements to protect our proprietary technology, know-how or trade secrets could result in significantly lower revenues, reduced profit margins or loss of market share.

If we must take legal action to protect, defend or enforce our intellectual property rights, any suits or proceedings could result in significant costs and diversion of our resources and our management's attention, and we may not prevail in any such suits or proceedings. A failure to protect, defend or enforce our intellectual property rights could have an adverse effect on our financial condition and results of operations.

As a result of our current and past operations, including operations related to divested businesses and our discontinued operations, we could incur significant environmental liabilities.

We are subject to various laws and regulations around the world governing the environment, including the discharge of pollutants and the management and disposal of hazardous substances. As a result of our operations, including the operations of divested businesses and certain discontinued operations, we could incur substantial costs, including remediation and restoration costs. The costs of complying with complex environmental laws and regulations, as well as internal voluntary programs, are significant and will continue to be so for the foreseeable future. This includes costs we expect to continue to incur for environmental investigation and remediation activities at a number of our current or former sites and third-party disposal locations. However, the ultimate costs under environmental laws and the timing of these costs are difficult to accurately predict. While we establish accruals in accordance with generally accepted accounting principles, the ultimate actual costs and liabilities may vary from the accruals because the estimates on which the accruals are based depend on a number of factors (many of which are outside of our control), including the nature of the matter and any associated third-party claims, the complexity of the site, site geology, the nature and extent of contamination, the type of remedy, the outcome of discussions with regulatory agencies and other Potentially Responsible Parties ("PRPs") at multi-party sites and the number and financial viability of other PRPs. See Note 17 to the Combined Financial Statements.

Our results of operations could be adversely affected by litigation and other commitments and contingencies.

We face risks arising from various unasserted and asserted litigation matters, including, but not limited to, product liability, patent infringement, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental or other torts. We have noted a nationwide trend in purported class actions against chemical manufacturers generally seeking relief such as medical monitoring, property damages, off-site remediation and punitive damages arising from alleged environmental or other torts without claiming present personal injuries. We also have noted a trend in public and private nuisance suits being filed on behalf of states, counties, cities and utilities alleging harm to the general public. Various factors or developments can lead to changes in current estimates of liabilities such as a final adverse judgment, significant settlement or changes in

applicable law. A future adverse ruling or unfavorable development could result in future charges that could have a material adverse effect on us. An adverse outcome in any one or more of these matters could be material to our financial results and could adversely impact the value of any of our brands that are associated with any such matters.

In the ordinary course of business, we may make certain commitments, including representations, warranties and indemnities relating to current and past operations, including those related to divested businesses, and issue guarantees of third party obligations. Additionally, we will be required to indemnify DuPont for uncapped amounts with regard to liabilities allocated to, or assumed by, us under each of the Separation Agreement, the Employee Matters Agreement, the Tax Matters Agreement and the Intellectual Property Cross-License Agreement. If we were required to make payments, such payments could be significant and would exceed the amounts we have accrued with respect thereto, adversely affecting our results of operations.

Risks Related to the Separation and Distribution

We may be unable to achieve some or all of the benefits that we expect to achieve from our separation from DuPont.

We believe that, as an independent, publicly traded company, we will continue to, among other things, focus our financial and operational resources on our specific business, growth profile and strategic priorities, design and implement corporate strategies and policies targeted to our operational focus and strategic priorities, guide our processes and infrastructure to focus on our core strengths, implement and maintain a capital structure designed to meet our specific needs and more effectively respond to industry dynamics. However, we may be unable to achieve some or all of these benefits. For example, in order to position ourselves for the separation and distribution, we are undertaking a series of strategic, structural and process realignment and restructuring actions within our operations. These actions may not provide the benefits we currently expect, and could lead to disruption of our operations, loss of, or inability to recruit, key personnel needed to operate and grow our businesses following the separation and distribution, weakening of our internal standards, controls or procedures and impairment of our key customer and supplier relationships. In addition, completion of the proposed separation will require significant amounts of management's time and effort, which may divert management's attention from operating and growing our businesses. If we fail to achieve some or all of the benefits that we expect to achieve as an independent company, or do not achieve them in the time we expect, our business, financial condition and results of operations could be materially and adversely affected.

If the distribution, together with certain related transactions, were to fail to qualify for non-recognition treatment for U.S. federal income tax purposes, then we could be subject to significant tax and indemnification liability.

DuPont has received an IRS Ruling (the "IRS Ruling") from the U.S. Internal Revenue Service ("IRS") substantially to the effect that, among other things, the distribution will qualify as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the "Code"). The distribution is conditioned on the continued validity of the IRS Ruling, as well as on receipt of an opinion of tax counsel (the "Tax Opinion"), in form and substance acceptable to DuPont, substantially to the effect that, among other things, the distribution will qualify as a tax-free transaction under Section 355 and Section 368(a)(1)(D) of the Code, and certain transactions related to the transfer of assets and liabilities to us in connection with the separation and distribution will not result in the recognition of any gain or loss to DuPont, us or our stockholders. The IRS Ruling relies, and the Tax Opinion will rely, on certain facts, assumptions, and undertakings, and certain representations from DuPont and us, regarding the past and future conduct of both respective businesses and other matters, and the Tax Opinion will rely on the IRS Ruling. Notwithstanding the IRS Ruling and the Tax Opinion, the IRS could determine that the distribution or such related transactions should be treated as a taxable transaction if it determines that any of these facts, assumptions, representations, or undertakings is not correct, or that the distribution should be taxable for other reasons, including if the IRS were to disagree with the conclusions in the Tax Opinion that are not covered by the IRS Ruling.

If the distribution ultimately is determined to be taxable, DuPont would recognize a taxable gain in an amount equal to the excess, if any, of the fair market value of the shares of our common stock held by DuPont on the distribution date over DuPont's tax basis in such shares. In addition, if certain related transactions fail to qualify for tax-free treatment under U.S. federal, state and/or local tax law and/or foreign tax law, we and DuPont could incur significant tax liabilities under U.S. federal, state, local and/or foreign tax law.

Generally, taxes resulting from the failure of the separation and distribution or certain related transactions to qualify for non-recognition treatment under U.S. federal, state and/or local tax law and/or foreign tax law would be imposed on DuPont or DuPont's stockholders and, under the Tax Matters Agreement that we will enter into with DuPont, DuPont is generally obligated to indemnify us against such taxes to the extent that we may be jointly, severally or secondarily liable for such taxes. However, under the terms of the Tax Matters Agreement, we also generally will be responsible for any taxes imposed on DuPont that arise from the failure of the distribution to qualify as tax-free for U.S. federal income tax purposes within the meaning of Section 355 and 368(a)(1)(D) of the Code or the failure of such related transactions to qualify for tax-free treatment, to the extent such failure to qualify is attributable to actions, events or transactions relating to our, or our affiliates', stock, assets or business, or any breach of our or our affiliates' representations, covenants or obligations under the Tax Matters Agreement (or any other agreement we enter into in connection with the separation and distribution), the materials submitted to the IRS or other governmental authorities in connection with the request for the IRS Ruling or other tax rulings or the representation letter provided to counsel in connection with the Tax Opinion. Events triggering an indemnification obligation under the agreement include events occurring after the distribution that cause DuPont to recognize a gain under Section 355(e) of the Code. Such tax amounts could be significant. To the extent we are responsible for any liability under the Tax Matters Agreement, there could be a material adverse impact on our business, financial condition, results of operations and cash flows in future reporting periods.

We will be subject to continuing contingent tax-related liabilities of DuPont following the distribution.

After the distribution, there will be several significant areas where the liabilities of DuPont may become our obligations. For example, under the Code and the related rules and regulations, each corporation that was a member of DuPont's consolidated tax reporting group during any taxable period or portion of any taxable period ending on or before the effective time of the distribution is jointly and severally liable for the U.S. federal income tax liability of the entire consolidated tax reporting group for such taxable period. In connection with the separation and distribution, we will enter into a Tax Matters Agreement with DuPont that will allocate the responsibility for prior period taxes of DuPont's consolidated tax reporting group between us and DuPont. For a more detailed description, see "Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution—Tax Matters Agreement." If DuPont were unable to pay any prior period taxes for which it is responsible, however, we could be required to pay the entire amount of such taxes, and such amounts could be significant. Other provisions of federal, state, local, or foreign law may establish similar liability for other matters, including laws governing tax-qualified pension plans, as well as other contingent liabilities.

We intend to agree to numerous restrictions to preserve the tax-free treatment of the transactions in the United States, which may reduce our strategic and operating flexibility.

Our ability to engage in significant equity transactions could be limited or restricted after the distribution in order to preserve, for U.S. federal income tax purposes, the tax-free nature of the distribution by DuPont. Even if the distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, the distribution may result in corporate-level taxable gain to DuPont under Sections 355(e) and 368(a)(1)(D) of the Code if 50 percent or more, by vote or value, of shares of our stock or DuPont's stock are acquired or issued as part of a plan or series of related transactions that includes the distribution. The process for determining whether an acquisition or issuance triggering these provisions has occurred is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. Any acquisitions or issuances of our stock or DuPont's stock within a two-year period after the distribution generally are presumed to be part of such a plan, although we or

DuPont, as applicable, may be able to rebut that presumption. Accordingly, under the Tax Matters Agreement that we will enter into with DuPont, for the two-year period following the distribution, we will be prohibited, except in certain circumstances, from:

- entering into any transaction resulting in the acquisition of 40 percent or more of our stock or substantially all of our assets, whether by merger or otherwise;
- merging, consolidating or liquidating;
- issuing equity securities beyond certain thresholds;
- repurchasing our capital stock; or
- ceasing to actively conduct our business.

These restrictions may limit our ability to pursue certain strategic transactions or other transactions that we may believe to otherwise be in our best interests or that might increase the value of our business. In addition, under the Tax Matters Agreement, we will be required to indemnify DuPont against any such tax liabilities as a result of the acquisition of our stock or assets, even if we do not participate in or otherwise facilitate the acquisition. For a more detailed description, See “Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution—Tax Matters Agreement.”

We may be unable to make, on a timely or cost-effective basis, the changes necessary to operate as an independent company.

We have historically operated as part of DuPont’s corporate organization, and DuPont has assisted us by providing various corporate functions. Following the separation and distribution, DuPont will have no obligation to provide us with assistance other than the transition services described under “Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution.” These services do not include every service we have received from DuPont in the past, and DuPont is only obligated to provide these services for limited periods from the distribution date. Accordingly, following the separation and distribution, we will need to provide internally or obtain from unaffiliated third parties the services we currently receive from DuPont. These services include information technology, research and development, finance, legal, insurance, compliance and human resources activities, the effective and appropriate performance of which is critical to our operations. We may be unable to replace these services in a timely manner or on terms and conditions as favorable as those we receive from DuPont. In particular, DuPont’s information technology networks and systems are complex, and duplicating these networks and systems will be challenging. Because our business previously operated as part of the wider DuPont organization, we may be unable to successfully establish the infrastructure or implement the changes necessary to operate independently, or we may incur additional costs that could adversely affect our business. Additionally, while we have developed certain internal controls and procedures, due to our current status as a subsidiary of DuPont, such internal controls and procedures have not yet been fully implemented in connection with our operations as a standalone company. The process of implementing our internal controls will require significant attention from management and we cannot be certain that these measures will ensure that we implement and maintain adequate controls over our financial processes and reporting in the future. Difficulties encountered in their implementation could harm our results of operations or cause us to fail to meet our reporting obligations. If we fail to obtain the quality of administrative services necessary to operate effectively or incur greater costs in obtaining these services, our profitability, financial condition and results of operations may be materially and adversely affected.

Our historical condensed combined and pro forma combined financial data are not necessarily representative of the results we would have achieved as an independent, publicly traded company and may not be a reliable indicator of our future results.

The historical and pro forma financial data we have included in this offering circular may not reflect what our business, financial condition, results of operations and cash flows would have been had we been an

independent, publicly traded company during the periods presented or what our business, financial condition, results of operations and cash flows will be in the future when we are an independent company. This is primarily because:

- Prior to our separation, our business was operated by DuPont as part of its broader corporate organization, rather than as an independent, publicly traded company. In addition, prior to our separation, DuPont, or one of its affiliates, performed significant corporate functions for us, including tax and treasury administration and certain governance functions, including internal audit and external reporting. Our historical financial statements reflect allocations of corporate expenses from DuPont for these and similar functions, which are not necessarily representative of the costs we will incur for similar services in the future as an independent company. In addition, while our pro forma financial statements reflect estimates of the costs that we would have incurred as an independent company during the periods presented, the estimates may not accurately reflect the costs we would have incurred as an independent company during such periods, or will incur in the future. Furthermore, following the separation and distribution, we will also be responsible for the additional costs associated with being an independent, publicly traded company, including costs related to corporate governance and external reporting.
- Our working capital requirements and capital for our general corporate purposes, including acquisitions and capital expenditures, historically have been satisfied as part of the company-wide cash management practices of DuPont. While our businesses have historically generated sufficient cash to finance our working capital and other cash requirements, following the separation and distribution, we will no longer have access to DuPont's cash pool. Without the opportunity to obtain financing from DuPont, we may need to obtain additional financing from banks, through public offerings or private placements of debt or equity securities or other arrangements.
- We will enter into transactions with DuPont that did not exist prior to the separation and distribution. See "Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution" for information regarding these transactions.
- Other significant changes may occur in our cost structure, management, financing and business operations as a result of our operating as a company separate from DuPont.

We will incur interest expense as part of our incurring debt in connection with the separation and distribution, including the notes offered hereby, whereas our historical financial data does not include an allocation of interest expense. In addition, the pro forma financial data included in this offering circular is based on the best information available, which in part includes a number of estimates and assumptions. These estimates and assumptions may prove not to be accurate, and accordingly, our pro forma financial data should not be assumed to be indicative of what our financial condition or results of operations actually would have been as a stand-alone company nor to be a reliable indicator of what our financial condition or results of operations actually may be in the future.

For additional information about our past financial performance and the basis of presentation of our financial statements, see "Selected Historical Condensed Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Combined Financial Statements" and our financial statements and the notes thereto included in this offering circular.

As an independent, publicly traded company, we may not enjoy the same benefits that we did as a part of DuPont.

There is a risk that, by separating from DuPont, we may become more susceptible to market fluctuations and other adverse events than we would have been if we were still a part of the current DuPont organizational structure. As part of DuPont, we have been able to enjoy certain benefits from DuPont's operating diversity, purchasing power and opportunities to pursue integrated strategies with DuPont's other businesses. As an independent, publicly traded company, we will not have similar diversity or integration opportunities and may

not have similar purchasing power or access to capital markets. Additionally, as part of DuPont, we have been able to leverage the DuPont historical market reputation and performance and brand identity to recruit and retain key personnel to run our business. As an independent, publicly traded company, we will not have the same historical market reputation and performance or brand identity as DuPont and it may be more difficult for us to recruit or retain such key personnel.

We will incur significant costs in connection with the separation and distribution, which may adversely affect our financial condition and results of operations.

Prior to the distribution, we will make an approximately \$4 billion distribution to DuPont, funded primarily by the net proceeds received by us from the offering of the notes offered by us and substantially all of the borrowings under the Term Loan Facility that we expect to incur prior to the date of the distribution and with respect to which we expect to make ongoing principal and interest payments during the term of such indebtedness. We also expect to incur certain ongoing costs associated with operating as an independent, publicly traded company. The ongoing costs of the separation may adversely impact our profitability, financial condition and results of operations. See the Pro Forma Combined Financial Statements and Note 2 of the Combined Financial Statements for additional information regarding the separation and our anticipated costs to operate as an independent, publicly traded company.

We will incur significant indebtedness in connection with the separation and distribution, and the degree to which we will be leveraged following completion of the distribution may materially and adversely affect our business, financial condition and results of operations.

We are incurring significant indebtedness in connection with the separation and distribution. We have historically relied upon DuPont for working capital requirements on a short-term basis and for other financial support functions. After the distribution, we will not be able to rely on DuPont's earnings, assets or cash flow, and we will be responsible for servicing our own debt, obtaining and maintaining sufficient working capital and paying dividends.

Our ability to make payments on and to refinance our indebtedness, including the debt incurred pursuant to the separation and distribution as well as any future debt that we may incur, will depend exclusively on our ability to generate cash in the future from our own operations, financings or asset sales. Our ability to generate cash is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We may not generate sufficient funds to service our debt and meet our business needs, such as funding working capital or the expansion of our operations. If we are not able to repay or refinance our debt as it becomes due, we may be forced to take disadvantageous actions, including reducing spending on marketing, retail trade incentives, advertising and new product innovation, reducing financing in the future for working capital, capital expenditures and general corporate purposes, selling assets or dedicating an unsustainable level of our cash flow from operations to the payment of principal and interest on our indebtedness. In addition, our ability to withstand competitive pressures and to react to changes in our industry could be impaired. The lenders who hold our debt could also accelerate amounts due in the event that we default, which could potentially trigger a default or acceleration of the maturity of our other debt.

Restrictions under the Intellectual Property Cross-License Agreement could limit our ability to develop and commercialize certain products and/or prosecute, maintain and enforce certain intellectual property.

We are dependent to a certain extent on DuPont to prosecute, maintain and enforce certain of the intellectual property licensed under the Intellectual Property Cross-License Agreement. Specifically, DuPont will be responsible for filing, prosecuting and maintaining patents that DuPont licenses to us. DuPont also has the first right to enforce such patents, trade secrets and the know-how licensed to us by DuPont. If DuPont fails to fulfill its obligations or chooses to not enforce the licensed patents, trade secrets or know-how under the Intellectual

Property Cross-License Agreement, we may not be able to prevent competitors from making, using and selling competitive products (unless we are able to effectively exercise our secondary rights to enforce such patents, trade secrets and know-how).

In addition, our restrictions under the Intellectual Property Cross-License Agreement could limit our ability to develop and commercialize certain products. For example, the licenses granted to us under the agreement may not extend to all new products, services and businesses that we may in the future decide to enter into. These limitations and restrictions may make it more difficult, time consuming or expensive for us to develop and commercialize certain new products and services, or may result in certain of our products or services being later to market than those of our competitors.

Certain of the contracts to be transferred or assigned to us contain provisions requiring the consent of a third party in connection with the transactions contemplated by the distribution. If such consent is not given, we may not be entitled to the benefit of such contracts in the future.

Certain of the contracts to be transferred or assigned to us in connection with the separation and distribution and the internal transactions described below in this offering circular contain provisions that require the consent of a third party to the internal transactions, the distribution or both. If we are unable to obtain such consents on commercially reasonable and satisfactory terms, our ability to obtain the benefit of such contracts in the future may be impaired.

Our customers, prospective customers, suppliers or other companies with whom we conduct business may need assurances that our financial stability on a stand-alone basis is sufficient to satisfy their requirements for doing or continuing to do business with them.

Some of our customers, prospective customers, suppliers or other companies with whom we conduct business may need assurances that our financial stability on a stand-alone basis is sufficient to satisfy their requirements for doing or continuing to do business with them, and may require us to provide additional credit support, such as letters of credit or other financial guarantees. Any failure of parties to be satisfied with our financial stability could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In connection with our separation, we will assume, and indemnify DuPont for, certain liabilities. If we are required to make payments pursuant to these indemnities to DuPont, we may need to divert cash to meet those obligations and our financial results could be negatively impacted. In addition, DuPont may indemnify us for certain liabilities. The DuPont indemnity may not be sufficient to insure us against the full amount of liabilities for which it will be allocated responsibility, and DuPont may not be able to satisfy its indemnification obligations in the future.

Pursuant to the Separation Agreement, the Employee Matters Agreement and the Tax Matters Agreement with DuPont, we will agree to assume, and indemnify DuPont for, certain liabilities for uncapped amounts, which may include, among other items, associated defense costs, settlement amounts and judgments, as discussed further in “Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution” and “Financial Statements—Notes to the Combined Financial Statements.” Payments pursuant to these indemnities may be significant and could negatively impact our business, particularly indemnities relating to our actions that could impact the tax-free nature of the distribution. Third parties could also seek to hold us responsible for any of the liabilities of the DuPont Businesses. DuPont will agree to indemnify us for such liabilities, but such indemnity from DuPont may not be sufficient to protect us against the full amount of such liabilities, and DuPont may not be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from DuPont any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows.

Risks Related to Our Indebtedness and the Notes

Our significant indebtedness could adversely affect our financial condition, and we could have difficulty fulfilling our obligations under our indebtedness, including our obligations under the notes, which may have a material adverse effect on us.

On a pro forma basis after giving effect to the Transactions, as of December 31, 2014, we would have had approximately \$4,000 million of indebtedness. On a pro forma basis after giving effect to the Transactions, at December 31, 2014, together with the guarantors, we would have had approximately \$1,500 million of senior secured indebtedness outstanding, and would have had an additional \$1,000 million of unutilized capacity under the Revolving Credit Facility, all of which would be senior secured indebtedness. Our significant level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness. The level of our indebtedness could have other important consequences on our business, including:

- making it more difficult for us to satisfy our obligations with respect to indebtedness;
- increasing our vulnerability to adverse changes in general economic, industry and competitive conditions;
- requiring us to dedicate a significant portion of our cash flow from operations to make payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- restricting us from capitalizing on business opportunities;
- placing us at a competitive disadvantage compared to our competitors that have less debt; and
- limiting our ability to borrow additional funds for working capital, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

The occurrence of any one or more of these circumstances could have a material adverse effect on us.

Despite our significant level of indebtedness, we may be able to incur substantially more debt and enter into other transactions which could further exacerbate the risks to our financial condition described above.

Notwithstanding our significant level of indebtedness after giving effect to the Transactions, we may be able to incur significant additional indebtedness in the future, including secured indebtedness that will be effectively senior to the notes (including up to \$1,000 million of undrawn availability under the Revolving Credit Facility). Although the indenture that will govern the notes offered hereby and the credit agreement that will govern the Senior Secured Credit Facilities will contain restrictions on our ability to incur additional indebtedness and to enter into certain types of other transactions, these restrictions are subject to a number of significant qualifications and exceptions. See “Description of Notes—Certain Covenants” and “Description of Other Indebtedness.” Additional indebtedness incurred in compliance with these restrictions, including secured indebtedness could be substantial. These restrictions also do not prevent us from incurring obligations, such as trade payables, that do not constitute indebtedness as defined under our debt instruments. To the extent such new debt is added to our current debt levels, the substantial leverage risks described in the immediately preceding risk factor would increase.

We may need additional capital in the future and may not be able to obtain it on favorable terms.

Our industry is capital intensive, and we may require additional capital in the future to finance our growth and development, implement further marketing and sales activities, fund ongoing research and development activities and meet general working capital needs. Our capital requirements will depend on many factors, including acceptance of and demand for our products, the extent to which we invest in new technology and research and development projects, and the status and timing of these developments, as well as general availability of capital from debt and/or equity markets.

However, debt or equity financing may not be available to us on terms we find acceptable, if at all. Also, regardless of the terms of our debt or equity financing, our agreements and obligations under the Tax Matters Agreement may limit our ability to issue stock. For a more detailed discussion, see “**We intend to agree to numerous restrictions to preserve the tax-free treatment of the transactions in the United States, which may reduce our strategic and operating flexibility.**” If we are unable to raise additional capital when needed, our financial condition, and thus your investment in the notes, could be materially and adversely affected.

Additionally, our failure to maintain the credit ratings on our debt securities, including the notes, could negatively affect our ability to access capital and could increase our interest expense on certain existing and future indebtedness. We expect the credit rating agencies to periodically review our capital structure and the quality and stability of our earnings. Deterioration in our capital structure or the quality and stability of our earnings could result in a downgrade of the credit ratings on our debt securities. Any negative ratings actions could constrain the capital available to us and could limit our access to funding for our operations and/or increase the cost of such capital. If, as a result, our ability to access capital when needed becomes constrained, our interest costs could increase, which could have material adverse effect on our results of operations, financial condition and cash flows.

If DuPont does not complete the separation and distribution or if, on an earlier date, DuPont determines, in its sole discretion, that the separation and distribution will not be consummated, we will be required to redeem the notes and as a result you may not obtain your expected return on the notes.

DuPont may not be able to consummate the separation and distribution within the timeframe specified under “Description of Notes—Special Mandatory Redemption.” If DuPont does not complete the distribution on or prior to November 30, 2015 or, if, on an earlier date, DuPont determines, in its sole discretion, that it has abandoned the distribution, we will be required to redeem the notes at a redemption price equal to 100% if on or before August 15, 2015, or 101% thereafter through November 30, 2015 of the aggregate principal amount thereof, plus accrued and unpaid interest from the date of initial issuance to but excluding the redemption date, as well as be required to repay all outstanding loans under the Senior Secured Credit Facilities.

DuPont does not guarantee the notes, including our mandatory redemption obligation described above. Furthermore, the net proceeds of this offering and substantially all of the borrowings under the Term Loan Facility will be distributed to DuPont as a cash dividend promptly after the consummation of this offering, and no such net proceeds will be placed in a segregated escrow account or otherwise held by us pending the consummation of the separation and distribution. As a result, there is no security interest provided for the benefit of the noteholders and it is possible that we will not have sufficient financial resources available to satisfy our obligation, if any, to redeem the notes upon a special mandatory redemption event. This could be the case, for example, if we or any of our subsidiaries commence a bankruptcy or reorganization case, or such a case is commenced against us or one of our subsidiaries, before the date on which we are required to redeem the notes pursuant to the special mandatory redemption provision.

In addition, even if we are able to redeem the notes pursuant to the special mandatory redemption provision, you may not obtain your expected return on the notes and may not be able to reinvest the proceeds from a special mandatory redemption in an investment that results in a comparable return. Your decision to invest in the notes is made at the time of the offering of the notes. You will have no rights under the special mandatory redemption provision as long as DuPont completes the distribution, nor will you have any right to require us to repurchase your notes if, between the closing of the notes offering and the distribution, we experience any changes in our business or financial condition (other than a change of control, as defined in the indenture governing the notes), or if the terms of the distribution or the financing thereof change.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly.

Our borrowings under the Senior Secured Credit Facilities are at variable rates and expose us to interest rate risk. As a result, if interest rates increase, our debt service obligations under the Senior Secured Credit Facilities

or other variable rate debt would increase even though the amount borrowed remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease. On a pro forma basis, after giving effect to the Transactions, as of December 31, 2014, we would have had approximately \$1.5 billion, or 37.5%, of our outstanding debt at variable interest rates.

We may be unable to service our indebtedness, including the notes.

Our ability to make scheduled payments on and to refinance our indebtedness, including the notes, depends on and is subject to our financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors (many of which are beyond our control), including the availability of financing in the international banking and capital markets. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, including the notes, to refinance our debt or to fund our other liquidity needs.

If we are unable to meet our debt service obligations or to fund our other liquidity needs, we will need to restructure or refinance all or a portion of our debt, including the notes, which could cause us to default on our debt obligations and would impair our liquidity. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations.

Moreover, in the event of a default of our debt service obligations, the holders of the applicable indebtedness, including the notes and the Senior Secured Credit Facilities, could elect to declare all the funds borrowed to be due and payable, together with accrued and unpaid interest. We cannot assure you that our assets or cash flows would be sufficient to fully repay borrowings under our outstanding debt instruments if accelerated upon an event of default. First, a default in our debt service obligations in respect of the notes would result in a cross default under the Senior Secured Credit Facilities. The foregoing would permit the lenders under the Revolving Credit Facility to terminate their commitments thereunder and cease making further loans, and would allow the lenders under the Senior Secured Credit Facilities to declare all loans immediately due and payable and to institute foreclosure proceedings against their collateral, which could force us into bankruptcy or liquidation. Second, any event of default or declaration of acceleration under the Senior Secured Credit Facilities or any other agreements relating to our outstanding indebtedness under which the total amount of outstanding indebtedness exceeds \$100.0 million could also result in an event of default under the indenture governing the notes, and any event of default or declaration of acceleration under any other of our outstanding indebtedness may also contain a cross-default provision. Any such default, event of default or declaration of acceleration could materially and adversely affect our results of operation and financial condition.

The agreements governing our indebtedness will restrict our current and future operations, particularly our ability to respond to changes or to take certain actions.

The agreements governing our indebtedness, including the notes, contain, and the agreements governing future indebtedness and future debt securities may contain, significant restrictive covenants and, in the case of the Revolving Credit Facility, financial maintenance covenants that will limit our operations, including our ability to engage in activities that may be in our long-term best interests. These restrictive covenants may limit us, and our restricted subsidiaries, from taking, or give rights to the holders of our indebtedness in the event of, the following actions:

- incurring additional indebtedness and guaranteeing indebtedness;
- paying dividends or making other distributions in respect of, or repurchasing or redeeming, our capital stock;
- making acquisitions or other investments;

- prepaying, redeeming or repurchasing certain indebtedness;
- selling or otherwise disposing of assets;
- selling stock of our subsidiaries;
- incurring liens;
- entering into transactions with affiliates;
- entering into agreements restricting our subsidiaries' ability to pay dividends;
- entering into transactions that result in a change of control of us; and
- consolidating, merging or selling all or substantially all of our assets.

Our failure to comply with those covenants could result in an event of default that, if not cured or waived, could result in the acceleration of some or all of our indebtedness, which could lead us to bankruptcy, reorganization or insolvency.

If the notes are rated investment grade at any time by Moody's and Standard & Poor's, most of the restrictive covenants and corresponding events of default contained in the indenture governing the notes will be suspended.

If, at any time, the credit rating on the notes, as determined by Moody's Investors Service and Standard & Poor's Ratings Services, equals or exceeds Baa3 (or the equivalent), or BBB- (or the equivalent), respectively, or any equivalent replacement ratings, we will no longer be subject to most of the restrictive covenants and corresponding events of default contained in the indenture. Any restrictive covenants or corresponding events of default that cease to apply to us as a result of achieving these ratings will be restored if one or both of the credit ratings on the notes later falls below these thresholds. However, during any period in which these restrictive covenants are suspended, we may incur other indebtedness, make restricted payments and take other actions that would have been prohibited if these covenants had been in effect. If the restrictive covenants are later restored, the actions taken while the covenants were suspended will not result in an event of default under the indenture even if it would constitute an event of default at the time the covenants are restored. Accordingly, if these covenants and corresponding events of default are suspended, you will have less credit protection than you will at the time the notes are issued.

Repayment of our debt, including required principal and interest payments on the notes, is dependent on cash flow generated by our subsidiaries, which may be subject to limitations beyond our control.

Our subsidiaries own substantially all of our assets and conduct substantially all of our operations. Accordingly, repayment of our indebtedness, including the notes, is dependent, to a significant extent, on the generation of cash flow by our subsidiaries and (if they are not guarantors of the notes) their ability to make such cash available to us, by dividend, debt repayment or otherwise.

Unless they are guarantors of the notes, our subsidiaries do not have any obligation to pay amounts due on the notes or to make funds available to us or the guarantors for that purpose. Our non-guarantor subsidiaries may not be able to, or may not be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the notes. Each non-guarantor subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our non-guarantor subsidiaries. While limitations on our subsidiaries restrict their ability to pay dividends or make other intercompany payments to us, these limitations are subject to certain qualifications and exceptions.

In the event that we are unable to receive distributions from subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the notes.

The notes are unsecured and effectively junior to our secured indebtedness, including borrowings under the Senior Secured Credit Facilities, to the extent of the value of the collateral securing such secured indebtedness.

The obligations under the notes will be unsecured and will be effectively junior to our secured indebtedness to the extent of the value of the collateral securing such indebtedness. Borrowings under the Senior Secured Credit Facilities will be secured by substantially all of the assets of the issuer and any existing and future guarantors, including all of the capital stock of each wholly-owned material restricted subsidiary held by the issuer or any guarantor, subject to customary limitations on the pledge of voting capital stock of material restricted subsidiaries that are “controlled foreign corporations” or foreign subsidiary holding companies and other customary exceptions.

The notes are effectively subordinated to all such secured indebtedness to the extent of the value of that collateral. If an event of default occurs under the Senior Secured Credit Facilities, the holders of such senior secured indebtedness will have a prior right to our assets, to the exclusion of the holders of the notes, even if we are in default with respect to the notes. In that event, our assets would first be used to repay in full all indebtedness and other obligations secured by them (including all amounts outstanding under the Senior Secured Credit Facilities), resulting in all or a portion of our assets being unavailable to satisfy the claims of the holders of the notes and other unsecured indebtedness. Therefore, in the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization, or other bankruptcy proceeding, holders of the notes will participate in our remaining assets ratably with each other and with all holders of our unsecured indebtedness that is deemed to be of the same class as such notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. As a result, holders of such notes may receive less, ratably, than holders of secured indebtedness.

On a pro forma basis after giving effect to the Transactions, at December 31, 2014, together with the guarantors, we would have had approximately \$1.5 billion of senior secured indebtedness outstanding, and would have had an additional \$1.0 billion of unutilized capacity under the Revolving Credit Facility. The notes and the related guarantees will rank effectively junior to such outstanding indebtedness to the extent of the value of the collateral securing such outstanding indebtedness. In addition to the unutilized capacity under the Revolving Credit Facility, the definitive documentation for the Senior Secured Credit Facilities will permit us to incur incremental indebtedness, which may be secured, subject to certain limits and conditions set forth in the definitive documentation for the Senior Secured Credit Facilities. The obligations under the notes will be effectively junior to any additional secured indebtedness we may incur to the extent of the value of the collateral securing such indebtedness. The indenture that will govern the notes will also permit us to incur additional secured indebtedness, which could be substantial.

Claims of holders of the notes will be structurally subordinated to claims of creditors of certain of our subsidiaries that will not guarantee the notes.

The notes will not be guaranteed by certain of our existing and future subsidiaries. The notes will be fully and unconditionally guaranteed, jointly and severally, on a senior unsecured unsubordinated basis by each of our existing and future direct and indirect domestic restricted subsidiaries that (a) incurs or guarantees any indebtedness under our Senior Secured Credit Facilities or (b) guarantees other indebtedness of Chemours or any guarantor in an aggregate principal amount in excess of \$75 million. Only our existing domestic subsidiaries that guarantee indebtedness under the Senior Secured Credit Facilities will initially guarantee the notes. Claims of holders of the notes will be structurally subordinated to the claims of creditors of these non-guarantor subsidiaries, including trade creditors, and will not be satisfied from the assets of these non-guarantor subsidiaries until their creditors are paid in full.

On a pro forma basis after giving effect to the Transactions, before intercompany eliminations, for the year ended December 31, 2014, our guarantor subsidiaries in the aggregate would have accounted for \$4,593 million

of our combined revenue, \$471 million, or 52%, of our combined Adjusted EBITDA, and \$187 million of our combined net income; and our non-guarantor subsidiaries in the aggregate would have accounted for \$3,722 million of our combined revenue, \$433 million, or 48%, of our combined Adjusted EBITDA, and \$235 million of our combined net income.

On a pro forma basis after giving effect to the Transactions, before intercompany eliminations, at December 31, 2014, our guarantor subsidiaries would have had aggregate assets of \$3,998 million and our non-guarantor subsidiaries would have had aggregate assets of \$2,599 million. On a pro forma basis after giving effect to the Transactions, at December 31, 2014, our non-guarantor subsidiaries would have had \$994 million of indebtedness and other liabilities.

On a pro forma basis after giving effect to the Transactions, as of December 31, 2014, we would have had approximately \$4,000 million of indebtedness. On a pro forma basis after giving effect to the Transactions, at December 31, 2014, together with the guarantors, we would have had approximately \$1,500 million of senior secured indebtedness outstanding, and would have had an additional \$1,000 million of unutilized capacity under the Revolving Credit Facility, all of which would be senior secured indebtedness.

In addition, the guarantee of a guarantor will be released in connection with a transfer of such guarantor in a transaction not prohibited by the indenture that will govern the notes or upon certain other events described in “Description of the Notes—Guarantees.”

Federal and state statutes may allow courts, under specific circumstances, to void the notes and the guarantees, subordinate claims in respect of the notes and the guarantees and/or require holders of the notes to return payments received from us.

All of the net proceeds from the offering of the notes will be distributed to DuPont. The incurrence of indebtedness evidenced by the notes and the making of the distribution are subject to review under relevant state and federal fraudulent conveyance statutes in a bankruptcy or reorganization case or a lawsuit by or on behalf of our creditors. Under these statutes, the notes and the guarantees could be voided, or claims in respect of the notes and the guarantees could be subordinated to all of our other debt if a court were to find at the time of the notes were issued that we:

- were insolvent or rendered insolvent by reason of such indebtedness;
- were engaged in, or about to engage in, a business or transaction for which our remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that we would incur, debts beyond our ability to repay such debts as they mature.

A court might also void the issuance of the notes or a guarantee, without regard to the above factors, if the court found that we issued the notes or the guarantors entered into the applicable guaranty with actual intent to hinder, delay or defraud our or their respective creditors.

If a court were to void the issuance of the notes or the guarantees, you would no longer have a claim against us or the guarantors. Sufficient funds to repay the notes may not be available from other sources, including the remaining guarantors, if any. In addition, the court might direct you to repay any amounts that you already received from us or the guarantors or, with respect to the notes, any guarantee.

In addition, any payment by us pursuant to the notes made at a time when we were subsequently found to be insolvent could be voided and required to be returned to us or to a fund for the benefit of our creditors if such payment is made to an insider within a one-year period prior to a bankruptcy filing or within 90 days for any outside party and such payment would give the noteholders more than such noteholders would have received in a liquidation under Title 11 of the United States Code, as amended (the “Bankruptcy Code”).

The measures of insolvency for purposes of these fraudulent and preferential transfer laws will vary depending upon the law applied in any proceeding. Generally, however, we would be considered insolvent if:

- the sum of our debts, including contingent liabilities, were greater than the fair saleable value of all our assets;
- the present fair saleable value of our assets were less than the amount that would be required to pay our probable liability on existing debts, including contingent liabilities, as they become absolute and mature; or
- we could not pay our debts as they become due.

On the basis of historical financial information, recent operating history and other factors, we believe that, after giving effect to the indebtedness incurred in this offering and the application of the proceeds therefrom, we will not be insolvent, will not have unreasonably small capital for the business in which we are engaged and will not have incurred debts beyond our ability to pay such debts as they mature. There can be no assurance, however, as to what standard a court would apply in making such determinations or that a court would agree with our conclusions in this regard. The indenture that will govern the notes offered hereby will contain a “savings clause,” which limits the liability of each guarantor on its guarantee to the maximum amount that such guarantor can incur without risk that its guarantee will be subject to avoidance as a fraudulent transfer. We cannot assure you that this limitation will protect such guarantees from fraudulent transfer challenges or, if it does, that the remaining amount due and collectible under the guarantees would suffice, if necessary, to pay the notes in full when due. Furthermore, in a case determined by the U.S. Bankruptcy Court in the Southern District of Florida, *Official Committee of Unsecured Creditors of TOUSA, Inc. v Citicorp North America, Inc.*, the court held that a savings clause similar to the savings clause that will be included in the indenture governing the notes was unenforceable. As a result, the subsidiary guarantees were found to be fraudulent conveyances. The United States Court of Appeals for the Eleventh Circuit affirmed the liability findings of the Bankruptcy Court without ruling directly on the enforceability of savings clauses generally. If the *TOUSA* decision were followed by other courts, the risk that the guarantees would be deemed fraudulent conveyances would be significantly increased.

Finally, as a court of equity, the bankruptcy court may subordinate the claims in respect of the notes to other claims against us under the principle of equitable subordination, if the court determines that: (i) the holders of the notes engaged in some type of inequitable conduct; (ii) such inequitable conduct resulted in injury to our other creditors or conferred an unfair advantage upon the holder of the notes; and (iii) equitable subordination is not inconsistent with the provisions of the Bankruptcy Code.

We may not be able to finance a change of control offer required by the indenture.

Upon a change of control, as defined under the indenture that will govern the notes, you will have the right to require us to offer to purchase all of the notes then outstanding at a price equal to 101% of the principal amount of such notes, plus accrued interest. In order to obtain sufficient funds to pay the purchase price of the outstanding notes, we expect that we would have to refinance the notes. We cannot assure you that we would be able to refinance the notes on reasonable terms, if at all. Our failure to offer to purchase all outstanding notes or to purchase all validly tendered notes would be an event of default under the indenture. Such an event of default may cause the acceleration of our other debt, including debt under the Senior Secured Credit Facilities. Our future debt also may contain restrictions on repayment requirements with respect to specified events or transactions that constitute a change of control under the indenture.

We can enter into transactions like recapitalizations, reorganizations and other highly leveraged transactions that do not constitute a change of control but that could adversely affect the holders of the notes.

Certain important corporate events, such as leveraged recapitalizations, may not, under the indenture that will govern the notes, constitute a “change of control” that would require us to repurchase the notes, notwithstanding the fact that such corporate events could increase the level of our indebtedness or otherwise adversely affect our capital

structure, credit ratings or the value of the notes. Therefore, we could, in the future, enter into certain transactions, including acquisitions, reorganizations, refinancings or other recapitalizations, which would not constitute a change of control under the indenture that will govern the notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings.

Holders of notes may not be able to determine when a change of control giving rise to their right to have the notes repurchased has occurred following a sale of “substantially all” of our assets.

The definition of change of control in the indenture that will govern the notes includes a phrase relating to the sale of “all or substantially all” of our assets. There is no precise established definition of the phrase “substantially all” under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase its notes as a result of a sale of less than all our assets to another person may be uncertain. See “Description of the Notes—Repurchase at the Option of Holders—Change of Control.”

There are significant restrictions on your ability to transfer or resell the notes.

The notes have not been registered under the Securities Act or the securities laws of any state or any other jurisdiction. Absent registration, the notes may be offered or sold only in transactions that are not subject to or that are exempt from the registration requirements of the Securities Act or the securities laws of any state or any other jurisdiction. By purchasing the notes, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under “Notice to Investors; Transfer Restrictions.”

Under the registration rights agreement, we have agreed to file the exchange offer registration statement with the SEC and to use commercially reasonable efforts to cause the registration statement to become effective with respect to the exchange notes. The SEC, however, has broad discretion to declare any registration statement effective and may delay, defer or suspend the effectiveness of any registration statement for a variety of reasons. If issued under an effective registration statement, we expect that the exchange notes generally will be permitted to be resold or otherwise transferred by each holder of the exchange notes with no need for further registration. However, each series of the exchange notes will constitute a new issue of securities with no established trading market. An active trading market for the exchange notes may not develop, or, in the case of non-exchanging holders of the notes, the trading market for the notes following the exchange offer may not continue to the same extent as prior to the exchange offer, or at all.

The Euro Notes permit us to make payments in U.S. Dollars if we are unable to obtain Euro.

If the Euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the Euro is no longer being used by the then member states of the European Economic and Monetary Union that have adopted the Euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then we will be entitled, until the Euro is again available to us or so used, to satisfy our payment obligations in respect of the Euro Notes by making such payments in U.S. Dollars. The amount payable on any date in Euro will be converted into U.S. Dollars at the rate mandated by the U.S. Federal Reserve Board as of the close of business on the second business day prior to the relevant payment date or, in the event the U.S. Federal Reserve Board has not mandated a rate of conversion, on the basis of the most recent U.S. Dollar/Euro exchange rate published in The Wall Street Journal on or prior to the second business day prior to the relevant payment date. Any payment in respect of the Euro Notes so made in U.S. Dollars will not constitute an event of default under the Euro Notes or the Indenture governing the Euro Notes. Investors will be subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them.

Payments of judgments against Chemours or the guarantors on the Euro Notes may not be in Euros.

In the event that court proceedings were brought in the United States against Chemours or the guarantors seeking enforcement in the United States of Chemours’ or the guarantors’ obligations under the notes or the

guarantees, respectively, a U.S. federal court would award a judgment only in U.S. Dollars and a judgment of a court in the State of New York rendered in a currency other than the U.S. Dollar would be converted into U.S. Dollars at the rate of exchange prevailing on the date of entry of such judgment.

You may face foreign exchange risks or tax consequences as a result of investing in the Euro Notes.

The Euro Notes will be denominated and payable in Euros. If you are a U.S. investor, an investment in the Euro Notes will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the Euro relative to the U.S. Dollar because of economic, political and other factors over which we have no control. Depreciation of the Euro against the U.S. Dollar could cause a decrease in the effective yield of the Euro Notes below their stated coupon rates and could result in a loss to you on a U.S. Dollar basis. Investing in the Euro Notes by U.S. investors may also have important tax consequences.

An active trading market may not develop for the notes.

We cannot assure you that an active trading market will develop for the notes. We do not intend to apply for listing of the Dollar Notes on any securities exchange or on any automated dealer quotation system in the United States. Although we have been informed by the initial purchasers that they currently intend to make a market for the notes, they are not obliged to do so and any market making may be discontinued at any time without notice.

The liquidity of, and trading market for, the notes may also be adversely affected by, among other things:

- changes in the overall market for securities similar to the notes;
- changes in our financial performance or prospects;
- the prospects for companies in our industry generally;
- the number of holders of the notes;
- the interest of securities dealers in making a market for the notes;
- the conditions of the financial markets;
- fluctuations in the relative trading value of the currencies in which the notes are issued; and
- prevailing interest rates.

The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which could have an adverse effect on the market prices of the notes.

We are offering the notes in reliance upon an exemption from registration under the Securities Act and applicable state securities laws. Therefore, the notes may be transferred or resold only in a transaction registered under or exempt from the Securities Act and applicable state securities laws. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities that are similar to the notes. We cannot assure you that the market, if any, for any of the notes will be free from similar disruptions or that any such disruptions may not adversely affect the prices at which you may sell your notes. In addition, subsequent to their initial issuance, the notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance, and other factors.

No assurance can be given that the Euro Notes will be listed, or remain listed, on any exchange.

Application is expected to be made to have the Euro Notes listed on the Official List of the Irish Stock Exchange and to trade them on the Global Exchange Market of such exchange. However, we cannot assure you

that we will obtain this listing and, even if the Euro Notes become listed on this exchange, the Euro Notes may be delisted and we would not be required to list them on any other exchange. If the Euro Notes are not listed on any exchange, the market price and liquidity of the Euro Notes may be adversely affected.

A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may adversely affect the market price or liquidity of the notes.

The notes offered hereby will have a non-investment grade rating. We cannot assure you that such rating will remain for any given period of time or that such rating will not be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Credit ratings are not recommendations to purchase, hold or sell the notes, and may be revised or withdrawn at any time. Additionally, credit ratings may not reflect the potential effect of risks relating to the structure or marketing of the notes. If the credit rating of the notes is subsequently lowered or withdrawn for any reason, you may not be able to resell your notes without a substantial discount.

USE OF PROCEEDS

We intend to use the net proceeds of the issuance of the notes being offered by us to fund a dividend to DuPont. In addition, we will issue or transfer to DuPont (i) all outstanding shares of Chemours common stock, (ii) \$507,049,000 aggregate principal amount of the 2025 notes, which DuPont will transfer to the selling securityholders pursuant to the debt-for-debt exchange and which are being offered by the selling securityholders hereby and (iii) substantially all of the net proceeds of borrowings under the Term Loan Facility. We will not receive any proceeds from the sale of the 2025 notes by the selling securityholders. The following table illustrates the estimated sources and uses of funds in connection with the Transactions:

(Dollars in millions)

Sources of Funds		Uses of Funds	
Contribution from DuPont	\$ 200	Dividend to DuPont ⁽²⁾	\$3,900
6.625% 2023 notes offered hereby	1,350	Cash to Balance Sheet.	200
7.000% 2025 notes offered hereby ⁽¹⁾	750	Estimated fees and expenses	100
6.125% Euro Notes offered hereby ⁽³⁾	400		
Term Loan Facility borrowings	1,500		
Total sources of funds	\$4,200	Total uses of funds	\$4,200

(1) Includes \$507,049,000 of 2025 notes to be issued to DuPont and exchanged by DuPont with the selling securityholders.

(2) Includes \$507,049,000 of 2025 notes offered by the selling security holders, who will receive such notes from DuPont pursuant to the debt-for-debt exchange.

(3) Principal amount of Euro Notes calculated to U.S. dollars at a rate of \$1.11/€.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2014, on a historical and on an adjusted basis to give effect to the Transactions as if they occurred on December 31, 2014. The following table should be reviewed in conjunction with “Unaudited Pro Forma Combined Financial Statements,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our historical combined financial statements and accompanying notes included elsewhere in this offering circular.

(Dollars in millions)	As of December 31, 2014	
	Historical	As adjusted
Cash and cash equivalents:	\$ —	\$ 200 ⁽¹⁾
Long-term debt, including current portion:		
Senior Secured Revolving Credit Facility ⁽²⁾	\$ —	\$ —
Senior Secured Term Loan Facility	—	1,500
6.625% 2023 notes offered hereby	—	1,350
7.000% 2025 notes offered hereby	—	750
6.125% Euro Notes offered hereby ⁽³⁾	—	400
Total long-term debt	\$ —	\$ 4,000
Equity:		
Common stock, par value \$0.01 ⁽⁴⁾	\$ —	\$ —
Additional paid-in capital	—	(3,826)
DuPont Company Net Investment, accumulated other comprehensive income and noncontrolling interests	3,673	3,616
Total Equity	\$3,673	\$ (210)
Total Capitalization	\$3,673	\$ 3,790

(1) See “The Transactions—Internal Reorganization” and “Certain Relationships and Related Party Transactions—The Separation Agreement.”

(2) \$1.0 billion Senior Secured Revolving Credit Facility expected to be undrawn at closing.

(3) Principal amount of Euro Notes calculated to U.S. dollars at a rate of \$1.11/€.

(4) The amount of equity in Chemours common stock has not been determined as of the date hereof. It will reflect the pro forma recapitalization of our equity. As of the distribution date, DuPont Company Net Investment in our business will be exchanged to reflect the distribution of our shares of common stock to DuPont stockholders.

THE TRANSACTIONS

The Separation and Distribution

On October 24, 2013, DuPont announced its intention to separate (the “separation”) its Performance Chemicals segment, which includes its titanium technologies, fluoroproducts and chemical solutions businesses, from the other businesses of DuPont, which comprise the DuPont Businesses.

In furtherance of this plan, DuPont intends to distribute to its stockholders all of the issued and outstanding shares of Chemours common stock (the “distribution”). The date of the distribution is currently anticipated to be July 1, 2015, pending final approval from DuPont’s Board of Directors. As a result of the distribution, Chemours will become an independent, publicly traded company. We refer to the separation and distribution transactions together as the “separation and distribution.”

If the distribution has not been completed on or before November 30, 2015 or, if prior to such date, DuPont has abandoned the distribution, then we will be required to redeem each series of notes as specified under “Description of the Notes—Special Mandatory Redemption.”

The distribution of Chemours common stock as described in this offering circular is subject to the satisfaction or waiver of certain conditions. For a more detailed description of these conditions, see this section under “—Conditions to the Distribution.”

Internal Reorganization

We are currently a wholly owned subsidiary of DuPont. In connection with the separation and distribution, we have taken, and are continuing to take, various restructuring actions in order to separate the Chemours businesses from DuPont, including the transfer of assets and liabilities between the respective businesses of DuPont and Chemours. Prior to the closing of this offering, DuPont will have transferred to us certain entities, assets and liabilities of DuPont’s Performance Chemicals segment, including its titanium technologies, fluoroproducts and chemical solutions businesses, and certain additional assets and liabilities associated with the DuPont Businesses, other than equity interests in an entity that owns our TiO₂ production facility in Taiwan, a joint venture primarily focused on the manufacture and sale of fluoroelastomer gums and fluoroelastomer pre-compounds, and an entity in Canada which owns a fluoroproducts production facility. These entities are expected to be transferred to us upon receipt of relevant regulatory approvals. However, no assurance can be given that the assets to be transferred to the Company as part of the separation and distribution will occur prior to the date of the distribution, and any assets that are not transferred prior to such date may be material to the Company. If the transfer of any assets to be transferred to the Company as part of the separation and distribution does not occur prior to the date of the distribution, the Separation Agreement provides, among other things, that DuPont and the Company to use their commercially reasonable efforts to effect any such transfer as promptly as is practicable thereafter. From the date of the distribution until the date that any such transfer is effected, the Separation Agreement provides that DuPont shall hold any such asset in trust for the Company and that, during such period, the Company would have the economic and other benefits and burdens relating to such asset. For further details in relation to our production facilities, see “Business—Chemours Production Facilities and Technical Centers.”

In exchange for transferring certain entities, assets and liabilities of DuPont’s Performance Chemicals segment, DuPont will receive shares of Chemours common stock, cash and certain of the notes offered hereby, as further described below. The Separation Agreement will contain a cash adjustment provision, to be determined reasonably promptly after the distribution date, but in any event no later than December 31, 2015, that will assure that our aggregate cash balance at the time of the distribution would have been equal to a target level of cash in the amount of \$200 million.

In connection with the planned distribution, Chemours was organized by DuPont in the state of Delaware on February 18, 2014 as Performance Operations, LLC, for the purpose of transferring to Chemours assets and

liabilities, including any entities holding assets and liabilities, associated with certain of DuPont's Performance Chemicals segment. Chemours changed its name to The Chemours Company, LLC on April 15, 2014 and was converted from a limited liability company to a Delaware corporation on April 30, 2015. The Chemours Company, LLC had nominal operations during the period from February 18, 2014 through December 31, 2014.

Indemnification Obligations to DuPont

In connection with the separation, we will assume, and indemnify DuPont for, certain liabilities, including, among others, certain environmental liabilities and specified litigation liabilities. Most of our indemnification obligations to DuPont may be uncapped, and may include, among other items, associated defense costs, settlement amounts and judgments. Payments pursuant to these indemnities may be significant and could negatively impact our business. Each of these risks could negatively affect our business, financial condition, results of operations and cash flows. For additional information, see the sections entitled "The Transactions," "Management's Discussion and Analysis of Financial Condition and Results of Operations—Environmental Matters," "Risk Factors—Risks Related to the Separation and Distribution" and "Financial Statements—Notes to the Combined Financial Statements."

Results of the Separation and Distribution

After its separation from DuPont, Chemours will be an independent, publicly traded company. Before the distribution, Chemours will enter into a Separation Agreement and other agreements with DuPont to effect the separation and distribution and provide a framework for Chemours relationship with DuPont after the separation and distribution. These agreements will provide for the allocation between DuPont and Chemours of DuPont's assets, liabilities and obligations (including employee benefits, intellectual property, and tax-related assets and liabilities) attributable to periods prior to, at and after Chemours' separation from DuPont and will govern certain relationships between DuPont and Chemours after the separation and distribution. For a more detailed description of these agreements, see the section entitled "Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution."

Conditions to the Distribution

Chemours expects that the distribution will be effective on July 1, 2015, provided that, in addition to any incremental conditions described in the Separation Agreement, the following conditions shall have been satisfied or waived by DuPont:

- the making of a \$4.0 billion cash distribution from Chemours to DuPont prior to the distribution, and the determination by DuPont in its sole discretion that following the separation and distribution it shall have no further liability or obligation whatsoever under any financing arrangements that Chemours will be entering into in connection with the separation and distribution, including the notes;
- the SEC having declared effective the registration statement on Form 10 filed in connection with the separation and distribution, no stop order relating to the registration statement being in effect, nor any proceeding seeking such stop order being pending, and the information statement that forms a part of the registration statement having been distributed to DuPont's stockholders;
- Chemours common stock having been approved and accepted for listing by the NYSE, subject to official notice of issuance;
- DuPont has received the IRS Ruling from the IRS substantially to the effect that, among other things, the distribution of our ordinary shares, together with certain related transactions, will qualify under Sections 355 and 368(a) of the Code, with the result that DuPont and DuPont's stockholders will not recognize any taxable income, gain or loss for U.S. federal income tax purposes as a result of the distribution, except to the extent of cash received in lieu of fractional shares. As a condition to the distribution, the IRS Ruling must remain in effect as of the distribution date. In addition, the distribution is conditioned on the receipt

of the Tax Opinion, in form and substance acceptable to DuPont, substantially to the effect that certain requirements, including certain requirements that the IRS will not rule on, necessary to obtain tax-free treatment, have been satisfied;

- the receipt of an opinion from an independent appraisal firm to the board of directors of DuPont confirming the solvency of each of DuPont and Chemours after the distribution that is in form and substance acceptable to DuPont in its sole discretion;
- all permits, registrations and consents required under the securities or blue sky laws of states or other political subdivisions of the United States or of other foreign jurisdictions in connection with the distribution having been received;
- no order, injunction, or decree issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the separation, distribution or any of the related transactions being in effect;
- the reorganization of DuPont and Chemours businesses prior to the separation and distribution having been effectuated;
- the approval by the board of directors of DuPont of the distribution and all related transactions (and such approval not having been withdrawn);
- DuPont's election of the individuals to be listed as members of our board of directors post-distribution, as described in this offering circular, immediately prior to the distribution date;
- Chemours having entered into certain agreements in connection with the separation and distribution and certain financing arrangements prior to or concurrent with the separation and distribution; and
- no events or developments shall have occurred or exist that, in the sole and absolute judgment of DuPont's board of directors, make it inadvisable to effect the distribution or would result in the distribution and related transactions not being in the best interest of DuPont or its stockholders.

The fulfillment of the foregoing conditions does not create any obligations on DuPont's part to effect the distribution, and DuPont's board of directors has reserved the right, in its sole discretion, to amend, modify or abandon the distribution and related transactions at any time prior to the distribution date. DuPont has informed us that, to the extent the board of directors of DuPont determines to waive, or take any action to amend or modify, any condition in a manner that is material or abandon the distribution, DuPont will issue a press release publicly announcing any such decision.

Regulatory Approvals

In order to consummate the separation and distribution, Chemours must complete the necessary registration under U.S. federal securities laws of Chemours common stock, as well as the applicable NYSE listing requirements for such shares.

Other than the requirements discussed above, we do not believe that any other material governmental or regulatory filings or approvals will be necessary to consummate the separation and distribution.

Related Financing Transactions

This Offering and the Debt-for-Debt Exchange

In exchange for the entities, assets and liabilities that DuPont will contribute to us in connection with the separation, we will issue or transfer to DuPont (i) all outstanding shares of Chemours common stock, (ii) \$507,049,000 million aggregate principal amount of the 2025 notes, which DuPont will transfer to the selling securityholders pursuant to the debt-for-debt exchange as described below and which are being offered by the

selling securityholders hereby, and (iii) approximately \$3.4 billion of cash, representing the net proceeds of the 2023 notes the 2025 notes and the Euro Notes offered by us hereby and substantially all of the net proceeds of borrowings under the Term Loan Facility (as defined below).

DuPont intends to exchange the 2025 notes received by DuPont from Chemours as described above with certain of the initial purchasers (which we refer to, in such role, as the “selling securityholders”) for certain DuPont debt securities that they may have acquired pursuant to an on-going tender offer. We refer to this exchange as the “debt-for-debt exchange.” The selling securityholders are offering such 2025 notes pursuant to this offering circular. We expect the debt-for-debt exchange to occur on the settlement date of this offering, and to be immediately followed by the consummation of this offering.

Upon completion of the debt-for-debt exchange, the DuPont indebtedness exchanged in such debt-for-debt exchange is expected to be retired. We do not guarantee or have any other obligations in respect of such DuPont indebtedness.

Senior Secured Credit Facilities

Substantially concurrently with the offering of the notes, we anticipate entering into a credit agreement with a syndicate of lenders consisting of a \$1,500,000,000, seven-year senior secured Term Loan B Facility (the “Term Loan Facility”) and a \$1,000,000,000, five-year senior secured Revolving Credit Facility (the “Revolving Credit Facility”). We refer to the Term Loan Facility and the Revolving Credit Facility collectively as the “Senior Secured Credit Facilities.” We currently anticipate using substantially all of the proceeds of borrowings under the Term Loan Facility to partially fund a dividend to DuPont. See “Description of Other Indebtedness—Senior Secured Credit Facilities” and “Risk Factors—Risks Related to Our Indebtedness and the Notes.”

UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

The following Unaudited Pro Forma Combined Financial Statements are derived from the historical combined financial statements of Chemours, prepared in accordance with U.S. generally accepted accounting principles, which are included elsewhere in this offering circular. We based the unaudited pro forma adjustments upon available information and certain assumptions that we believe are reasonable under the circumstances. The assumptions underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the Unaudited Pro Forma Combined Financial Statements.

The Unaudited Pro Forma Combined Income Statement for the fiscal year ended December 31, 2014 gives effect to the distribution as if it had occurred on January 1, the first day of fiscal year 2014. The Unaudited Pro Forma Combined Balance Sheet as of December 31, 2014 gives effect to the distribution as if it had occurred on December 31, 2014. These Unaudited Pro Forma Combined Financial Statements include adjustments required by SEC Staff Accounting Bulletin Topic 1:B-3 and Article 11 of SEC Regulation S-X, including the following:

- a. the inclusion of \$4.0 billion of debt at an estimated weighted average interest rate of 5.75%;
- b. establishment of the cash and cash equivalents target of \$200 million, as defined in the Separation Agreement;
- c. the dividend, net of debt issuance costs, of approximately \$4.0 billion to DuPont;
- d. the assets and liabilities related to defined benefit pension and other post-retirement plans that were not included in Chemours' Audited Combined Financial Statements; and
- e. the impact of the Separation Agreement, Tax Matters Agreement, Employee Matters Agreement and other commercial agreements between Chemours and DuPont.

The pro forma financial statements do not reflect all of the costs of operating as a stand-alone company, including possible higher information technology ("IT"), tax, accounting, treasury, legal, investor relations, and other similar expenses associated with operating as a stand-alone company. Only costs that management has determined to be factually supportable and recurring are included as pro forma adjustments.

Our historical combined financial statements included elsewhere in this offering circular include intercompany charges for corporate shared services. After the separation and the distribution, certain services will continue to be provided by DuPont under transition services, IT transition services and site service agreements. These agreements are more fully described under "Our Relationship with DuPont Following the Distribution" included elsewhere in this offering circular. The annual charges under these agreements will be comparable to the intercompany amounts currently charged by DuPont. Therefore, no pro forma adjustments have been made related to these agreements.

Subject to the terms of the Separation Agreement, DuPont will pay certain non-recurring third-party costs and expenses related to the separation. Such non-recurring amounts will include investment banker fees, outside legal and accounting fees and similar costs. After the separation, subject to the terms of the Separation Agreement, all costs and expenses related to ongoing support of a stand-alone company will be our responsibility.

We are providing the Unaudited Pro Forma Combined Financial Statements for informational purposes only. The Unaudited Pro Forma Combined Financial Statements do not purport to represent what our results of operations or financial condition would have been had the Transactions actually occurred on the dates assumed, nor do they purport to project our results of operations or financial condition for any future period or as of any future date. You should read the Unaudited Pro Forma Combined Financial Statements in conjunction with “Use of Proceeds,” “Capitalization,” “The Transactions,” “Selected Historical Combined Financial Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited combined financial statements and related notes appearing elsewhere in this offering circular.

The Chemours Company
Unaudited Pro Forma Combined Income Statement
Year Ended December 31, 2014

(Dollars in millions)	Chemours	Pro Forma Adjustments	Pro Forma
Net sales	\$6,432		\$6,432
Cost of goods sold.....	5,072	(17) (A)	5,055
Gross profit	1,360		1,377
Selling, general and administrative expense	685	(14) (A)	671
Research and development expense	143	(6) (A)	137
Employee separation/asset related charges, net.	21	—	21
Total expenses	849		829
Equity in earnings of affiliates	20		20
Interest expense	—	(230) (H)	(230)
Other income, net	19		19
Income before income taxes	550		357
Provision for income taxes	149	(74) (B)	75
Net income	401	—	282
Less: Net income attributable to noncontrolling interests	1		1
Net income attributable to Chemours.....	<u>\$ 400</u>		<u>\$ 281</u>

See Notes to Unaudited Pro Forma Combined Financial Statements.

The Chemours Company
Unaudited Pro Forma Combined Balance Sheet
As of December 31, 2014

(Dollars in millions, except for share data)	Chemours	Pro Forma Adjustments	Pro Forma
Assets			
Current assets:			
Cash and cash equivalents	\$ —	200 (C)	200
Accounts and notes receivable—trade, net	846		846
Inventories	1,052		1,052
Prepaid expenses and other	43		43
Deferred income taxes	21		21
Total current assets	1,962		2,162
Property, plant and equipment	9,282		9,282
Less accumulated depreciation	(5,974)		(5,974)
Net property, plant and equipment	3,308		3,308
Goodwill	198		198
Other intangibles, net	11		11
Investments in affiliates	124		124
Other assets	375	2 (E)	377
Total assets	\$ 5,978		\$ 6,180
Liabilities and DuPont Company Net Investment			
Current liabilities:			
Accounts payable	\$ 1,046		\$ 1,046
Current portion of long-term debt	—	(D)	—
Deferred income taxes	9		9
Other accrued liabilities	352	2 (E)	354
Total current liabilities	1,407		1,409
Long-term debt	—	4,000 (D)	4,000
Other liabilities	464	83 (E)	547
Deferred income taxes	434		434
Total liabilities	2,305		6,390
Equity			
DuPont Company Net Investment	3,650	(G)	3,650
Common stock, \$0.01 par value	—	(F)	—
Capital in excess of par value	—	(3,826) (G)	(3,826)
Noncontrolling interests	4		4
Accumulated other comprehensive income	19	(57) (E)	(38)
Total equity	3,673		(210)
Total liabilities and equity	\$ 5,978		\$ 6,180

See Notes to Unaudited Pro Forma Combined Financial Statements.

THE CHEMOURS COMPANY

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL STATEMENTS

(A) Represents changes to employee-related costs based upon the Employee Matters Agreement. Adjustment comprises a reduction in expense due to the exclusion of expenses associated with pension plans that will not be transferred to Chemours as part of the separation, as described in Note (E) below, partially offset by an increase in expense associated with an enhanced 401(k) plan immediately following the separation.

(B) Reflects the tax effects of the pro forma adjustments at the applicable statutory income tax rates in the respective jurisdictions. The effective tax rate of Chemours could be different (either higher or lower) depending on activities subsequent to the distribution. The impacts of pro forma adjustments on long-term deferred tax assets and liabilities were offset against existing long-term deferred tax assets and liabilities reflected in the Chemours historical Combined Balance Sheet based on jurisdiction.

(C) Reflects the establishment of the cash and cash equivalents target of \$200 million, as defined in the Separation Agreement.

(D) For the purposes of preparing the unaudited pro forma combined financial information, we have assumed indebtedness totaling \$4.0 billion will be incurred by Chemours in conjunction with the separation from DuPont, consisting of the Term Loan Facility and the notes being offered hereby. In addition, we expect that Chemours will have access to the Revolving Credit Facility that will be undrawn at the time of separation. We expect \$4.0 billion of proceeds, net of \$100 million of debt issuance costs, to be transferred to DuPont in the form of a dividend.

(E) Reflects the addition of net benefit plan liabilities that will be transferred to Chemours by DuPont as part of the separation. This adjustment includes a \$2 million adjustment to Other assets, a \$2 million adjustment to Other accrued liabilities, an \$83 million adjustment to Other liabilities and a \$57 million adjustment to Accumulated other comprehensive income as of December 31, 2014. These net benefit plan liabilities are excluded from the Chemours historical Combined Balance Sheet, which has been presented using the multiemployer approach. The benefit plan expenses associated with these liabilities are included in the Chemours historical Combined Income Statement, consistent with the multiemployer approach.

(F) The amount of equity in Chemours common stock has not been determined as of the date hereof. It will reflect the pro forma recapitalization of our equity. As of the distribution date, DuPont Company Net Investment in our business will be exchanged to reflect the distribution of our shares of common stock to DuPont stockholders.

(G) Represents the elimination of DuPont Company Net Investment and adjustments to capital in excess of par to reflect the following:

1. Elimination of DuPont Company Net Investment and adjustment to capital in excess of par value:

Reclassification of DuPont Company Net Investment	\$ —
Establishment of cash and cash equivalents target as described in Note(C)	200
Net proceeds transferred to DuPont as described in Note(D)	(4,000)
Addition of net benefit plan assets and liabilities described in Note(E).....	(26)
Total DuPont Company Net Investment/Stockholders' Equity	(3,826)
Chemours common stock described in Note(F)	—
Total capital in excess of par value	<u>\$(3,826)</u>

(H) Represents adjustments to interest expense and amortization of debt issuance costs related to approximately \$4.0 billion of debt that we expect to incur as described in Note (D), based on an assumed weighted-average interest rate of 5.75%. Interest expense may be higher or lower if our actual interest rate or credit ratings change. A change in assumed interest rates of 12.5 basis points would change the pro forma annual interest expense by \$4.4 million.

SELECTED HISTORICAL CONDENSED COMBINED FINANCIAL DATA

The following table presents Chemours' selected historical condensed combined financial data. The selected historical condensed combined financial data as of December 31, 2014 and 2013, and for the years ended December 31, 2014, 2013 and 2012 are derived from audited information contained in the Combined Financial Statements included elsewhere in this offering circular. The selected historical condensed combined financial data as of December 31, 2012, and as of and for the years ended December 31, 2011 and 2010 are derived from Chemours' unaudited combined financial statements that are not included in this offering circular.

The selected historical condensed combined financial data include certain expenses of DuPont that were allocated to Chemours for certain corporate functions including information technology, research and development, finance, legal, insurance, compliance and human resources activities. These costs may not be representative of the future costs Chemours will incur as an independent, publicly traded company. In addition, Chemours' historical financial information does not reflect changes that Chemours expects to experience in the future as a result of Chemours' separation and distribution from DuPont, including changes in Chemours' cost structure, personnel needs, tax structure, capital structure, financing and business operations. The Combined Financial Statements also do not reflect the assignment of certain assets and liabilities between DuPont and Chemours as reflected under "Unaudited Pro Forma Combined Financial Statements" included elsewhere in this offering circular. Consequently, the financial information included here may not necessarily reflect what Chemours' financial position, results of operations and cash flows would have been had it been an independent, publicly traded company during the periods presented. Accordingly, these historical results should not be relied upon as an indicator of Chemours' future performance.

For a better understanding, this section should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Combined Financial Statements" and corresponding notes and the Combined Financial Statements and accompanying notes included elsewhere in this offering circular.

(Dollars in millions)	Year ended December 31,				
	2014	2013	2012	2011 (Unaudited)	2010 (Unaudited)
Summary of operations:					
Net sales.....	\$6,432	\$6,859	\$7,365	\$7,972	\$6,489
Income before income taxes.....	550	576	1,485	1,907	969
Provision for income taxes on continuing operations	149	152	427	474	247
Net income attributable to Chemours.....	400	423	1,057	1,431	720
Financial position at year end:					
Working capital	\$ 555	\$ 509	\$ 600	\$ 593	\$ 373
Total assets	5,978	5,621	5,317	5,257	4,948
Long-term capital lease obligations	1	1	1	2	2
General:					
Purchases of property, plant and equipment ⁽¹⁾ ...	\$ 615	\$ 438	\$ 432	\$ 355	\$ 220
Depreciation and amortization.....	257	261	266	272	279
Other Financial Data:					
EBITDA.....	\$ 807	\$ 837	\$1,751	\$2,179	
Adjusted EBITDA ⁽²⁾	\$ 895	\$ 982	\$1,883	\$2,223	

(1) Purchases of property, plant, and equipment includes \$11 million of purchases of plant, property and equipment included in accounts payable excluded from the Combined Statements of Cash Flows.

(2) EBITDA is defined as net earnings before interest expense, provision for income taxes on continuing operations, and depreciation and amortization. Adjusted EBITDA represents EBITDA as further adjusted

for the following non-recurring items of revenue or gain and expense or loss: non-operating pension or other post-retirement employee benefit costs and exchange losses (gains). We believe EBITDA and Adjusted EBITDA give investors meaningful information to help them understand our operating results and to analyze our financial and business trends on a period-to-period basis because EBITDA and Adjusted EBITDA exclude various items that do not relate to or are not indicative of our operating performance. Our management uses these measures internally for forecasting, budgeting and measuring our operating performance. In addition, we believe that including EBITDA and supplemental adjustments applied in presenting Adjusted EBITDA is appropriate to provide additional information to investors and other readers to demonstrate our ability to comply with financial debt covenants and assess our ability to incur additional indebtedness. EBITDA and Adjusted EBITDA should not be considered as alternatives to net income (determined in accordance with GAAP) as indicators of our financial performance and are not alternatives to cash flow from operating activities (determined in accordance with GAAP) as a measure of our liquidity. Investors are cautioned that items excluded from EBITDA and Adjusted EBITDA are significant components in understanding and addressing our financial performance. See “Non-GAAP Financial Measures.”

Investors should note that the calculation of EBITDA pursuant to the indenture governing the notes, as described in “Description of Notes”, is different from our calculation of Adjusted EBITDA presented elsewhere in this offering circular. Such difference arises from a difference in how we calculate our consolidated net income from joint ventures in the calculation of EBITDA. Pursuant to the indenture governing the notes, the Consolidated Net Income component of EBITDA will be calculated by excluding the net income of any Person that is not a Subsidiary or Unrestricted Subsidiary or that is accounted for by the equity method of accounting, except that Consolidated Net Income will include by the amount of dividends, distributions or other payments that are actually paid in cash or Cash Equivalents to the issuer of the notes or a Restricted Subsidiary (other than any such proceeds that are used to make a JV Reinvestment (as defined in “Description of Notes”)). However, as presented in this offering circular, EBITDA and Adjusted EBITDA include our share of net income of any joint venture accounted for by the equity method of accounting, regardless of whether it has been distributed to us. Earnings from equity affiliates were \$20 million, \$22 million, and \$25 million for the years ending December 31, 2014, 2013 and 2012, respectively. Dividends received from equity affiliates during the years ended December 31, 2014, 2013 and 2012 totaled \$19 million, \$19 million and \$31 million, respectively.

(Dollars in millions)	Twelve Months Ended December 31,			
	2014	2013	2012	2011 (unaudited)
Net income	\$401	\$424	\$1,058	\$1,433
Provision for income taxes on continuing operations	149	152	427	474
Depreciation and amortization	257	261	266	272
EBITDA	\$807	\$837	\$1,751	\$2,179
Adjustments to EBITDA:				
Non-operating pension or other post-retirement ⁽¹⁾	22	114	127	112
Exchange losses (gains) ⁽²⁾	66	31	5	(68)
Adjusted EBITDA	<u>\$895</u>	<u>\$982</u>	<u>\$1,883</u>	<u>\$2,223</u>

⁽¹⁾ Non-operating pension and other post-retirement employee benefit costs include interest cost, expected return on plan assets, amortization of (loss) gain, and amortization of prior service cost (benefit). These costs are excluded from Adjusted EBITDA in the Company’s calculation.

⁽²⁾ Exchange losses (gains) on net monetary assets and liabilities are excluded from the Company’s calculation of Adjusted EBITDA.

The following table sets forth details of the calculation of EBITDA pursuant to the indenture governing the notes, as described in “Description of Notes” (“**Indenture EBITDA**”), together with cross-references to the relevant sections of this offering circular providing the source of the relevant adjustments.

(Dollars in millions)	Twelve Months Ended December 31,		
	2014	2013	2012
Adjusted EBITDA	\$895	\$ 982	\$1,883
Removal of earnings from equity affiliates ⁽¹⁾	(20)	(22)	(25)
Addition of dividends received from equity affiliates ⁽²⁾	19	19	31
Add-back of employee separation / asset related charges, net ⁽³⁾	21	2	36
Removal of gain on sales of assets and businesses ⁽⁴⁾	(40)	—	—
Removal of gain on purchase of equity investment ⁽⁵⁾	—	(7)	—
Add-back of titanium dioxide antitrust litigation charge ⁽⁶⁾	—	72	—
Indenture EBITDA	\$875	\$1,046	\$1,925

Notes:

- (1) Earnings from equity affiliates are set forth under ‘equity in earnings of affiliates’ in our combined income statements on page F-3 of this offering circular.
- (2) Dividends received from equity affiliates are set forth under ‘equity in losses (earnings) of affiliates, net of dividends received’ in our combined statements of cash flows on page F-6 of this offering circular.
- (3) Employee separation / asset related charges, net are set forth under ‘employee separation/asset related charges, net’ in our combined income statements on page F-3 of this offering circular.
- (4) The gain on sales of assets and businesses is set forth under ‘gain on sales of assets and businesses’ in Note 7 ‘Other income, net’ to our combined financial statements on page F-19 of this offering circular.
- (5) The gain on purchase of equity investment is set forth under ‘gain on purchase of equity investment’ in Note 7 ‘Other income, net’ to our combined financial statements on page F-19 of this offering circular.
- (6) The titanium dioxide antitrust litigation charge is set forth in footnote (1) to Note 15 ‘Other Accrued Liabilities’ to our combined financial statements on pages F-27 and F-28 of this offering circular.

The Company is providing Indenture EBITDA solely because of the important role that Indenture EBITDA plays in respect of certain covenants contained in the indenture governing the notes, as described in “Description of Notes”. The Company does not intend for Indenture EBITDA to be an alternative to Adjusted EBITDA presented elsewhere in this offering circular as a measure of operating performance or an alternative to any other measure of financial performance presented in accordance with GAAP.

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis presented below refer to and should be read in conjunction with our audited combined financial statements (the Combined Financial Statements) and related notes and the unaudited pro forma combined financial statements (the Pro Forma Combined Financial Statements), each included elsewhere in this offering circular. The following discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. The words “believe,” “expect,” “anticipate,” “project,” and similar expressions, among others, generally identify “forward-looking statements,” which speak only as of the date the statements were made. The matters discussed in these forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those set forth in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this offering circular, particularly in “Risk Factors” and “Cautionary Statement Concerning Forward-Looking Statements.” We believe the assumptions underlying the Combined Financial Statements are reasonable. However, the Combined Financial Statements included herein may not necessarily reflect our results of operations, financial position and cash flows in the future or what they would have been had we been a separate, stand-alone company during the periods presented.

As explained above, except as otherwise indicated or unless the context otherwise requires, the information included in this discussion and analysis assumes the completion of all the transactions referred to in this information statement in connection with the separation and distribution. Unless the context otherwise requires, references in this information statement to “The Chemours Company,” “The Chemours Company, LLC,” “Chemours,” “we,” “us,” “our” and “our company” refer to The Chemours Company and its combined subsidiaries. References in this information statement to “DuPont” refers to E. I. du Pont de Nemours and Company, a Delaware corporation, and its consolidated subsidiaries (other than Chemours and its combined subsidiaries), unless the context otherwise requires. References to “DuPont stockholders” refer to stockholders of DuPont in their capacity as holders of common stock only, unless context otherwise requires.

Introduction

Management’s discussion and analysis of our results of operations and financial condition is provided as a supplement to the Combined Financial Statements and footnotes included elsewhere herein to help provide an understanding of our financial condition, changes in financial condition and results of our operations.

Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized. Forward-looking statements also involve risks and uncertainties, many of which are beyond Chemours’ control. Some of the important factors that could cause Chemours’ actual results to differ materially from those projected in any such forward-looking statements are:

- Fluctuations in energy and raw material prices;
- Failure to develop and market new products and optimally manage product life cycles;
- Significant litigation and environmental matters;
- Failure to appropriately manage process safety and product stewardship issues;
- Changes in laws and regulations or political conditions;
- Global economic and capital markets conditions, such as inflation, interest and currency exchange rates, interest rates and commodity prices, as well as regulatory requirements;
- Business or supply disruptions;
- Security threats, such as acts of sabotage, terrorism or war, weather events and natural disasters;
- Ability to protect, defend and enforce Chemours’ intellectual property rights;

- Increased competition;
- Increasing consolidation of our core customers;
- Changes in relationships with our significant customers and suppliers;
- Unanticipated expenses such as litigation or legal settlement expenses;
- Unanticipated business disruptions;
- Our ability to predict, identify and interpret changes in consumer preference and demand;
- Our ability to realize the expected benefits of the separation and distribution;
- Our ability to complete proposed divestitures or acquisitions, and our ability to realize the expected benefits of acquisitions if they are completed;
- Uncertainty regarding the availability of financing to us in the future and the terms of such financing; and,
- Disruptions in our information technology networks and systems.

Additionally, there may be other risks and uncertainties that we are unable to identify at this time or that we do not currently expect to have a material impact on our business. For further discussion of some of the important factors that could cause Chemours' actual results to differ materially from those projected in any such forward-looking statements, see "Risk Factors."

Separation and Distribution

On October 24, 2013, DuPont announced its intention to separate its Performance Chemicals segment through a pro rata distribution of Chemours common stock to stockholders of DuPont. The distribution is intended to be generally tax free for U.S. federal income tax purposes.

Chemours is currently a subsidiary of DuPont. Chemours was organized in the state of Delaware on February 18, 2014 as Performance Operations, LLC, and changed its name to The Chemours Company, LLC on April 15, 2014. In accordance with the separation and distribution, actions will have been taken so as at the time immediately prior to the closing of this offering, Chemours will have been converted from a limited liability company to a Delaware corporation. DuPont will generally transfer to us all the assets and all the liabilities relating to the Chemours business into a separate company. DuPont stockholders will not be required to pay for shares of our common stock received in the distribution or to surrender or exchange shares of DuPont common stock in order to receive shares of our common stock or to take any other action in connection with the distribution.

We will incur costs as a result of becoming an independent, publicly traded company for transition services and from establishing or expanding the corporate support for our business, including information technology, human resources, treasury, tax, risk management, accounting and financial reporting, investor relations, governance, legal, procurement and other services. We believe our cash flows from operations will be sufficient to fund these corporation expenses.

Commencing in 2015, when the Performance Chemicals operations are legally and operationally separated within DuPont in anticipation of the spin, some of the resulting newly created Chemours foreign entities will have their local currency as the functional currency.

Overview

Chemours delivers customized solutions with a wide range of industrial and specialty chemical products for markets including plastics and coatings, refrigeration and air conditioning, general industrial, mining and oil

refining. Principal products include titanium dioxide, refrigerants, industrial fluoropolymer resins, and a portfolio of industrial chemicals including sodium cyanide, sulfuric acid and aniline. See “Business” for a detailed description of Chemours’ business and segments.

Chemours is a leading global provider of performance chemicals through three reportable segments: Titanium Technologies, Fluoroproducts and Chemical Solutions. Our performance chemicals are key inputs into products and processes in a variety of industries. Our business is globally operated with manufacturing facilities, sales centers, administrative offices, and warehouses located throughout the world. Chemours’ operations are primarily located in the United States, Canada, Mexico, Brazil, the Netherlands, Belgium, China, Taiwan, Japan, Switzerland, Singapore, Hong Kong, India, the United Kingdom, France and Sweden.

Our Titanium Technologies segment is the leading global producer of TiO_2 , a premium white pigment used to deliver opacity. Titanium Technologies operates in six dedicated production facilities in the United States, Mexico and Taiwan.

Our Fluoroproducts segment is a leading global provider of fluoroproducts, such as refrigerants and industrial fluoropolymer resins. Our Fluoroproducts segment has 17 dedicated manufacturing and three contract manufacturing sites in the United States, Belgium, France, the Netherlands, Sweden and Brazil.

Our Chemical Solutions segment is a leading North American provider of industrial and specialty chemicals used in gold production, oil refining, agriculture, industrial polymers and other industries. Chemical Solutions operates in 12 dedicated sites in the United States and the United Kingdom.

In addition to the dedicated sites described above, the Company operates two production facilities that support both the Fluoroproducts and Chemical Solutions segments. Of the 40 total sites, three are currently shared with other DuPont businesses. At these sites, DuPont will continue its own manufacturing operations after separation, as well as contract manufacture for Chemours for the products currently produced by the Fluoroproducts segment at these sites.

Our position with each of these businesses reflects the strong value proposition we provide to our customers based on our long history of innovation and our reputation within the chemical industry for safety, quality and reliability.

Chemours’ manufacturing processes consume significant amounts of titanium ore, hydrocarbons and energy which are dependent on oil and natural gas pricing. The cost of these materials varies, reflecting market prices for oil and natural gas and other related inputs. Variations in cost relating to these inputs can be significant, and are described more fully in “Risk Factors” and “Business.”

Our Near-Term Priorities

In the broader context of our strategic priorities as described above, as Chemours emerges as a separate, standalone public company, we have the following near-term priorities for our company:

- Achieve cost and capacity benefits of Altamira expansion;
- Promote adoption of next generation refrigerants, such as HFO, as markets transition away from more mature products such as HCFC/HFC;
- Continue to drive operational and functional effectiveness to achieve fixed cost and operational productivity improvements; and
- Given the cyclical nature of the TiO_2 market, anticipate and capture revenue growth from market cycle improvements.

Successfully achieving these priorities in the near-term would enable the business to achieve longer term objectives, enhancing operating free cash flow to reduce overall leverage anticipated in connection with our separation from DuPont, in turn achieving our operational excellence and asset efficiency strategic objectives.

Our 2014 Results and Business Highlights

- **Revenue and Business Growth**—Titanium Technologies net sales were three percent below prior year due to lower prices and the strengthening of the US dollar, partially offset by an increase in volume. In Fluoroproducts, segment sales were two percent below prior year primarily as a result of lower selling prices for refrigerants and industrial resins which were partially offset by higher volumes. In Chemical Solutions, 20% lower revenues were primarily the result of operational issues and the portfolio impact of a customer's election to exercise a put/call option to acquire the entire property and equipment of our Baytown facility at the end of 2013. Market performance in each of our businesses remained consistent.
- **Productivity and Profitability Actions**—In Titanium Technologies, cost increases for raw materials and other business related costs were more than offset by improved ore-use and cost productivity actions. Working capital improvements also contributed to savings in the year. In Fluoroproducts, a focus on productivity and next generation HFO's enabled the business to deliver lowered production costs. In Chemical Solutions, improved volumes in Cyanides and Sulfur production were slightly offset by operational issues in certain facilities and the impact of a 2013 portfolio change.
- **Innovation, strategic actions, step-change milestones**—In Titanium Technologies, 2014 was a key year for the continuation of our Altamira expansion. We are on track to complete the expansion by mid-2016, and we launched new TiO₂ offerings during the year. In Fluoroproducts, adoption rates for our low GWP refrigerant, Opteon® YF, continue to improve with sales to OEMs more than doubling when compared to 2013.

Analysis of Operations

	Year ended December 31,		
	2014	2013	2012
Net sales	\$6,432	\$6,859	\$7,365
Cost of goods sold	5,072	5,395	5,014
Gross profit	1,360	1,464	2,351
Selling, general and administrative expense	685	768	747
Research and development expense	143	164	145
Employee separation/asset related charges, net	21	2	36
Total expenses	849	934	928
Equity in earnings of affiliates	20	22	25
Other income, net	19	24	37
Income before income taxes	550	576	1,485
Provision for income taxes	149	152	427
Net income	\$ 401	\$ 424	\$1,058
Less: Net income attributable to noncontrolling interests	1	1	1
Net income attributable to Chemours	<u>\$ 400</u>	<u>\$ 423</u>	<u>\$1,057</u>

Results

Year Ended December 31, 2014 compared to Year Ended December 31, 2013

Income before income taxes decreased five percent to \$550 million primarily due to lower TiO₂ sales pricing in addition to the factors discussed below.

The table below shows combined net sales and related variance percentages for the year ended December 31, 2014 and 2013, respectively:

(Dollars in millions)	2014 Net Sales	Percentage Change vs. 2013	Percent Change Due to:			
			Local Price	Currency Effect	Volume	Portfolio/ Other
Worldwide.	\$6,432	(6)%	(5)%	— %	3%	(4)%

Net sales of \$6.4 billion decreased six percent primarily due to a portfolio change in the Chemical Solutions segment and lower prices principally for titanium dioxide and refrigerants. The portfolio change involved a customer's election to exercise a put/call option to acquire the entire property and equipment of the Baytown facility on December 31, 2013. Decreased selling prices for titanium dioxide were partially offset by increased volumes for Opteon® YF refrigerant.

Cost of goods sold ("COGS") decreased six percent to \$5.1 billion primarily as a result of a portfolio change experienced by the Chemical Solutions segment involving a customer's election to exercise a put/call option to acquire the entire property and equipment of the Baytown facility, coupled with a decrease in pension costs. The portfolio change accounted for \$248 million of the decrease in COGS. The decrease in pension costs is primarily related to improved returns on pension plan assets and an increase in the discount rate. COGS as a percentage of net sales was 79 percent, consistent with the year ended December 31, 2013.

Selling, general and administrative expense decreased 11 percent to \$685 million, primarily due to lower pension costs. Chemours management expects that the allocated corporate and leveraged costs in Chemours' Combined Financial Statements will approximate operating costs upon separation; however, these expenses may not be indicative of expenses that will be incurred by Chemours in future years (see Note 4 to the Combined Financial Statements for additional information). Additionally, selling, general and administrative expense in 2013 included higher legal fees associated with titanium dioxide antitrust litigation (see Note 17 to the Combined Financial Statements for additional information).

Research and development expense decreased by \$21 million, which was mainly attributable to lower pension costs.

Employee separation/asset related charges incurred during 2014 consisted primarily of charges related to the 2014 restructuring program, including \$16 million for employee separation costs and \$3 million for asset shut-down costs. The actions associated with this charge and all related payments are expected to be substantially complete by December 31, 2015. Additional details related to the 2014 restructuring program discussed above can be found in Note 6 to the Combined Financial Statements.

Equity in earnings of affiliates decreased \$2 million due to a reduction in net income recognized by Chemours' equity affiliates in China and Japan.

Other income, net reflects a \$40 million gain on sales of assets and businesses. These gains were offset by a \$35 million increase in exchange losses, driven by the strengthening of the U.S. Dollar ("USD") versus the Euro and Swiss Franc in 2014, and a reduction of \$7 million for leasing, contract services and miscellaneous income. Furthermore, for the year ended December 31, 2013, Chemours recognized a \$7 million gain on purchase of an equity investment that did not occur in 2014.

In 2014, Chemours recorded a tax provision of \$149 million, reflecting a decrease from 2013 primarily due to a decrease in earnings. The increase in the effective tax rate in 2014 compared to 2013 was primarily due to geographic mix of earnings and valuation allowance partly offset by a one-time tax benefit recognized in 2014 relating to a tax accounting method change. This tax accounting method change allowed an increase in tax basis in certain depreciable fixed assets which resulted in a net tax benefit for Chemours of \$10 million in 2014.

Year Ended December 31, 2013 compared to Year Ended December 31, 2012

Income before income taxes decreased 61 percent to \$576 million due to decreased sales and increased cost of goods sold. Net sales of \$6.9 billion decreased seven percent driven by a 12 percent decrease related to lower selling prices, partially offset by a five percent increase in sales volume.

The table below shows 2013 combined net sales and percentage variances from 2012:

(Dollars in millions)	2013 Net Sales	Percentage Change vs. 2012	Percent Change Due to:			
			Local Price	Currency Effect	Volume	Portfolio/ Other
Worldwide.....	\$6,859	(7)%	(12)%	— %	5%	— %

Sales decreased seven percent, reflecting a global reduction of selling prices experienced in the Titanium Technologies and Fluoroproducts segments. Price reductions were partially offset by volume increases in both segments.

COGS increased eight percent to \$5.4 billion, related to an increase in sales volumes in the Titanium Technologies and Fluoroproducts segments. COGS as a percentage of net sales was 79 percent, an 11 percent increase from 2012, principally reflecting the impact of increased raw materials costs, primarily ore. Additionally, Chemours incurred a \$72 million charge for titanium dioxide antitrust litigation in 2013 (see Note 17 to the Combined Financial Statements for additional information).

Selling, general and administrative expenses increased \$21 million, largely due to increased direct use of functional support by Chemours. Research and development expense increased \$19 million in 2013 due to increased direct research and development spending by the Fluoroproducts and Chemical Solutions segments.

The \$36 million in charges recorded during 2012 in employee separation / asset related charges, net consisted of \$3 million in charges related to the 2012 restructuring program, and \$33 million in asset impairment charges to write-down the carrying value of an asset group to its fair value within the Chemical Solutions segment. Additional details related to the asset impairment discussed above can be found in Note 6 to the Combined Financial Statements.

Equity in earnings of affiliates decreased \$3 million due to reductions in net income recognized by Chemours' joint ventures in China and Japan.

The \$13 million decrease in other income was largely attributable to \$26 million higher pre-tax foreign exchange losses which were primarily driven by a strengthening of the USD versus the Venezuelan Bolivar and the Brazilian Real in 2013. This decrease was partially offset by a \$7 million gain recognized related to the 2013 purchase of remaining interest on an equity investment and a \$6 million increase in leasing, contract services and miscellaneous income.

In 2013, Chemours recorded a provision for income taxes of \$152 million, reflecting a decrease from 2012 due to a significant decrease in earnings. The decrease in the 2013 effective tax rate compared to 2012 was primarily due to geographic mix of earnings.

Segment Reviews

In general, the accounting policies of the segments are the same as those described in Note 3 to the Combined Financial Statements. Exceptions are noted as follows: (1) segment adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) is defined as income (loss) before income taxes, depreciation and amortization excluding non-operating pension and other post-retirement employee benefit costs and exchange gains (losses), and (2) all references to prices are on a USD basis, including the impact of currency. Corporate costs and certain legal and environmental expenses that are not aligned with the reportable segments are reflected in corporate and other. Adjusted EBITDA includes the service cost component of net periodic benefit cost. All other components of net periodic benefit cost are considered non-operating and are excluded from Adjusted EBITDA.

Non-operating pension and other post-retirement employee benefit costs include interest cost, expected return on plan assets, amortization of loss (gain), and amortization of prior service cost (benefit). These costs for both the pension benefits and other post-retirement benefits are excluded from segment Adjusted EBITDA.

A reconciliation of segment sales to combined net sales and segment Adjusted EBITDA to income before income taxes for 2014, 2013, and 2012 is included in Note 20 to the Combined Financial Statements. Segment Adjusted EBITDA and the related margin include certain items that management believes are significant to understanding the segment results discussed below. See Note 20 to the Combined Financial Statements.

Titanium Technologies

(Dollars in millions)	Year ended December 31,		
	2014	2013	2012
Net sales	\$2,937	\$3,019	\$3,291
Adjusted EBITDA	\$ 759	\$ 722	\$1,454
Adjusted EBITDA margin	26%	24%	44%
Change in segment sales from prior period	Year Ended December 31,		
	2014	2013	2012
Price	(4)%	(21)%	8%
Volume	1%	13%	(18)%
Portfolio / Other	— %	— %	— %
Total change	(3)%	(8)%	(10)%

Revenue and earnings performance in Titanium Technologies reflect the cyclical nature of the global TiO₂ business. Following the “global financial crisis,” global economic recovery resulting from the impact of government stimulus resulted in strong customer demand for TiO₂ compared to available supply. This drove TiO₂ prices higher, ultimately reaching a historical peak in 2012. As global GDP growth fell back to 2–2.5 percent annual growth and new capacity came online throughout the industry from expansion decisions made in the period of strong demand during the global economic recovery, prices began to decline.

To mitigate the earnings impact of declining price and to improve operating results, our Titanium Technologies business endeavors to:

- improve efficiency by lowering energy use and improving ingredient yield;
- trim discretionary costs during cycle low points;
- use the broad capability of our manufacturing assets to tailor manufacturing and supply chain cost to softer demand conditions; and
- sustain investment in development of offerings that serve applications which are less sensitive to economic cycles or more distinguished from the offerings of competitors.

TiO₂ pricing tends to move up and down in a cyclical manner depending in large part on global economic conditions. When customer demand is strong, TiO₂ price typically increases. A declining global economic cycle softens TiO₂ demand, resulting in lower capacity utilization and prices can begin to decline. TiO₂ market cycles and swings in supply and demand are principally driven by global economic cycles and the time required to increase TiO₂ production capacity.

In the declining phase of the TiO₂ cycle, prices can fall to the point where higher cost producers may be selling product at or below production cost. Although Chemours management does not have precise information regarding the prices and costs of other producers, our assessment of current global economic conditions and other factors is that we believe the industry is likely nearing the breakeven point in the TiO₂ market cycle. As described, we have unique capabilities which deliver the industry's best cost position, so we have been able to continue to have adequate operating cash flow during the down phase of the cycle.

2014 versus 2013 Sales declined by three percent from 2013 to 2014 due to lower prices which was partially offset by an increase in volume. Despite the stabilization of titanium dioxide market demand and improved sales volume, prices continued to decrease in 2014 due to low global titanium dioxide industry capacity utilization, and lower ore costs, primarily in the fourth quarter of 2014.

Adjusted EBITDA and Adjusted EBITDA margin increased primarily due to lower legal expenses. 2013 Adjusted EBITDA included a \$72 million charge related to titanium dioxide antitrust litigation (see Note 17 to the Combined Financial Statements).

2013 versus 2012 Sales declined in 2013 versus 2012 by eight percent, primarily due to lower prices which was partially offset by an increase in volume. Destocking and weak economic growth in the second half of 2012 and reduced market demand resulted in lower producer utilization levels and downward pricing pressures in 2013. As the titanium dioxide market destocking moderated and stabilized in 2013, sales volumes improved. However, the slower than expected global economic growth in 2013 continued to minimize growth in demand and depressed prices during the year.

2013 Adjusted EBITDA and Adjusted EBITDA margin decreased principally on lower selling prices. Volume gains were offset by higher raw material inventory costs, mainly ore costs. 2013 Adjusted EBITDA includes a \$72 million charge related to titanium dioxide antitrust litigation (see Note 17 to the Combined Financial Statements).

Fluoroproducts

(Dollars in millions)	Year ended December 31,		
	2014	2013	2012
Net sales	\$2,327	\$2,379	\$2,559
Adjusted EBITDA	\$ 330	\$ 377	\$ 539
Adjusted EBITDA margin	14%	16%	21%
Change in segment sales from prior period	Year ended December 31,		
	2014	2013	2012
Price	(8)%	(7)%	(1)%
Volume	6%	— %	(9)%
Portfolio / Other	— %	— %	— %
Total change	(2)%	(7)%	(10)%

Our Fluoroproducts segment sells products through two principal groups: fluorochemicals and fluoropolymers. Our fluorochemicals products include refrigerants, foam expansion agents, propellants and fire extinguishants. Change in the refrigerants industry is primarily driven by environmental regulatory change. As new regulations are implemented, customers are required to transition to new products and technologies to meet tighter regulatory

standards. Our future performance in refrigerants will be driven in part by our ability to successfully manage product line transitions by continuing to meet demand for products that are being phased down, while remaining a leader in the introduction of new, more sustainable, cost-effective and easy to implement solutions that allow customers to adopt products to meet new regulatory requirements. We have consistently demonstrated expertise in these core capabilities by developing sustainable technology, trade secrets and patents.

Fluoroproducts sales fluctuate by season; sales in the first half of the year are slightly higher than sales in the second half of the year. This trend is primarily a result of inventory build in the first half of the year by refrigerant customers in the Northern hemisphere as they prepare for the summer season.

2014 versus 2013 Sales for 2014 decreased by two percent as compared to 2013, primarily due to lower selling prices for refrigerants and industrial resins. Refrigerant prices decreased in North America as a result of actions by the U.S. Environmental Protection Agency (“EPA”) related to allowances on HCFC’s (R-22) and the impact of lower cost Chinese imports on the overall pricing of HFC (R-134a) refrigerants and refrigerant blends globally. Industrial resin prices declined primarily as a result of pricing pressure from the addition of new production capacity by competitors. Pricing decreases were partially offset by higher volumes. Although EPA actions and competition from lower priced providers have challenged our results in the near-term, we are developing and promoting adoption of our more profitable, low-GWP HFO products, such as Opteon®YF, for which we anticipate high levels of future demand. These HFO-based products and blends, which are functional substitutes for HCFC’s and HFC’s comply with country-specific legislation phasing down the current refrigerants and have a low environmental footprint.

Adjusted EBITDA and Adjusted EBITDA margin decreased, primarily due to lower prices. 2014 Adjusted EBITDA included charges of \$16 million relating to the 2014 restructuring plan. Margin impact from lower prices and restructuring charges was partially offset by lower business and overhead costs from productivity improvements. Additionally in 2014, expense relating to the short-term incentive plan was lower by approximately \$8 million and a gain from the sale of businesses was recognized for \$30 million.

2013 versus 2012 Sales for 2013 decreased seven percent from 2012, as a result of lower selling prices. Lower prices were experienced in all product markets in all regions, except for in the U.S., where prices increased slightly due to higher refrigerant selling prices in the first half of 2013.

2013 Adjusted EBITDA and Adjusted EBITDA margin decreased, primarily due to lower selling prices which more than offset higher volume and slightly lower period costs. The decline was primarily due to lower industrial resin prices, and higher overall productions costs. Price declines came as a result of the addition of new production capacity by competitors and intense price competition in the more commoditized market segments.

Chemical Solutions

(Dollars in millions)	Year ended December 31,		
	2014	2013	2012
Net sales	\$1,168	\$1,461	\$1,515
Adjusted EBITDA	\$ 29	\$ 96	\$ 116
Adjusted EBITDA margin	2%	7%	8%
Change in segment sales from prior period	Year ended December 31,		
	2014	2013	2012
Price	(2)%	1%	4%
Volume	1%	(4)%	(1)%
Portfolio / Other	(19)%	— %	— %
Total change	(20)%	(3)%	3%

Chemical Solutions operates in three key market segments of cyanides, sulfur products and performance chemicals. In cyanides and sulfur products markets, we intend to continue our strategy to engage in long-term, multi-year, contractual relationships with key customers and invest in initiatives to further improve our uptime and yields. In cyanides, the focus will be on improving the output (plant uptime and yields) of sodium cyanide from our existing manufacturing facility in Memphis, TN and exploring other alternatives to better adjust our supply chain to our customer needs. In the sulfur market segment, in line with the increase in the U.S. oil production and related increase in the production capacity of the oil refineries, we will also invest in projects to improve our distribution capabilities and the overall mechanical integrity of the existing assets. For the performance chemicals market segment, our focus will be to reduce overall manufacturing cost and to take actions to improve the profitability levels of underperforming product lines.

2014 versus 2013 In 2014 sales decreased 20 percent, primarily due to the portfolio impact of a customer's election to exercise a put/call option to acquire the entire property and equipment of the Baytown facility on December 31, 2013. Sales decreased further from lower prices across all products.

Adjusted EBITDA and Adjusted EBITDA margin decreased, primarily due to the portfolio impact noted above and lower prices.

2013 versus 2012 Sales in 2013 reflect a three percent decrease from 2012, primarily resulting from lower sales volumes in the cyanides and performance chemicals businesses and lower average prices in the sulfur products business. In cyanides, the reduction in volume was caused mainly by limited availability of sodium cyanide feedstock, resulting from unscheduled manufacturing interruptions. In sulfur products, the reduction in average prices was caused by a combination of lower market price for sulfuric acid in the U.S. and product mix. In performance chemicals, the reduction in volume was mainly caused by extensive scheduled maintenance shut-downs at our customers MDI (diphenylmethane diisocyanate producers) combined with lower demand of methylamines products in the Asia Pacific region.

Adjusted EBITDA margin in the period decreased one percent mainly caused by lower volumes in cyanides and in sulfur products, lower average prices for sulfur, combined with higher manufacturing costs in cyanides and performance chemicals. In cyanides, lower yields caused by unscheduled manufacturing interruptions and higher cost of raw materials are the key reasons for the increased costs. In performance chemicals, higher manufacturing costs were caused mainly by lower yields resulting from the extensive shut-downs at MDI producers.

2013 Adjusted EBITDA and Adjusted EBITDA margin decreased primarily as a result of lower sales combined with lower plant utilization while 2012 Adjusted EBITDA included a \$33 million asset impairment charge (see Note 6 to the Combined Financial Statements).

Liquidity & Capital Resources

Historically, the primary source of liquidity for Chemours' business is cash flow provided by operations and cash transfers from DuPont. Prior to the separation, transfers of cash to and from DuPont's cash management system have been reflected in DuPont Company Net Investment in the historical Combined Balance Sheets and Statements of Cash Flows. Chemours has not reported cash or cash equivalents for the periods presented in the Combined Balance Sheets. We expect DuPont to continue to fund our cash needs through the date of the separation. Chemours has a historical pattern of seasonality, with working capital use of cash in the first half of the year, and a working capital source of cash in the second half of the year. Within the second half of the year, historical patterns indicate that the fourth quarter has been a significant period of working capital improvements.

Prior to our separation, while we are a wholly-owned subsidiary of DuPont, our board of directors, consisting of DuPont employees, intends to declare a dividend of an aggregate amount of \$100 million in total for the third quarter of 2015, to be paid to our stockholders as of a record date following the distribution.

Following the distribution, we expect to continue to pay regular quarterly dividends in an aggregate amount of \$100 million, with an aggregate annual dividend of approximately \$400 million. The declaration, payment and amount of any subsequent dividend will be subject to the sole discretion of our post-distribution, independent board of directors and will depend upon many factors, including our financial condition and prospects, our capital requirements and access to capital markets, covenants associated with certain of our debt obligations, legal requirements and other factors that our board of directors may deem relevant, and there can be no assurances that we will continue to pay a dividend in the future. There can also be no assurance that the combined annual dividends on DuPont common stock and our common stock after the distribution, if any, will be equal to the annual dividends on DuPont common stock prior to the distribution. Upon separation from DuPont, Chemours anticipates that its primary source of liquidity will be cash generated from operations, available cash and cash equivalents and borrowings under the debt financing arrangements we intend to enter upon the closing of this offering of notes, as described under “Description of Other Indebtedness.” The Separation Agreement will contain a cash adjustment provision, to be determined reasonably promptly after the distribution date, but in any event no later than December 31, 2015, that will assure that our aggregate cash balance at the time of the distribution is equal to a target level of cash in the amount of \$200 million. We believe these sources will be sufficient to fund our planned operations, and in meeting our interest, dividend and contractual obligations.

The following table sets forth a summary of the net cash provided by (used for) operating, investing and financing activities for the years ended December 31, 2014, 2013 and 2012.

(Dollars in millions)	Year ended December 31,		
	2014	2013	2012
Cash provided by operating activities	\$ 505	\$ 798	\$1,390
Cash used for investing activities	\$(560)	\$(424)	\$ (429)
Cash provided by (used for) financing activities	\$ 55	\$(374)	\$ (961)

Cash Provided by Operating Activities

Cash provided by operating activities decreased \$293 million in 2014 compared to 2013 primarily due to increased payments of trade accounts payable for raw materials and lower earnings in 2014. The timing of ore purchases with longer payment terms in the second half of 2013 resulted in payments in early 2014 and was the primary influence for the decrease in cash provided by operating activities in 2014. These purchases contributed to the inventory increase of \$78 million from December 31, 2012 to December 31, 2013, and the accounts payable increase of \$134 million over the same period. In addition, Chemours paid \$72 million related to titanium dioxide antitrust litigation in 2014 (see Note 17 to the Combined Financial Statements).

Cash provided by operating activities decreased \$592 million in 2013 compared to 2012 due to lower cash from earnings, which was partially offset by increased cash provided from changes to working capital. Accounts payable increased from higher credit purchases during the fourth quarter of 2013 than during the fourth quarter of 2012 to meet the expected customer demand for titanium dioxide products. Accounts receivable increased due to higher fourth quarter credit sales in 2013 compared to the same period in 2012.

The Company’s operating cash flow generation is driven by, among other things, global economic conditions generally and the resulting impact on demand for our products, raw material and energy prices, and industry-specific issues, such as production capacity and utilization. Chemours has generated strong operating cash flow through various industry and economic cycles evidencing the operating strength of our businesses. Over the industry cycles in recent years, cash flows from operating activities increased in years leading up to 2011, and have decreased annually since the historical peak profitability achieved in 2011. Despite the challenging market conditions in the TiO₂ industry since the historical peak profitability in 2011 and what we believe may have been adverse market conditions in 2013 and 2014, we anticipate that our operations will provide sufficient liquidity in 2015.

Current Assets and Liabilities

Current Assets	December 31,	
	2014	2013
Accounts and notes receivable—trade, net.	\$ 846	\$ 841
Inventories	1,052	1,055
Prepaid expenses and other	43	40
Deferred income taxes	21	44
Total Current Assets	\$1,962	\$1,980

As of December 31, 2014, total current assets remained consistent compared to December 31, 2013.

Current Liabilities	December 31,	
	2014	2013
Accounts payable	\$1,046	\$1,057
Deferred income taxes	9	9
Other accrued liabilities	352	405
Total Current Liabilities	\$1,407	\$1,471

Current liabilities as of December 31, 2014 decreased \$64 million compared to December 31, 2013 primarily due to \$72 million related to titanium dioxide anti-trust litigation (See Note 17 to the Combined Financial Statements) for additional information.

Cash Used for Investing Activities

Cash used for investing activities increased \$136 million for 2014 compared to the same period in 2013 primarily due to the expansion of Titanium Technologies' Altamira plant in Mexico.

Cash used for investing activities in 2013 decreased \$5 million compared to 2012. In 2013, there was an \$11 million increase in proceeds from sales of assets and businesses largely attributable to a customer's election to exercise a put/call option to acquire the entire property and equipment of the Baytown facility. This increase in proceeds from sales of assets and businesses was partially offset by an increase in purchases of property, plant and equipment. The Titanium Technologies segment increased capital expenditures on the expansion of the Altamira plant in Mexico while the Fluoroproducts and Chemical Solutions segments decreased its capital expenditures in 2013.

Purchases of property, plant and equipment totaled \$604 million, \$438 million, and \$432 million in 2014, 2013 and 2012, respectively. Chemours management expects 2015 purchases of property, plant and equipment to be approximately \$450 million. Capital expenditures related to the expansion of the Altamira plant were \$227 million, \$159 million and \$78 million in 2014, 2013 and 2012.

Cash Provided by (Used for) Financing Activities

As DuPont manages Chemours' cash and financing arrangements, all excess cash generated through earnings is deemed remitted to DuPont and all sources of cash are deemed funded by DuPont. See Note 2 of the Combined Financial Statements.

Cash provided by financing activities increased \$429 million in 2014 as compared to 2013. Cash provided by operations decreased for the reasons discussed above, resulting in DuPont transferring cash to Chemours. Additionally, the change in cash provided by financing activities was impacted by an increase in purchases of property, plant and equipment of \$177 million primarily due to the Altamira expansion.

Cash used for financing activities decreased \$587 million in 2013 compared to 2012. Earnings decreased for the reasons discussed above, resulting in less cash transferred to DuPont.

Capital Expenditures

Our operations are capital intensive, requiring ongoing investment to upgrade or enhance existing operations and to meet environmental and operational regulations. Our capital requirements have consisted, and are expected to continue to consist, primarily of:

- ongoing capital expenditures, such as those required to maintain equipment reliability, the integrity and safety of our manufacturing sites and to comply with environmental regulations;
- investments in our existing facilities to help support introduction of new products and debottleneck to expand capacity and grow our business; and
- investment in projects to reduce future operating costs and enhance productivity.

The following table summarizes ongoing and expansion capital expenditures for the years ended December 31, 2014, 2013 and 2012:

(Dollars in millions)	Year ended December 31,		
	2014	2013	2012
Purchases of property, plant and equipment ⁽¹⁾	\$615	\$438	\$432

- ⁽¹⁾ Purchases of property, plant, and equipment includes \$11 million of purchases of plant, property and equipment included in accounts payable excluded from the Combined Statements of Cash Flows.

Capital expenditures as a percentage of our revenue were ten, six and six percent in 2014, 2013 and 2012, respectively. The increase in capital expenditures, as a percentage of revenue, from 2013 to 2014 is attributable to the Altamira expansion. For 2015, we expect our capital expenditures to be about approximately \$450 million, and then decline in 2016 and 2017 as we finish our Altamira expansion. Once our Altamira project is completed, we anticipate that capital spending will return to more normalized spending of about \$300 million per year in total for maintenance and growth.

Contractual Obligations

Information related to Chemours' significant contractual obligations is summarized in the following table:

(Dollars in millions)	Total at December 31, 2014	Payments Due In			
		2015	2016 – 2017	2018 – 2019	2020 and Beyond
Operating leases	\$ 278	\$ 68	\$ 96	\$ 62	\$ 52
Purchase obligations ⁽¹⁾					
Raw material obligations	1,362	140	135	127	960
Utility obligations	147	36	36	23	52
Other	28	11	15	2	—
Purchase obligations	1,537	87	186	152	1,012
Other liabilities					
Workers' compensation	40	5	18	8	9
Asset retirement obligations	43	—	6	2	35
Environmental remediation	295	69	95	36	95
Legal settlements	14	2	4	4	4
Other ⁽²⁾	34	17	4	1	12
Other liabilities	426	93	127	51	155
Total contractual obligations ⁽³⁾	\$2,241	\$348	\$409	\$265	\$1,219

- (1) Represents enforceable and legally binding agreements to purchase goods or services that specify fixed or minimum quantities; fixed, minimum or variable price provisions; and the approximate timing of the agreement.
- (2) Primarily represents employee-related benefits other than pensions and other long-term employee benefits included in the Combined Balance Sheets.
- (3) Due to uncertainty regarding the completion of tax audits and possible outcomes, the estimate of obligations related to unrecognized tax benefits cannot be made. See Note 8 to the Combined Financial Statements for additional information.

Chemours expects to meet its contractual obligations through its normal sources of liquidity and believes it has the financial resources to satisfy these contractual obligations.

Accounting Estimates

Chemours' significant accounting policies are more fully described in Note 3 to the Combined Financial Statements. Management believes that the application of these policies on a consistent basis enables Chemours to provide users of the financial statements with useful and reliable information about Chemours' operating results and financial condition.

The preparation of the Combined Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Combined Financial Statements and the reported amounts of revenues and expenses, including allocations of costs as discussed above, during the reporting period. Management's estimates are based on historical experience, facts and circumstances available at the time and various other assumptions that are believed to be reasonable. Chemours reviews these matters and reflects changes in estimates as appropriate. Management believes that the following represents some of the more critical judgment areas in the application of Chemours' accounting policies which could have a material effect on Chemours' financial position, liquidity or results of operations.

New Accounting Guidance

See Note 3 to the Combined Financial Statements for a discussion of recent accounting pronouncements.

Goodwill

The excess of the purchase price over the estimated fair value of the net assets acquired, including identified intangibles, in a business combination is recorded as goodwill. Goodwill is tested for impairment at least annually on October 1; however, impairment tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. Impairment exists when carrying value exceeds fair value. Goodwill is evaluated for impairment at the reporting unit level, which is the level of our operating segments.

Evaluating goodwill for impairment is a two-step process. In the first step, Chemours compares the carrying value of net assets to the fair value of the related operations. Chemours estimates the fair value of its reporting units using the income approach based on the present value of future cash flows. The factors considered in determining the cash flows include: 1) macroeconomic conditions; 2) industry and market considerations; 3) costs of raw materials, labor or other costs having a negative effect on earnings and cash flows; 4) overall financial performance; and 5) other relevant entity-specific events. If the fair value is determined to be less than the carrying value, a second step is performed to compute the amount of the impairment. In 2014 and 2013, Chemours performed impairment tests for goodwill and determined that no goodwill impairment existed and the fair value of each reporting unit substantially exceeded its carrying value.

Valuation of Assets

The assets and liabilities of acquired businesses are measured at their estimated fair values at the dates of acquisition. The determination and allocation of fair value to the assets acquired and liabilities assumed is based on various assumptions and valuation methodologies requiring considerable management judgment, including estimates based on historical information, current market data and future expectations. The principal assumptions utilized in Chemours' valuation methodologies include revenue growth rates, operating margin estimates, royalty rates and discount rates. Although the estimates are deemed reasonable by management based on information available at the dates of acquisition, those estimates are inherently uncertain.

Assessment of potential impairment of property, plant and equipment, other intangible assets and investments in affiliates is an integral part of Chemours' normal ongoing review of operations. Chemours evaluates the carrying value of long-lived assets to be held and used when events or changes in circumstances indicate the carrying value may not be recoverable. For purposes of recognition or measurement of an impairment loss, the assessment is performed at the lowest level for which independent cash flows can be identified, which varies, but can range from the reporting unit level to the individual production facility level. To determine the level at which the assessment is performed, Chemours considers factors such as revenue dependency, shared costs and the extent of vertical integration.

The carrying value of a long-lived asset is considered impaired when the total projected undiscounted cash flows from the asset are separately identifiable and are less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. The fair value methodology used is an estimate of fair market value which is made based on prices of similar assets or other valuation methodologies including present value techniques. Long-lived assets to be disposed of other than by sale are classified as held for use until their disposal. Long-lived assets to be disposed of by sale are classified as held for sale and are reported at the lower of carrying amount or fair market value less cost to sell. Depreciation is discontinued for long-lived assets classified as held for sale.

Testing for potential impairment of these assets is significantly dependent on numerous assumptions and reflects management's best estimates at a particular point in time. The dynamic economic environments in which Chemours' segments operate, and key economic and business assumptions with respect to projected selling

prices, market growth and inflation rates, can significantly affect the outcome of impairment tests. Estimates based on these assumptions may differ significantly from actual results. Changes in factors and assumptions used in assessing potential impairments can have a significant impact on the existence and magnitude of impairments, as well as the time in which such impairments are recognized. In addition, Chemours continually reviews its diverse portfolio of assets to ensure they are achieving their greatest potential and are aligned with Chemours' growth strategy. Strategic decisions involving a particular group of assets may trigger an assessment of the recoverability of the related assets. Such an assessment could result in impairment losses. During 2012, Chemours recorded an asset impairment charge of \$33 million to adjust the carrying value of an asset group to its fair value. See Note 6 to the Combined Financial Statements for additional details related to this charge.

Environmental Liabilities and Expenditures

Environmental liabilities and expenditures included in the Combined Financial Statements represent claims for matters for which Chemours will indemnify DuPont. Accruals for environmental matters are recorded in cost of goods sold when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Accrued liabilities do not include claims against third parties and are not discounted.

Costs related to environmental remediation are charged to expense in the period incurred. Other environmental costs are also charged to expense in the period incurred, unless they increase the value of the property or reduce or prevent contamination from future operations, in which case, they are capitalized and amortized.

Litigation

Litigation liabilities and expenditures included in the Combined Financial Statements represent litigation matters for which Chemours will indemnify DuPont. Accruals for litigation matters are made when the information available indicates that it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Legal costs such as outside counsel fees and expenses are charged to expense in the period services are received.

Income Taxes

Income taxes as presented herein attribute current and deferred income taxes of DuPont to Chemours' stand-alone financial statements in a manner that is systematic, rational, and consistent with the asset and liability method prescribed by Accounting Standards Codification 740, Income Taxes (ASC 740), issued by the Financial Accounting Standards Board ("FASB"). Accordingly, Chemours' income tax provision was prepared following the separate return method. The separate return method applies ASC 740 to the stand-alone financial statements of each member of the consolidated group as if the group member were a separate taxpayer and a stand-alone enterprise. As a result, actual tax transactions included in the consolidated financial statements of DuPont may not be included in the separate Combined Financial Statements of Chemours. Similarly, the tax treatment of certain items reflected in the separate Combined Financial Statements of Chemours may not be reflected in the consolidated financial statements and tax returns of DuPont; therefore, such items as net operating losses, credit carryforwards, and valuation allowances may exist in the stand-alone financial statements that may or may not exist in DuPont's consolidated financial statements.

The breadth of Chemours' operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating the taxes that Chemours will ultimately pay. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes arising from federal, state and international tax audits in the normal course of business.

The provision for income taxes is determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when

the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax basis of Chemours' assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. It is Chemours' policy to include accrued interest related to unrecognized tax benefits in miscellaneous income and expenses, net, under other income, net. It is Chemours' policy for income tax related penalties to be included in the provision for income taxes.

In general, the taxable income (loss) of various Chemours entities was included in DuPont's consolidated tax returns, where applicable, in jurisdictions around the world. As such, separate income tax returns were not prepared for many Chemours' entities. Consequently, income taxes currently payable are deemed to have been remitted to DuPont, in cash, in the period the liability arose and income taxes currently receivable are deemed to have been received from DuPont in the period that a refund could have been recognized by Chemours had Chemours been a separate taxpayer.

As stated in Note 2 to the Combined Financial Statements, the operations comprising Chemours are in various legal entities which have no direct ownership relationship. Consequently, no provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates.

Off-Balance Sheet Arrangements

Certain Guarantee Contracts

Information with respect to Chemours' guarantees is included in Note 17 to the Combined Financial Statements. Historically, Chemours has not made significant payments to satisfy guarantee obligations; however, Chemours believes it has the financial resources to satisfy these guarantees.

Long-term Employee Benefits

DuPont offers various benefits to Chemours' employees and retirees. DuPont maintains retirement-related programs in many countries that have a long-term impact on Chemours' earnings and cash flows. DuPont offers plans that are shared amongst its businesses, including Chemours. In these cases, the participation of employees in these plans is reflected in these financial statements as though Chemours participates in a multiemployer plan with DuPont. A proportionate share of the cost is reflected in these Combined Financial Statements. Assets and liabilities are retained by DuPont. As of the separation date, Chemours expects to record the net periodic benefit obligations for any plans that are transferred from DuPont. See "Unaudited Pro Forma Combined Financial Statements" for additional information.

Chemours will not continue to participate in the U.S. defined benefit plans post separation. DuPont will retain all liabilities related to its U.S. pension plans post separation.

These plans are typically defined benefit pension plans, as well as medical, dental and life insurance benefits for pensioners and survivors and disability benefits for employees (other long-term employee benefits). Approximately 69 percent of Chemours' worldwide allocation of benefit costs for pensions and essentially all of Chemours' worldwide allocated costs for other long-term employee benefit obligations are attributable to the U.S. benefit plans. Pension coverage for employees of Chemours' non-U.S. combined subsidiaries is provided, to the extent deemed appropriate, through separate plans. DuPont regularly explores alternative solutions to meet its global pension obligations in the most cost-effective manner possible as demographics, life expectancy and country-specific pension funding rules change. Where permitted by applicable law, DuPont reserves the right to change, modify or discontinue its plans that provide pension, medical, dental, life insurance and disability benefits.

The majority of employees hired in the U.S. on or after January 1, 2007 are not eligible to participate in DuPont's pension and post-retirement medical, dental and life insurance plans, but receive benefits in its defined contribution plans.

In January 2012, DuPont contributed approximately \$110 million to the principal U.S. pension plan representing an allocation of the contribution in respect of Chemours' employees and retirees and no such contributions were made in 2013 or 2014. In 2015, DuPont's contributions on behalf of Chemours to its principal U.S. pension plan are expected to be less than \$12 million.

Funding for each pension plan is governed by the rules of the sovereign country in which it operates. Thus, there is not necessarily a direct correlation between pension funding and pension expense. In general, however, an improvement in a plan's funded status tend to moderate subsequent funding needs. DuPont contributed, in respect of Chemours' employees and retirees, \$35 million in 2014 and \$34 million in 2013 and 2012 to its pension plans other than the principal U.S. pension plan.

DuPont's other long-term employee benefits are unfunded. DuPont contributed, in respect of Chemours' employees and retirees, pre-tax cash requirements to cover actual net claims costs and related administrative expenses for \$66 million, \$58 million and \$66 million in 2014, 2013 and 2012, respectively. This amount is expected to be about \$66 million in 2015. Changes in cash requirements reflect the net impact of higher per capita health care costs, demographic changes, plan amendments and changes in participant premiums, co-pays and deductibles.

Chemours' income can be significantly affected by allocated costs for pension and defined contribution benefits as well as other long-term employee benefits provided by DuPont. The following table summarizes the extent to which Chemours' income over each of the last three years was affected by allocated pre-tax charges related to long-term employee benefits:

(Dollars in millions)	2014	2013	2012
Long-term employee benefit plan charges ⁽¹⁾	\$68	\$164	\$169

⁽¹⁾ The figures in this table represent the allocation of costs to Chemours, which were allocated based on active employee headcount. These figures do not represent cash payments to DuPont or DuPont's plans.

Environmental Matters

Environmental Expenses

Environmental expenses charged to current operations include environmental operating costs and the increase in the remediation accrual, if any, during the period reported. As a result of its operations, Chemours incurs costs for pollution abatement activities including waste collection and disposal, installation and maintenance of air pollution controls and wastewater treatment, emissions testing and monitoring, and obtaining permits. Chemours also incurs costs for environmental related research and development activities including environmental field and treatment studies as well as toxicity and degradation testing to evaluate the environmental impact of products and raw materials. Management expects that such expenses in 2015 will be comparable to 2014 and, therefore, does not believe that year over year changes, if any, in environmental expenses charged to current operations will have a material impact on Chemours' financial position, liquidity or results of operations.

Remediation Accrual

Changes in the remediation accrual balance are summarized below.

Annual expenditures in the near future are not expected to vary significantly from the range of such expenditures incurred in the past few years. Longer term, expenditures are subject to considerable uncertainty and may fluctuate significantly.

(Dollars in millions)

Balance at December 31, 2012.....	\$270
Remediation payments.....	(36)
Increase in remediation accrual	40
Balance at December 31, 2013.....	\$274
Remediation payments.....	(38)
Increase in remediation accrual	59
Balance at December 31, 2014.....	<u>\$295</u>

Chemours is also subject to contingencies pursuant to environmental laws and regulations that in the future may require further action to correct the effects on the environment of prior disposal practices or releases of chemical or petroleum substances by Chemours or other parties. Chemours accrues for environmental remediation activities consistent with the policy as described in Note 3 to the Combined Financial Statements. Much of this liability results from CERCLA, the RCRA and similar state and global laws. These laws require certain investigative, remediation and restoration activities at sites where Chemours conducts or once conducted operations or at sites where Chemours-generated waste was disposed. The accrual also includes estimated costs related to a number of sites identified for which it is probable that environmental remediation will be required, but which are not currently the subject of enforcement activities.

As of December 31, 2014, Chemours, through DuPont, has been notified of potential liability under the CERCLA or similar state laws at about 171 sites around the U.S., including approximately 22 sites for which Chemours does not believe it has liability based on current information. Active remediation is under way at approximately 55 of these sites. In addition, at December 31, 2014, liability at approximately 53 sites, has been resolved either by completing remedial actions with other PRPs or participating in “de minimis buyouts” with other PRPs whose waste, like Chemours’, represented only a small fraction of the total waste present at a site. The Company received notice of potential liability at one new site during 2014 compared with four similar notices in 2013 and 2012 collectively.

At December 31, 2014, the Combined Balance Sheet included a liability of \$295 million relating to these matters which, in management’s opinion, is appropriate based on existing facts and circumstances. The average time-frame over which the accrued or presently unrecognized amounts may be paid, based on past history, is estimated to be 15 to 20 years. Remediation activities vary substantially in duration and cost from site to site. These activities, and their associated costs, depend on the mix of unique site characteristics, evolving remediation technologies, diverse regulatory agencies and enforcement policies, as well as the presence or absence of other potentially responsible parties. In addition, Chemours, through DuPont, has limited available information for certain sites or is in the early stages of discussions with regulators. For these sites in particular there may be considerable variability between the remediation activities that are currently being undertaken or planned, as reflected in the liability recorded at December 31, 2014, and the ultimate actions that could be required.

Therefore, considerable uncertainty exists with respect to environmental remediation costs and, under adverse changes in circumstances, the potential liability may range up to approximately \$650 million above the amount accrued at December 31, 2014. Except for Pompton Lakes, which is discussed further below, based on existing facts and circumstances, management does not believe that any loss, in excess of amounts accrued, related to remediation activities at any individual site will have a material impact on the financial position, liquidity or results of operations of Chemours.

Pompton Lakes

The environmental remediation accrual of \$295 million at December 31, 2014 and \$274 million at December 31, 2013 includes \$86 million and \$78 million, respectively, related to activities at Chemours' site in Pompton Lakes, New Jersey. Management believes that it is reasonably possible that potential liability for remediation activities at this site could range up to \$116 million, including previously accrued amounts. This could have a material impact on the liquidity of Chemours in the period recognized. However, management does not believe this would have a material adverse effect on Chemours' combined financial position, liquidity and results of operations. During the twentieth century, DuPont manufactured blasting caps, fuses and related materials at Pompton Lakes. Operating activities at the site were ceased in the mid 1990's. Primary contaminants in the soil and sediments are lead and mercury. Ground water contaminants include volatile organic compounds. Under the authority of the EPA and the New Jersey Department of Environmental Protection, remedial actions at the site are focused on investigating and cleaning up the area. Ground water monitoring at the site is ongoing and Chemours, through DuPont, has installed and continues to install vapor mitigation systems at residences within the ground water plume. In addition, Chemours, through DuPont, is further assessing ground water plume/vapor intrusion delineation. In November 2014, the EPA announced a proposed remediation plan that would require Chemours to dredge mercury contamination from a 36 acre area of the lake and remove sediment from two other areas of the lake near the shoreline. The plan is subject to notice and comment. Chemours expects to spend approximately \$60 million over the next three years, which is included in the remediation accrual at December 31, 2014, in connection with remediation activities at Pompton Lakes, including activities related to the EPA's proposed plan.

Environmental Capital Expenditures

As of December 31, 2014, Chemours spent approximately \$40 million on environmental capital projects either required by law or necessary to meet Chemours' internal environmental goals. Chemours currently estimates spending for environmental-related capital projects to be approximately \$34 million in 2015. In the U.S., additional capital expenditures are expected to be required over the next decade for treatment, storage and disposal facilities for solid and hazardous waste and for compliance with the CAA. Until all CAA regulatory requirements are established and known, considerable uncertainty will remain regarding estimates for future capital expenditures. However, management does not believe that the costs to comply with these requirements will have a material impact on the financial position or liquidity of Chemours.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Derivatives and Other Hedging Instruments

Fluctuations in the value of the USD compared to foreign currencies may impact Chemours' earnings. Chemours participates in DuPont's foreign currency hedging program to reduce earnings volatility associated with remeasurement of foreign currency denominated net monetary assets.

DuPont formally documents the hedge relationships, including identification of the hedging instruments and the hedged items, the risk management objectives and strategies for undertaking the hedge transactions, and the methodologies used to assess effectiveness and measure ineffectiveness. Realized gains and losses on derivative instruments of DuPont are allocated by DuPont to Chemours based on projected exposure. Chemours recognizes its allocable share of the gains and losses on DuPont's derivative financial instruments in earnings when the forecasted purchases occur for natural gas hedges and when the forecasted sales occur for foreign currency hedges.

As disclosed on page F-15, the impact on Chemours' participation in the foreign currency hedging program was gains of \$4 million in 2014, \$0 million in 2013 and \$6 million in 2012. In relation to the parent sponsored program, Chemours was less than five percent of the program participation in the recent three fiscal years. Therefore, a ten percent change in rates on the parent sponsored program would have had an immaterial impact to cash flows and net income of Chemours for the years ended December 31, 2014, 2013 and 2012.

Chemours does not hold or issue financial instruments for speculative or trading purposes. Chemours does not hold, nor has it held, any derivative financial instruments, other financial instruments or derivative commodity instruments. Chemours will however evaluate and possibly enter into forward exchange contracts and other financial instruments to help mitigate the adverse impact of currency rate fluctuations on its earnings.

Concentration of Credit Risk

Chemours' sales are not materially dependent on any single customer. As of December 31, 2014 and 2013, no one individual customer balance represented more than five percent of Chemours' total outstanding receivables balance. Credit risk associated with Chemours' receivables balance is representative of the geographic, industry and customer diversity associated with Chemours' global businesses. As a result of our customer base being widely dispersed, we do not believe our exposure to credit-related losses related to our business as of December 31, 2014 was material.

Chemours also maintains strong credit controls in evaluating and granting customer credit. As a result, it may require that customers provide some type of financial guarantee in certain circumstances. Length of terms for customer credit varies by industry and region.

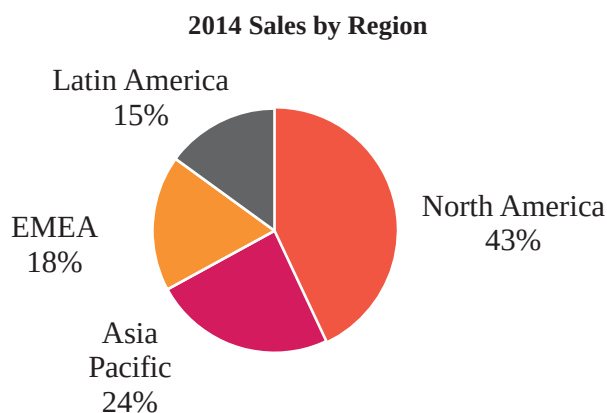
Commodities Risk

A portion of our products and raw materials are commodities whose prices fluctuate as market supply and demand fundamentals change. Accordingly, product margins and the level of our profitability tend to fluctuate with changes in the business cycle. Chemours tries to protect against such instability through various business strategies. These include provisions in sales contracts allowing us to pass on higher raw material costs through timely price increases and formula price contracts to transfer or share commodity price risk. Chemours did not have any commodity derivative instruments in place as of December 31, 2014 or December 31, 2013.

BUSINESS

Chemours is a leading global provider of performance chemicals through three reporting segments: Titanium Technologies, Fluoroproducts and Chemical Solutions. Our performance chemicals are key inputs into products and processes in a variety of industries. Our Titanium Technologies segment is the leading global producer of TiO_2 , a premium white pigment used to deliver opacity. Our Fluoroproducts segment is a leading global provider of fluoroproducts, such as refrigerants and industrial fluoropolymer resins. Our Chemical Solutions segment is a leading North American provider of industrial and specialty chemicals used in gold production, oil refining, agriculture, industrial polymers and other industries. Our position with each of these businesses reflects the strong value proposition we provide to our customers based on our long history of innovation and our reputation within the chemical industry for safety, quality and reliability. For additional information see Notes 19 and 20 to the Combined Financial Statements.

We operate 37 production facilities located in 12 countries and serve several thousand customers located in more than 130 countries. The following chart illustrates the global reach of our business:



On October 24, 2013, DuPont announced its intention to separate its Performance Chemicals segment, which includes its titanium technologies, fluoroproducts and chemical solutions businesses, from the DuPont Businesses. In furtherance of this plan, DuPont intends to distribute to its stockholders all of the issued and outstanding shares of Chemours common stock. The date of the distribution is currently anticipated to be July 1, 2015, pending final approval from DuPont's Board of Directors. The distribution is intended to be U.S. tax-free to Chemours, DuPont and their U.S. stockholders. As a result of the distribution, Chemours will become an independent, publicly traded company. Completion of the transaction is subject to certain conditions, which are set forth in the section "The Transactions—Conditions to the Distribution."

Chemours is committed to creating value for our customers through the reliable delivery of high quality products and services which enable lifestyle improvements around the globe. In short, we help create a colorful, capable and cleaner world through the power of chemistry. We intend to grow our value to customers and stockholders through (i) operational excellence and asset efficiency, which includes our commitment to safety and environmental stewardship, (ii) strong customer focus to produce innovative, high-performance products, (iii) focus on cash flow generation and return on invested capital through optimization of our cost structure, improvement in working capital and supply chain efficiencies, (iv) organic growth based on leveraging our leadership, (v) expansion in emerging markets and (vi) creation of an organization that is committed to our corporate values of safety, customer appreciation, simplicity, collective entrepreneurship and integrity.

Competitive Strengths

Our competitive strengths include the following:

Leading Global Market Positions

We are the largest global producer of TiO₂, with annual TiO₂ capacity of approximately 1.2 million metric tons. We are in the process of expanding capacity at our Altamira, Mexico production facility by 200,000 metric tons. Production at the expansion is scheduled to come online in mid-2016. Each of our TiO₂ production facilities ranks among those with the largest capacity globally, and our production facilities at New Johnsonville, Tennessee and DeLisle, Mississippi are the two largest capacity TiO₂ production facilities in the world. We believe that our world-scale assets, consistent quality and delivery reliability differentiate us from our competitors in the TiO₂ market.

We are the market leader in fluoroproducts, with leading positions in fluorinated refrigerants, and industrial fluoropolymer resins and downstream products. We have a leading position in HFC refrigerants and are at the forefront of developing high-performance sustainable technologies such as our low GWP HFO refrigerants and foam expansion agents. We are also the market leader in industrial fluoropolymer resins and downstream products and coatings, marketed under the well-known Teflon® brand name. Teflon® industrial resins are used in high-performance wire and cable and multiple components in high-tech processing equipment.

We are the leading producer of solid sodium cyanide (primarily used in gold production) in the Americas. We lead in production capability, product stewardship offerings and distribution capabilities. We are the largest provider of sulfuric acid regeneration in the U.S. Northeast and the second largest provider in the U.S. Gulf Coast. In North America, we maintain market leading positions in aniline (primarily used to make polyurethane) and glycolic acid (primarily used in personal care products). We also have a strong market position in disinfectants used for water sanitization, animal health and bio-security.

Our market-leading positions are due to the scale and scope of our operations, our outstanding process technology, our differentiated products, our competitive pricing and efficient manufacturing base and long-standing partnerships with our customers.

Industry-leading Cost Structure

We produce our products in cost-efficient manufacturing facilities that utilize proprietary process technologies to help drive our industry-leading cost structure. We continue to focus on increasing manufacturing efficiencies and mitigating cost inflation through process improvements, selected capital investments and adoption of best practices.

Our Titanium Technologies segment, in particular, has high asset productivity. Our proprietary TiO₂ process technology allows us to optimize the use of a variety of titanium-bearing ore types, providing us with a cost advantage. Our world-scale TiO₂ production facilities provide significant economies of scale. We operate large individual production lines at high utilization rates. The scale of our production facilities combined with our process technology capabilities, has allowed us to achieve one of the lowest manufacturing costs per unit in the industry over a sustained period of time. Our new Altamira, Mexico TiO₂ production line is expected to be one of the lowest cost production lines in the world. We currently estimate that the Altamira production facility has the potential to deliver between \$20 million and \$70 million of estimated cost benefits per year (based on current production volumes and the assumption that other revenue and cost items remain constant), and the potential to deliver up to \$200 million of incremental estimated EBITDA per year assuming the expanded facility is fully utilized (based on current global prices for TiO₂ and titanium-bearing ores). In addition, we continually strive to improve our productivity and optimize our capacity by applying our engineering and manufacturing technology expertise to our production facilities.

Our leading fluoroproducts capacity, innovative production processes, effective supply chain and sourcing strategies make us highly cost competitive also in the fluoroproducts market. Our use of local contract manufacturing and joint venture partners in selected countries as a source of regional access and asset-light manufacturing (where possible) further enhances the overall cost position of our Fluoroproducts segment.

In Chemical Solutions, we believe we have highly attractive cost and asset positions within our cyanides, sulfur, and clean and disinfect businesses as a result of our proprietary process technologies, manufacturing scale, efficient supply chain processes, and proximity to large customers.

Leading Technology and Intellectual Property

As part of our DuPont heritage, our businesses have a long history of delivering innovative and high-quality products. We expect sustained technology leadership to be a key differentiator for Chemours, as the majority of our products are critical inputs that significantly impact the functionality, performance and quality of our customers' products. Our product offerings are enhanced by application technology scientists and laboratories across the globe, whose goal it is to deliver formulation improvements to help our customers achieve lower costs, better performance and higher overall value-in-use from our products compared to those of our competitors.

In our Titanium Technologies segment, we commercialized the chloride process for TiO₂ production in 1953, providing products with better opacity and superior whiteness due to lower impurities, and generating lower waste and byproducts than the traditional sulfate production technology. Currently, we are one of the limited number of TiO₂ producers with rights to chloride process for production of TiO₂. We believe that our proprietary chloride technology enables us to operate plants at a much higher capacity than other chloride technology based TiO₂ producers, uniquely utilizing a broad spectrum of titanium bearing ore feedstocks and achieving the highest unit margins in our industry. Our R&D and technology efforts focus on improving production processes, developing and yielding TiO₂ grades that help customers achieve optimal performance. In our Fluoroproducts segment, we pioneered fluorine chemistry and invented PTFE, as well as developed the first generation of refrigeration agents in the first half of the 20th century. Our continuing innovation focus places us at the forefront of industry and regulatory changes with a focus on sustainable solutions. In fluoroproducts, we led the industry in the Montreal-Protocol (1987) driven transition from CFCs to the lesser ozone depleting HCFCs, and non-ozone depleting HFCs. In 1988 we committed to cease production of CFCs and started manufacturing non-ozone depleting HFCs in the early 1990s. Driven by new and emerging environmental legislation and standards currently being implemented across the U.S., Europe, Latin America and Japan, we are now developing and commercializing Opteon®, a HFO based refrigerant with very low GWP and zero ODP, for air conditioning, refrigeration and other applications. This new patented technology offers similar functionality to current HFC products but meets or exceeds currently mandated environmental standards. Like Titanium Technologies and Fluoroproducts, our Chemical Solutions segment has strong technical capabilities and a reputation for its ability to manage hazardous materials. This ability is a key competitive advantage for Chemical Solutions, as several of its products' end-users demand the highest level of excellence in the safe manufacturing, handling and shipping of the materials. Chemical Solutions also holds and occasionally licenses what it believes to be the leading process technologies for the production of aniline, acrylonitrile and hydrogen / sodium cyanide.

Our technological advantage is supported by our intellectual property portfolio of trade secrets, patents and protected innovations, covering process technologies, product formulations and various end-use applications. We maintain a world-renowned trademark portfolio, including the widely recognized brands Ti-Pure® and Vantage® for titanium dioxide products, Suva®, ISCEON®, Freon®, Opteon®, Teflon®, Tefzel®, Viton®, Krytox®, Formacel®, Dymel®, FM 200®, Nafion®, Capstone® for fluoroproducts, and Virkon® and Oxone® for Chemical Solutions.

Geographically Diverse Revenue Base Well-Positioned to Capitalize on Economic Growth

Demand for TiO₂ comes from the coatings, paper and plastics industries and is highly correlated to growth in the global residential housing, commercial construction and packaging markets. Over the long-term, global

TiO₂ demand has grown in line with GDP. Growth in emerging markets, including China, however, may be greater than GDP-level growth due in part to the rising middle class in such markets, which has become a key driver of demand for end products that use our TiO₂.

We believe our Fluoroproducts segment, particularly through its low-GWP and zero-ODP products, will benefit from regulatory changes requiring phase-out and phase-downs of less sustainable incumbent products resulting in attractive margins and industry structure during sunset periods. In addition, customers continually require innovative next generation advanced materials, particularly industrial fluoropolymer resins, driving new product development and growth. We believe fluoroproducts demand growth in developed markets will be in line with global GDP, whereas demand growth in emerging markets will be higher than GDP. We also believe fluorochemicals growth will be driven by country-specific legislation phasing-down the current HFC-based refrigerants for which the new HFO-based products and blends are functional substitutes with a low environmental footprint. For fluoropolymers, we believe growth will be driven by the extension of higher performance applications in developed markets to developing markets, e.g. aerospace, automotive, electronics and communications and semiconductors in China.

Our Chemical Solutions segment serves customers in a diverse range of end markets that we believe generally grow in line with global GDP.

Long Standing and Diverse Customer Base

We serve approximately 5,000 customers across a wide range of end markets in more than 130 countries. Many of our commercial and industrial relationships have been in place for decades and are based on our proven value proposition of safely and reliably supplying our customers with the materials needed for their operations. Our customers are comprised of a diverse group of companies, many of which are leaders in their respective industries. Our sales are not materially dependent on any single customer. As of December 31, 2014, no one individual customer balance represented more than five percent of Chemours' total outstanding receivables balance and no single customer represented more than ten percent of our sales.

Knowledge of our customers' business needs is at the core of our innovative processes and forms the basis of our product development initiatives. We work closely with our customers to optimize their formulations and products. We also provide ongoing technical support services to these customers, which helps them to maximize the effectiveness of our advanced performance products.

Strong Management Team with Deep Industry Experience

Chemours has a strong executive management team that combines in-depth industry experience and demonstrated leadership. Mark Vergnano, our Chief Executive Officer, previously served as Executive Vice President of DuPont since 2009. His prior experience includes 35 years in a variety of general management, manufacturing and technical leadership positions, including vice president and general manager for DuPont Nonwovens, DuPont Building Innovations and group vice president of DuPont Safety & Protection. Mark Newman, our Senior Vice President and Chief Financial Officer, previously served as senior vice president and chief financial officer of SunCoke Energy Inc. Prior to his time at SunCoke, Mr. Newman served in a number of senior operating and finance leadership roles in the U.S. and China, primarily with the General Motors Corporation where he began his career in 1986. Chemours' segment presidents are B.C. Chong, Thierry Vanlancker and Chris Siemer, each of whom has been in chemical industry leadership positions for more than twenty-five years. Mr. Chong has served as president of DuPont's Titanium Technologies business since 2011. Previously, he held leadership positions in manufacturing operations, new business development, strategic planning and sales and marketing. Mr. Vanlancker was named president of DuPont's Fluoroproducts and Chemical Solutions business in 2012. He brings over a decade of experience in managing fluoro-based businesses and has held leadership positions in general management and sales and marketing. Mr. Siemer joined DuPont in 2010 and has managed global industrial and specialty chemical business portfolios for more than twenty years.

In addition to our strong executive management team, we have an experienced group of employees who work to maintain our leading market positions with their commitment to safe and efficient production, technology leadership, expansion of product offerings and customer relationships.

Cash Flow Generation

We believe that after the separation we will have a balance sheet supported by a world class asset base, adequate liquidity and substantial undrawn revolving credit facility, no pension or OPEB plans in the United States (except for a frozen non-qualified pension restoration plan and a U.S. OPEB plan sponsored by an unconsolidated equity investment) and minimal unfunded non-U.S. pension liability. We expect our EBITDA to increase over time through low-cost incremental production and / or overall unit cost reductions from Chemours' TiO₂ capacity expansion at its Altamira site, potential upside from an anticipated cyclical recovery in TiO₂, EU-mandated environmental regulations driving conversion to refrigerants with low GWP, and our focus on productivity improvements. The completion of the Altamira expansion in mid-2016 will meaningfully reduce our annual capital expenditures.

Our operating cash flow generation is driven by, among other things, global economic conditions generally and the resulting impact on demand for our products, raw material and energy prices, and industry-specific issues, such as production capacity and utilization. We have generated strong operating cash flow through various industry and economic cycles evidencing the operating strength of our businesses. Over the industry cycles in recent years, cash flows from operating activities increased in the years leading up to 2011, and have declined annually since the historical peak profitability achieved in 2011. Despite challenging market conditions in the TiO₂ industry since achieving a historical peak in terms of profitability in 2011 and what are believed to be relatively weak market conditions in 2013 and 2014, we have generated adequate operating cash flow. For each of the past four fiscal years, Chemours has generated cash flows from operating activities in excess of \$500 million, with such cash flows averaging approximately \$1 billion per year. See our disclosure under "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Liquidity & Capital Resources."

Capital expenditures have on average equaled approximately \$460 million per year during the past four years, based on the unaudited cash flow for the year ended December 31, 2011, and the audited cash flows for the years ended December 31, 2012, 2013 and 2014. A significant increase in each of the past three fiscal years was due to expenditures relating to the expansion of the TiO₂ production facility at Altamira, Mexico. We expect our capital expenditures to be reduced in 2016 and in the near term thereafter due to the completion of the Altamira expansion, which should further bolster our free cash flow as the new capacity is expected to come online in mid-2016.

Business Strategies

Continue to Drive Operational Excellence and Asset Efficiency

Operational excellence, which includes a commitment to safety, environmental stewardship and improved reliability, is key to our future success. We continually evaluate our business to identify opportunities to increase operational efficiency throughout our production facilities with a focus on maintaining operational excellence and maximizing asset efficiency. We continue to set new, stricter operational excellence targets for each of our facilities based on industry-leading benchmarks. We intend to continue focusing on increasing manufacturing efficiencies through selected capital projects, process improvements and best practices in order to lower unit costs. We will also carefully manage our portfolio, especially in our Chemical Solutions segment, and take appropriate actions to address product lines that face challenging market conditions and do not generate returns on invested capital that we believe are sufficient to create long-term shareholder value.

Focus on Cash Flow Generation

Our goal is to focus on cash flow generation and return on invested capital through the continuing optimization of our cost structure, improvement in working capital and supply chain efficiencies, and a disciplined approach to capital expenditures.

We have a proven track record of mitigating fixed cost inflation with cost saving actions and productivity improvements. We intend to continue to identify incremental cost saving opportunities based in large part on benchmarks of industry-leading performance and productivity improvements by utilizing our engineering and manufacturing technology expertise and partnerships with low cost producers. Our goal is to maintain a cost structure that positions us favorably to compete and grow. Our goal is to continue upgrading our customer and product mix to increase our sales of value-added, differentiated products to achieve premium pricing to improve margins and enhance cash flow.

We intend to actively manage our working capital by increasing inventory turnover and reducing finished goods and raw materials inventory without affecting our ability to deliver products to our customers. We strive to improve our supply chain efficiency by focusing on reducing both operating costs and working capital needs. Our supply chain efforts to lower operating costs have consisted of reducing procurement spending, lowering transportation and warehouse costs and optimizing production scheduling.

We remain focused on disciplined capital allocation among our segments. We plan to allocate our capital expenditures to projects required to enhance the reliability of our manufacturing operations and maintain the overall asset portfolio. This includes key maintenance and repair activities in each segment, and necessary regulatory and maintenance spending to ensure safe operations. We intend to optimize capital spending on growth projects across our various businesses based on a thorough comparison of risk-adjusted returns for each project.

Maintain Strong Customer Focus

A key component of our strategy is to produce innovative, high-performance products that offer enhanced value propositions to our customers at competitive prices. Our goal is to continually work closely with our customers to provide solutions and products that optimize their formulations and products. This market-driven product development enables us to offer a high-quality product portfolio to our customers and provides our businesses with the ability to respond quickly and efficiently to changes in market demands.

Leverage our Leadership to Drive Organic Growth

We plan to continue to capitalize on our global operations network, distribution infrastructure and technology to pursue global growth. We will focus our efforts on those geographic areas and end products that we believe offer the most attractive growth and long-term profitability prospects.

Our strategy in our Titanium Technologies segment is to continue to strengthen our leading position from both product offering and cost perspective in order to increase the segment's sales and profitability. We intend to continue to position Chemours as the preferred supplier of TiO₂ worldwide by delivering the highest quality product offering to our customers coupled with superior technical expertise. We are currently expanding capacity at our Altamira, Mexico production facility, which will increase our global capacity by more than 15 percent and will be one of the lowest cost TiO₂ production lines in the world. Production at the expansion is scheduled to come online in mid-2016.

Our Fluoroproducts segment plans to make ongoing, selective investments to capitalize on market opportunities based on our innovation capabilities and industry dynamics. We intend to continue to leverage our fluoroproducts and process expertise to develop new high-performance, differentiated offerings and to promote

industry transition towards more sustainable technologies. Specifically, our strategy is to focus on development of proprietary, high-value, sustainable specialties (for example, Opteon® YF and HFO-1336, which are designed to meet tighter regulatory standards and replace commodity HFC refrigerants or foaming agents).

Our Chemical Solutions segment intends to capitalize on potential growth opportunities in businesses in which we have strong regional positions, e.g. sulfuric acid and sodium cyanide. We plan to make selective capital investments to grow our sulfur products and sodium cyanide businesses, in which we have leading market positions in the Americas, and to take initiatives to improve profitability in the remainder of the businesses in our Chemical Solutions segment.

Deepen Our Presence in Emerging Markets

Emerging markets are a strategic priority for a number of our businesses. We are well positioned not only to leverage our strong market positions in mature but highly sophisticated markets in North America and Europe, but also to participate in the expected growth of emerging markets in Asia, Eastern Europe and Latin America. We believe that improving living standards and growth in GDP across emerging markets are combining to create increased demand for our products. We expect to capitalize on this growth opportunity by expanding our customer base and local capabilities in order to increase our market share across emerging markets, especially China. To accelerate our penetration of these markets and maintain our competitive cost position, we may develop relationships with leading local partners, especially in businesses where participation in the fast-growing Chinese market is particularly important for long-term sustainable growth. For example, we are well positioned to leverage our strong production technology in our industrial fluoropolymers resins business, where the Chinese market is expected to continue to evolve from low-end fluoropolymer applications to higher value PTFE, copolymer and fluoroelastomer products, as a result of an increasing percentage of aerospace, automotive, semiconductor, electronics and telecommunications manufacturing transitions to China.

Drive Organizational Alignment

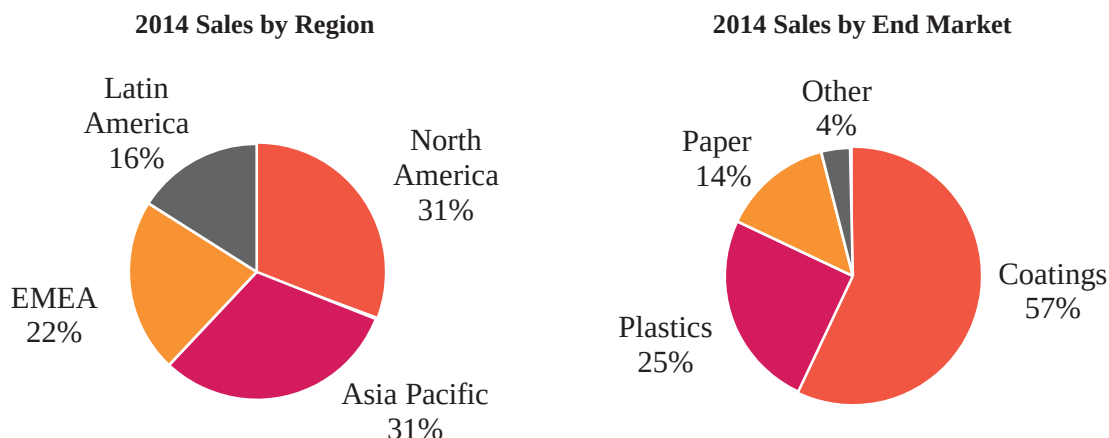
We believe that maintaining alignment of the efforts of our employees with our overall business strategy and operational excellence goals is critical to our success. We have outstanding people and assets and, with the commitment to values of safety, customer appreciation, simplicity, collective entrepreneurship and integrity, we believe that we can maintain our competitiveness and help achieve our operational excellence and asset efficiency strategic objectives.

Titanium Technologies Segment

Our Titanium Technologies segment is the leading global manufacturer of TiO₂. TiO₂ is a pigment used to deliver whiteness, opacity, brightness and protection from sunlight in applications such as architectural and industrial coatings, flexible and rigid plastic packaging, PVC window profiles, laminate papers, coated paper and coated paperboard used for packaging. We sell our TiO₂ products under the Ti-Pure® brand name to approximately 850 customers globally. We believe our leading competitive position is the result of our industry-leading manufacturing cost position as well as our ability to offer superior product quality, delivery reliability and high quality technical services. We operate five TiO₂ production facilities: three in the United States, one in Mexico and another in Taiwan. In addition, we have a large-scale repackaging and distribution facility in Belgium and operate a mineral sands mining operation in Starke, Florida. In total, we have a TiO₂ production capacity of 1.2 million metric tons per year. We are currently expanding our TiO₂ production facility in Altamira, Mexico which will increase our total TiO₂ production capacity to 1.4 million metric tons per year.

Highly efficient large scale assets based on our proprietary chloride technology and superior feedstock flexibility have historically provided us with a cost advantage in producing TiO₂. All of our production facilities use our proprietary chloride process technology, providing us with one of the industry's lowest manufacturing cost positions. We have the ability to deliver superior product quality and consistency to our customers.

A breakdown of our TiO₂ sales by region and by category is shown in the charts below:



Industry demand for TiO₂ is generally expected to be in line with global GDP, but can be cyclical due to economic and industry specific demand and inventory fluctuations. In developing economies, industry demand is projected to be approximately twice that of developed economies.

History of TiO₂ Production

Titanium dioxide was first manufactured and used commercially in 1916 at Fredrikstad, Norway. It was produced by mixing sulfuric acid with titanium-bearing ores in order to dissolve and separate titanium from the underlying ore. This process is known as the sulfate process.

DuPont entered the TiO₂ market in 1931 with the acquisition of Krebs Pigment, based in Wilmington, Delaware. The site is known today as the Edge Moor plant. In the 1940s, DuPont began developing a new TiO₂ manufacturing process, which is known as the chloride process. The chloride process uses high temperature chlorination of titanium-bearing ores to separate titanium from iron and other metals. The resulting titanium tetrachloride is then oxidized in high temperature reactors to produce TiO₂ particles. This method of manufacture directly produces the rutile crystal of TiO₂ while the early sulfate process produced the anatase crystal form of TiO₂.

The chloride process delivers a higher quality product with fewer impurities than the sulfate process. Moreover, the waste and by-products generated by the chloride process are less than the waste and by-products generated from the sulfate process. DuPont began commercializing TiO₂ product using the chloride process at the Edge Moor plant in 1953. Today, several TiO₂ producers use the chloride process, accounting for substantially all of North American TiO₂ production and approximately 44 percent of global capacity. Chemours uses only its proprietary chloride process. We operate two other TiO₂ production facilities in the United States, located in New Johnsonville, TN and DeLisle, MS. These production facilities began operations in 1959 and 1979, respectively, and are the two largest TiO₂ production facilities in the world. In 1994, we began operating our Taiwan production facility, which primarily serves the Asia Pacific region. In addition, in 1976, we began chloride production at the Altamira, Mexico production facility, which is currently being expanded to include a new TiO₂ production line. Customers in Europe are supplied through a large-scale repackaging and distribution facility in Kallo-Antwerpen, Belgium, that receives bulk TiO₂ shipments from North America.

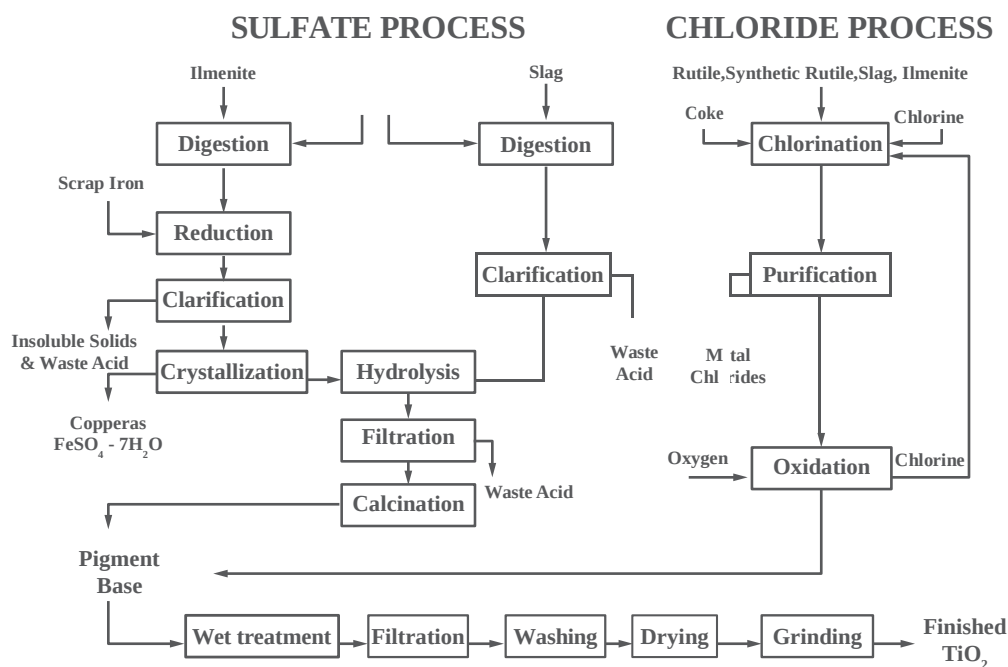
TiO₂ Chloride Manufacturing Process

The chloride process uses high temperature chlorination of titanium-bearing ores to separate titanium from iron and other metals. The resulting titanium tetrachloride is then oxidized in high temperature reactors to produce TiO₂ particles. This method of manufacture produces the rutile crystal of TiO₂ while the early sulfate

process produced the anatase crystal form of TiO_2 . The rutile form delivers better opacity than the anatase form and was a step-change in product quality at the time of introduction. Rutile TiO_2 is preferred over anatase TiO_2 for many of the largest end-use applications, such as coatings and plastics, because its superior opacity imparts better hiding power at lower quantities than the anatase form and it is more suitable for outdoor use because it is more durable. As process technologies evolved over time, sulfate technology has improved and today is also able to produce the rutile crystal form of TiO_2 and products which perform comparably to chloride products in several applications. However, the TiO_2 produced by chloride process remains the preferred pigment for many higher end applications of TiO_2 .

All of our TiO_2 is produced using the chloride process. Our chloride process technology is the industry leader on the basis of cost efficiency of our manufacturing operations, feedstock ore flexibility and product quality and consistency. Moreover, our process is unique in its ability to chlorinate ilmenite ore, which has significantly less titanium content than rutile ore and is a cheaper feedstock source as a result. The creation of TiO_2 is the result of numerous complex and hazardous chemical processes. We emphasize employee and process safety, which is evidenced by our strong safety track record.

TiO_2 Manufacturing Processes



Business

We are the world's largest producer of TiO_2 . We market our products under the Ti-Pure® brand for a diverse range of industrial applications primarily in coatings, plastics, laminates and paper products end markets. Our leading competitive position is the result of our low manufacturing cost and ability to offer superior quality, delivery reliability and technical services for our customers. Our ability to reliably deliver consistent, high quality TiO_2 leads to greater customer satisfaction and consequently increased customer loyalty.

Our proprietary chloride process is unique in the industry as it reflects the long-standing technology advantage that we have relative to our competitors. Our process technology delivers best-in-class productivity, operating rates, manufacturing scale, product consistency and feedstock flexibility and allows us to achieve an

advantaged cost position that we believe is sustainable, relative to our major competitors that produce similar quality product offerings. Additionally, our ability to use lower grade ilmenite ore feedstock to produce high quality product is an advantage that we believe is currently unmatched by any of our major competitors.

We are constructing a new 200,000 metric ton line at our Altamira facility in Mexico. Production at the expansion is scheduled to start up in mid-2016 and is expected to increase our worldwide TiO_2 production capacity to approximately 1.4 million metric tons per year and improve the overall efficiency of our production circuit. This new line incorporates our latest TiO_2 production technology with the ability to use various grades of ore to produce high quality TiO_2 products. This line is expected to be one of the lowest cost TiO_2 production lines in the world and will benefit from Altamira's existing integration into our global supply chain.

We have operated a titanium mine in Starke, Florida since 1949. The mine provides us with access to a low cost source of domestic, high quality ilmenite feedstock. Co-products of our mining operations are zircon (zirconium silicate) and staurolite minerals. We are a major supplier of high quality zircon in North America, primarily focused on the precision investment casting ("PIC") industry, foundry and specialty applications, and ceramics. Our staurolite blasting abrasives, sold as Starblast™, are widely used in steel preparation and maintenance, and paint removal.

Our plants and equipment are maintained and in good operating condition. We believe we have sufficient production capacity to meet demand in 2015. Properties are primarily owned by Chemours; however, certain properties are leased. Certain properties are shared with other tenants under long-term leases.

We recognize that the security and safety of our operations are critical to our employees, community and to the future of Chemours. Physical security measures will be combined with process safety measures (including the use of inherently safer technology), administrative procedures and emergency response preparedness into an integrated security plan. Prior to the separation and distribution, DuPont conducted vulnerability assessments at our operating facilities in the U.S. and high priority sites worldwide and identified and implemented appropriate measures to protect these facilities from physical and cyber-attacks. We intend to conduct similar vulnerability assessments periodically post-separation. We are partnering with carriers, including railroad, shipping and trucking companies, to secure chemicals in transit.

We sell approximately 20 different grades or forms of TiO₂, each tailored for different applications. Key Ti-Pure® titanium dioxide products are shown in the table below along with their respective key applications:

Product Group	Titanium Technologies	
	Key Products	Key Applications
Coating Applications	• Ti-Pure® R902+ • Ti-Pure® R706 • Ti-Pure® R931 • Ti-Pure® R960 • Ti-Pure® Select 6200 • Ti-Pure® R746 • Ti-Pure® R741 • Ti-Pure® Select 6300	• Easily dispersed universal grade • Blue undertone universal grade • Flat/matte finish coatings • High durability coatings • High dispersion, high durability • Slurry form universal grade • Slurry form of flat/matte finish grade • New, high efficiency flat/matte grade
Plastics Applications	• Ti-Pure® R101 • Ti-Pure® R103 • Ti-Pure® R104 • Ti-Pure® R105 • Ti-Pure® R350	• Polyolefin and chalking PVC • Urethane, rubber, ABS applications • High dispersion for polyolefin masterbatches • PVC and highly durable polyolefin • Semi-durable polyolefin and ABS
Paper and Laminates Applications	• Ti-Pure® T796+ • RPS Vantage®	• Light stable laminate papers • Coated paperboard, coated paper, filled sheet

As shown above, the product groups for which TiO₂ is a critical input are coatings, plastics, and paper and laminates. In coatings, TiO₂ is used to provide opacity, brightness and durability in industrial coatings. TiO₂ is also used in coatings for home interiors and exteriors, automobiles, aircraft, machines, appliances, traffic paint and other special purpose coatings. In plastics, TiO₂ is used to improve the optical and physical properties, including whiteness and opacity, in plastic items such as containers and packaging materials, and in vinyl products such as windows, doors and siding. TiO₂ is also used to provide hiding power, neutral undertone, brightness and surface durability for plastic housewares, appliances, toys, computer cases and food packages. In paper, TiO₂ is used to provide whiteness, brightness, opacity and color stability. TiO₂ is also used in paper laminates as an opacifier to enable a vivid color palette in laminate furniture, flooring and cabinets that does not fade with exposure to sunlight.

TiO₂ Industry Overview and Competitors

Worldwide effective capacity in January 2014 was estimated to be approximately 6.8 million tons. This capacity base was sufficient to serve worldwide demand for TiO₂ in 2014 of approximately 5.6 million tons.

The global TiO₂ market in which we operate is highly competitive. Competition is based primarily on product price, quality and technical service. We face competition from producers using the chloride process as well as those using the sulfate process. Furthermore, due to the low cost of transporting TiO₂, there is also competition between producers with production facilities located in different geographies, with the cost advantage belonging to the production facility that is closest to the customer.

In most regions of the world, we compete primarily against large multinational producers such as The National Titanium Dioxide Company, Ltd. (Cristal), Huntsman International LLC, Kronos Worldwide, Inc. and Tronox Limited. In recent years, manufacturing capacity of those multinational producers has only modestly increased, primarily due to de-bottlenecking of the industry's existing production facilities.

In addition to these multinational producers, we also compete against numerous smaller producers, including Chinese producers, who have significantly expanded their TiO₂ production capacity over the last decade. However, most Chinese producers primarily utilize the sulfate process to produce a product line that, while cost competitive in China, is suitable principally for lower-end applications. We believe that some local producers in China may be required over time to incur additional capital expenditures to meet increasing environmental standards. In fact, due to increasing concerns about pollution in China, the government has enacted the TiO₂ Industry Access Conditions and the Environmental Protection Law which is scheduled to go into effect in 2015. These laws are expected to exert pressure on the heavily polluting small and medium-sized enterprises.

TiO₂ is an approximately \$15 billion annual market globally, as of 2011. Global growth in TiO₂ demand tracks GDP growth in developed markets, but regional and application specific growth rates may vary depending on application technology, and the relative rate of growth in the housing, construction, automobile manufacturing, white goods and packaging industries.

Research and Development

Our research and development team has responsibility for improving chloride production processes, improving product quality and strengthening our competitive position by developing new applications. Our research and development efforts in titanium technologies are focused on the following areas:

- Process technology innovations, which deliver cost efficiencies by lowering raw material and energy consumption and enhancing ore source flexibility, while effectively managing the impurities contained in those ores;
- Process technology innovations that enable us to significantly increase the throughput capacity of current production lines at investment levels far below those of brownfield or greenfield lines;
- Innovations based on the unique TiO₂ particle formation capability of our chloride process which enable greater product differentiation relative to competitors; and
- Improved product offerings to enable more efficient usage of TiO₂ in our customers' products, thereby resulting in lower cost or better product performance for our customers.

Raw Materials

The primary raw materials used in the manufacture of TiO₂ are titanium-bearing ores, chlorine, calcined petroleum coke and energy. We source titanium-bearing ores from a number of suppliers around the globe, who are primarily located in Australia, South Africa, Canada and Madagascar. To ensure proper supply volume and to minimize pricing volatility, we generally enter into contracts in which volume is requirement-based and pricing is determined by a range of mechanisms structured to help us achieve competitive pricing relative to the market. To ensure availability of supply, we typically enter into long-term supply contracts and source our raw material from multiple suppliers across different regions and from multiple sites per supplier. Furthermore, we typically purchase multiple grades of ore from each supplier to limit our exposure to any single supplier for any single grade of ore. Historically, we have not experienced any problems renewing such contracts for raw materials or securing our supply of titanium-bearing ores. Nevertheless, when such contracts expire we may be subject to current market pricing for the underlying raw materials.

We encourage the development of ore sources by offering off-take agreements to suppliers. We also play an active role in ore source development around the globe, especially for those ores which can only be used by us, given the capability of our unique process technology. Supply chain flexibility allows for ore purchase and use optimization to manage short-term demand fluctuations and for long-term competitive advantage. Our process technology and ability to use lower grade ilmenite ore gives us the flexibility to alter our ore mix to the lowest cost configuration based on sales, demand and projected ore pricing. Lastly, we have taken steps to optimize routes for distribution and increase storage capacity at our production facilities.

We believe we are one of the largest merchant buyers of chlorine in the United States. Transporting chlorine is becoming increasingly costly due to its hazardous nature and we have taken steps to reduce our exposure to this expense. In 2011, we entered into an agreement with Occidental Chemical Corporation, a subsidiary of Occidental Petroleum Corporation, to construct an onsite chlor-alkali production facility at our Johnsonville location. The chlor-alkali production facility began operation in May 2014. Calcined petroleum coke is an important raw material input to our process. We source calcined petroleum coke from well-established suppliers in North America and China, typically under contracts that run multiple years to facilitate material and logistics planning through the supply chain. Pricing depends on various market factors including refinery crude quality trends and coal price. Distribution efficiency is enhanced through use of bulk ocean, barge and rail transportation modes.

Lastly, energy is another key input cost into TiO_2 manufacturing process, representing approximately 10 percent of the production cost. Chemours has access to natural gas based energy at our four U.S. and Mexico TiO_2 production facilities and Florida minerals plant, supporting advantaged energy costs given the low cost shale gas in the United States. We continually evaluate investments to replace aging coal- and oil-based steam supply assets with natural gas at our sites. Natural gas-based cogeneration of steam and electricity is being extended as part of the major expansion at one of our TiO_2 production facilities.

Sales, Marketing and Distribution

We sell the majority of our products through our direct sales force located across 32 of the approximately 90 countries in which we sell. We also utilize third-party sales agents and distributors who are authorized to sell our products in the majority of markets served.

TiO_2 represents a significant raw material cost for our customers and as a result, purchasing decisions are often made by our customers' senior management team. Our sales organization works to develop and maintain close relationships with key decision makers.

In addition, our sales team and technical service team work together to develop relationships with all layers of our customers' organizations to ensure that we meet our customers' commercial and technical requirements. When appropriate, we collaborate closely with customers to solve formulation or application problems by modifying product characteristics or developing new product grades.

To ensure an efficient distribution, we have a large fleet of railcars, which are predominantly used for outbound distribution of products (TiO_2 , TiC 14 and coproducts of manufacture) in the United States and Canada. Lease terms are typically staggered, which provides us with a competitive cost position as well as flexibility to on-hire and off-hire containers in response to changes in market conditions. A dedicated logistics team, along with external partners, continually optimizes the assignment of our transportation equipment to product lines and geographic regions in order to maximize utilization and maintain an efficient supply chain.

Customers

Globally, we serve approximately 850 customers through our Titanium Technologies segment. In 2014, our ten largest Titanium Technologies customers accounted for approximately 30 percent of the segment's sales. No single Titanium Technologies customer represented more than three percent of our sales in 2014. Our larger customers in the United States and Europe are typically served through direct sales and tend to have medium to long-term contracts. We serve our small- and mid-size customers through a combination of our direct sales and distribution network.

Our direct customers in Titanium Technologies are producers of decorative coatings, automotive and industrial coatings, polyolefin masterbatches, polyvinylchloride window profiles, engineering polymers, laminate paper, coatings paper and coated paperboard. We focus on developing long-term partnerships with key market participants in each of these sectors. We also deliver a high level of technical service to satisfy our customers' specific needs, which helps us maintain strong customer relationships.

Seasonality

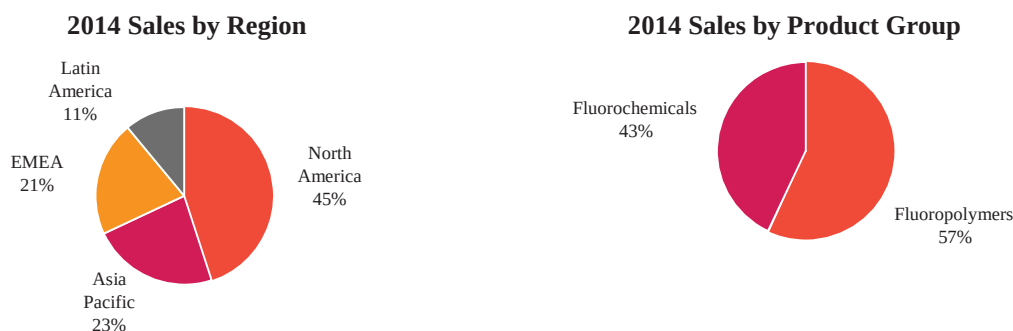
The demand for TiO₂ is subject to moderate seasonality because certain applications, such as decorative coatings, are influenced by weather conditions or holiday seasons. As a result, our TiO₂ sales volume is typically lowest in the first quarter, highest in the second and third quarters and moderate in the fourth quarter. This pattern applies to the entire TiO₂ market, but may vary by region, country or application. It can also be altered by economic or other demand cycles.

Fluoroproducts Segment

Our Fluoroproducts segment creates products for high-performance applications across a broad array of industries and is the global leader in providing sustainable fluoroproducts, such as refrigerants and industrial fluoropolymer resins and derivatives. We own the well-known brands Freon® and Teflon®, which are used across multiple products and end markets, including consumer cookware, chemical processing industry and electronics/semiconductors.

Our Fluoroproducts segment is a global leader in providing most sustainable fluorine-based advanced materials solutions. Our Fluoroproducts segment was the pioneer of fluorine chemistry in the first half of the 20th century and has continued to develop leading and innovative fluoroproduct technologies. Consequently, we have strong market positions in fluorochemical gases, fluoropolymer resins, fluoromonomers, fluorotelomers, fluoroelastomers, coatings, films and membranes. The unique chemical properties of fluorine, including chemical and electrical resistance, thermal stability and low surface energy, make fluoroproducts suitable as critical inputs in many applications across a broad variety of industries, including refrigeration, automotive, aerospace, personal care, wire & cable and electronics. Our Teflon® brand is globally well recognized and used in a diverse array of product applications and licensing agreements with partners. The success of the Fluoroproducts segment is based on our core competencies of leadership in fluorine chemistry and materials science, market-driven application development and commercialization, customer and channel knowledge, proactive development of sustainable solutions, strong intellectual property rights, process development and process safety management. Our Fluoroproducts segment supplies customers from 17 dedicated production facilities around the world with approximately half of our sales in North America.

A breakdown of Fluoroproducts' 2014 sales by region and product group is shown in the charts below:



History

Our Fluoroproducts segment was established in the first half of the 20th century, when DuPont pioneered the development of fluorine chemistry. Since then, DuPont has remained a leader in fluoroproduct innovation and continues to re-invent the category. We developed much of the science that makes air conditioning and refrigeration possible. Key milestones in the history of the Fluoroproducts segment are listed below:

1930: Freon® CFCs are first manufactured by DuPont in a JV with General Motors

1930s: DuPont commercializes Freon® CFCs and HCFCs

1938: DuPont scientists invent PTFE, the first fluoropolymer

1945: DuPont trademarks the fluoropolymer as Teflon®

1960s: Development of new technologies for fluoroplastics ion exchange membranes and fluorolubricants

1961: Cookware with DuPont Teflon® Nonstick Coatings was first introduced to retailers in the U.S.

1970s: DuPont identifies HFCs as a potential lower ozone depletion replacement for CFCs

1987: The Montreal Protocol details the phase out of CFCs/HCFCs over a 35-year period

1990s: DuPont commercializes HFCs to replace CFCs and HCFCs

2000s: DuPont introduces ISCEON® HFC blends as a drop-in replacement for HCFC

2006: The EU bans HFC-134a in car air conditioning starting 2012 and fully phased out in new cars by 2017

2007: DuPont and Honeywell jointly develop HFO-1234yf (Chemours brand Opteon® YF), as a low GWP HFC-134a replacement for car air conditioning

2011: First commercial shipment of Opteon® YF

2011: HFO-1336 foaming agent and liquid refrigerant development

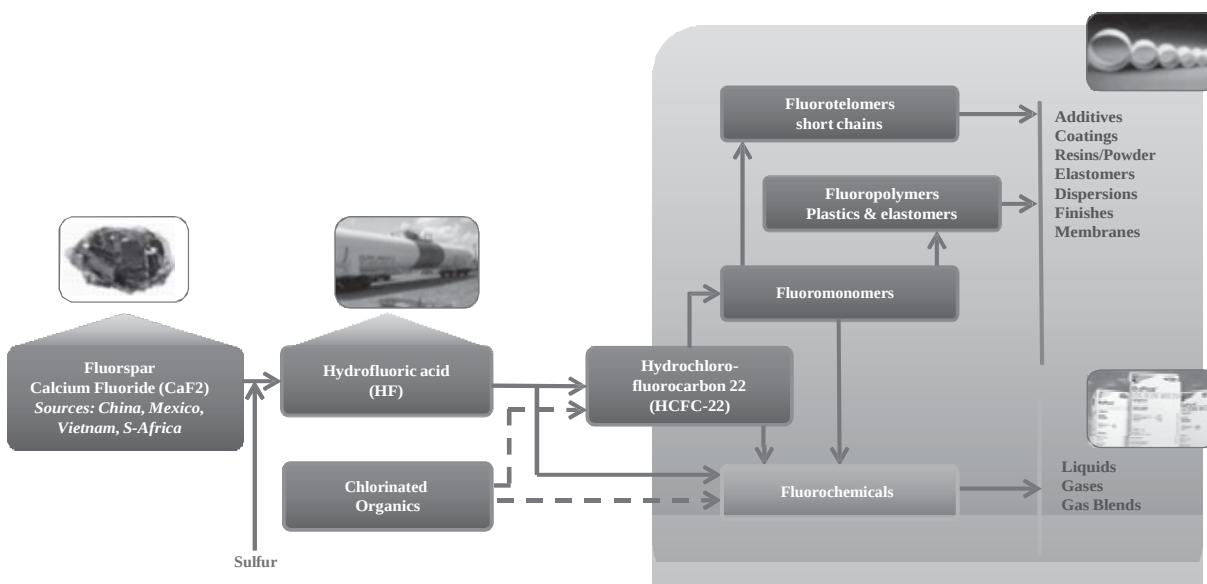
2013: Low global warming HFO refrigerants are commercialized

Business

The Fluoroproducts segment's specialty chemicals are critical for numerous industrial applications. We have established a global leadership position in fluoroproducts because of our leadership in fluorine chemistry and materials science, continuous innovation and market driven application development based on deep knowledge of our customers' product needs.

We are cost competitive in our key markets due to our manufacturing expertise, scale and integrated global supply chain. We also benefit from the geographic proximity of our technical resources to key customers and our high quality product offering. Our strategy is to maximize productivity for our most mature product lines while investing differentially in higher growth, higher performance and more sustainable new fluoroproduct offerings.

Our integrated manufacturing process is shown in the chart below:



Fluorine chemistry is highly complex; however, as one of the pioneers of fluorine chemistry, we have decades of experience. To liberate elemental fluorine, we transform calcium fluoride (fluorspar ore) into hydrofluoric acid. Multiple chemical processes are then utilized to transform hydrofluoric acid into fluorochemicals, fluoroplastics, fluoropolymers, fluoromonomers, fluorotelomers, fluoroelastomers, films, membranes and coatings.

The manufacturing of fluoroproducts involves intermediates that are highly corrosive and hazardous in complex processes. We have an industry-leading safety culture and apply world-class technical expertise to ensure that our operations are run safely and reliably. These capabilities also enable us to continuously improve production yields, reduce unplanned downtime and increase our throughput, which in turn improves our overall manufacturing efficiency.

The high value, advanced materials created by Chemours enable global markets and industries to address challenging science and technology requirements where traditional chemicals and engineered materials break down or do not perform as effectively. Fluorine-based advanced materials have numerous beneficial properties including high chemical inertness, high temperature resistance, UV resistance, low friction properties, dielectric strength and non-flammability. Consequently, they are uniquely suited for markets such as cooling, refrigeration, lubrication, electrical insulation, non-stick coatings and fire suppression. For many applications, fluoroproducts provide significant performance and cost advantages over potential substitute products.

Our Fluoroproducts segment sells products through two principal groups: fluorochemicals and fluoropolymers, the key products and key applications for which are shown in the table below:

Product Group	Fluoroproducts	
	Key Products	Key Applications
Fluorochemicals	• ISCEON®, Freon®, Opteon® Refrigerants • Formacel® Foam Expansion Agents • Dymel® Aerosol Propellants • FM 200® Clean Agent Fire Extinguishants	• Commercial Refrigeration • Refrigerated Transport • Residential, Commercial and Automotive Air Conditioning • Foam Expansion Agent for Construction • Propellants for Personal Care • Clean Agent Fire Suppression Systems for data rooms
Fluoropolymers	• Teflon® PTFE Resins • Teflon® and Tefzel® Melt Processable Fluoropolymer Resins • Viton® Fluoroelastomers • Krytox® Performance Lubricants • Nafion® Ion Exchange Membranes • Teflon® Consumer and Industrial finishes • Capstone® and Teflon® Surface Active Agents	• Aerospace Materials • Chemical Processing • Semiconductor Manufacturing • Telecom Wire and Cabling • Automotive Hoses, Gaskets • Sintered bearings lubrication • Chloralkali production • Non-stick Cookware • Upholstery • Industrial Bakeware • Surfactants in Paint • Fire Fighting Foams in Oil & Gas

Fluorochemicals

Our fluorochemicals business is focused on two key strategies that relate to strong advocacy for more stringent environmental legislation. One, we introduce new IP-protected products into the market to meet new environmental regulations. Second, we focus on extracting maximum value from existing fluorochemical products that are being phased down.

Our fluorochemicals products include refrigerants, foam expansion agents, propellants and fire extinguishants.

Refrigerants include more than twenty fluorinated gases and liquids and blends; applications include automotive air conditioning, commercial refrigeration and refrigerated transport. We are the leading global refrigerants producer due to our ability to produce innovative products and we have been able to effectively transition from one product generation to the next over three significant waves in refrigerant technology.

Change in the refrigerants industry is primarily driven by environmental regulatory change. As new regulations are implemented, customers are required to transition to new products and technologies to meet tighter regulatory standards. Chemours was the first manufacturer of CFCs based refrigerants and has continued to stay at the forefront of industry and regulatory changes, proactively driving development and leading industry

transitions to more sustainable technologies over time. We took a leadership role in the transition from ozone-depleting CFCs to less ozone-depleting HCFCs and were once again at the forefront in leading the industry transition from HCFCs to non-ozone depleting HFCs as stipulated by the Montreal Protocol. Chemours currently produces both second generation HCFC products (such as HCFC-22) and third generation HFC products (such as ISCEON®). As a result of additional regulatory changes, the typically higher GWP HFCs are also gradually being phased down over time. In response, we have developed a fourth generation HFO platform, including HFO-1234yf (which Chemours markets and sells under the brand name Opteon® YF), an innovative, low-GWP refrigerant jointly developed by Chemours, through DuPont, and Honeywell International, Inc. in response to the European Union's ("EU") Mobile Air Conditioning ("MAC") Directive. This patented technology is both zero ozone depleting and has very low GWP while keeping the functionality of HFCs. Even though the joint development activities resulted in a commercially available refrigerant satisfying the MAC Directive, the European Commission launched an investigation in 2011 and in October 2014, announced its preliminary view that the agreements between the companies regarding production may have hindered competition in violation of the EU's antitrust laws. The Commission seeks fines and equitable relief to increase competition, including cessation of cooperation between the companies. Chemours and Honeywell have always marketed and sold the refrigerant separately and independently. Chemours, through DuPont, has complied at all times with applicable laws in the development and production of HFO-1234yf and plans to vigorously defend against the Commission's allegations and preliminary conclusions. Chemours does not expect this matter to have a material impact on its results of operations.

Chemours' proprietary Opteon® YF is a next generation automotive air conditioning refrigerants with lower cost per vehicle versus alternative low-GWP products. It is designed as a strong candidate to replace HFC-134a, the HFC automotive air conditioning refrigerant currently used in automotive air conditioning applications. Opteon® YF has 99.9 percent lower GWP than HFC-134a and well below the 150 GWP threshold required by the MAC Directive. It offers automotive manufacturers an optimal balance of performance, cost, energy efficiency and improved sustainability, especially under current regulatory trends in the EU, U.S. and Japan. ISCEON® is part of our third-generation HFC product family and serves as a drop-in replacement for HCFCs which are being phased out under the Montreal Protocol. ISCEON® enables the continued use of existing equipment with minimal downtime for retrofitting and the avoidance of costly equipment replacement. ISCEON® is patent protected and continues to be an important product for the Fluoroproducts segment.

Our future performance in refrigerants will be driven in part by our ability to successfully manage product line transitions by continuing to meet demand for products that are being phased down, while remaining a leader in the introduction of new, more sustainable, cost-effective and easy to implement solutions that allow customers to adopt products to meet new regulatory requirements. We have consistently demonstrated expertise in these core capabilities by developing sustainable technology trade secrets and patents.

Our Formacel® foam expansion agents ("FEA") are used in a variety of construction, appliance, transportation, packaging and other applications in the thermoset and thermoplastic industries. We are developing a novel fourth generation foam expansion agent for polyurethane foams, HFO-1336mzz, which will be marketed as Formacel® 1100 foam expansion agent. The product not only has zero ODP and less than one percent of the GWP of the HFCs currently used in rigid polyurethane insulating foam, but is non-flammable and offers superior insulation performance compared to alternative technologies.

Chemours' Dymel® propellants are used in a broad variety of applications including household products, such as hair sprays and air fresheners and industrial products, such as adhesives, spray paints and insulating foams. Our Dymel® propellants are used as safe alternatives to smog forming and volatile organic compounds ("VOC") or flammable propellants. Due to their low VOC formulation potential, Dymel® 152a propellants enable manufacturers to comply with local, state and federal air quality standards.

Our clean agent fire extinguishants offer increased safety, non-conductivity, non-corrosiveness and the absence of residue upon usage. Because of these properties, they are preferred solutions for applications such as

computer rooms, museums, hospitals, laboratories and airplanes where suppressing fire quickly while protecting people and assets is paramount. Our clean agent product lines are branded and include the leading FM-200® and FE-25™ trademarks.

We maintain strong positions in the markets for clean agents fire extinguishants and propellants due to our competitive cost position and leading regulatory and product stewardship.

Fluoropolymers

The fluoropolymers business is an industry that grows mostly in line with GDP in developed markets and slightly above GDP in emerging markets. Fluoropolymers have a wide-variety of industrial and consumer applications including automotive, aerospace, wire and cable, cookware, apparel, and coatings.

Our fluoropolymers products include a broad range of industrial fluoropolymer resins and diversified products such as Krytox® performance lubricants, Nafion® ion exchange membranes, Teflon® consumer and industrial finishes and Capstone® and Teflon® surface active agents.

Industrial fluoropolymer resins are used across a broad range of applications in various industries such as automotive, wire and cable, aerospace, semiconductors and chemical processing. Industrial fluoropolymer resins products fall into three principal product lines: Teflon® branded PTFE resins, melt processable fluoropolymers such as Teflon® branded fluorinated ethylene propylene and perfluoroalkoxy and Tefzel® branded ethylene-tetrafluoroethylene fluoroplastics, and Viton® branded fluoroelastomers.

In general, Chemours has strong leadership positions in high-end fluoroplastic product lines used in high-value applications, many of which require specification with industrial customers. We continue to introduce differentiated offerings to meet customers' critical needs. Our ECCtreme™ ECA 3000 fluoroplastic resin is an industry-changing class of high-temperature perfluoroplastic (HTP) that combines the beneficial properties of typical perfluoroplastics with the potential capability to maintain operational performance under extreme temperatures and extreme conditions. The first of its kind, ECCtreme™ ECA 3000 fluoroplastic resin, the first thermoplastic with a UL® certification for continued use above 300°C addresses the demand for HTPs in sustainable energy production, particularly in wire and cable applications.

Industrial products developed with Teflon® fluoroplastic resins have exceptional resistance to high temperatures, corrosion and stress cracking. The properties of Teflon® make it the preferred solution for many industrial applications and different processing techniques. Teflon® continues to have strong brand recognition and customer preference due to its unique properties, which will drive growth in branded fluoropolymer offerings. Chemours' industrial fluoroplastic resins business includes a broad range of PTFE applications and a portion of the branded Teflon® franchise, principally Teflon® films and numerous other industrial applications, such as automotive, cabling materials, aerospace and renewable energy. PTFE is a versatile industrial fluoropolymer resin and its various grades are used in both specialized and lower-end product applications. For lower-end applications such as stock shapes for chemical processing equipment, PTFE is a commodity product. For higher-end applications such as aerospace, PTFE is formulated to provide distinct performance characteristics and is a specialty product.

Viton®, our leading fluoroelastomer, is used to improve systems durability, minimize systems downtime and repair seal failures because of its high chemical and temperature resistance. It is the most specified fluoroelastomer for fuel system seals and hoses, O-rings and gaskets in automotive applications.

In the industrial fluoropolymer resins market, product differentiation and productivity are becoming increasingly important to our success. Going forward, the industrial fluoropolymer resins business will continue to focus on commercializing higher-end products and branded offerings at a premium price while also prioritizing manufacturing productivity through process innovation.

With Krytox® Performance Lubricants, Chemours is one of the global leaders in the perfluoropolyether (“PFPE”) oils and greases markets. Krytox® offers a combination of outstanding lubrication and highly desirable chemical properties that increase the service life and productivity of industrial machinery and components in the automotive and aerospace industries. Krytox® oils and greases are nontoxic, can be regenerated and last longer than conventional lubricants. They are also non-flammable, chemically inert and maintain their lubricity and viscosity in extreme low or high temperatures and humidity.

We are one of the global leaders in the ion exchange perfluorinated membranes market through our ion-exchange product, Nafion®. Our membranes offer high conductivity to cations, chemical resistance and resistance to high operating temperature. The primary application for Nafion® is production of chlorine and caustic soda by electrolysis. This technology has become the preferred method for chlorine and caustic soda production because of its significant operating cost advantages over the older mercury and diaphragm technologies.

Fluoropolymers business also includes our globally recognized Teflon® branded line of finishes, which are, for example, used as coatings in the manufacturing of easy-to-clean, non-stick cookware. The brand is also used in conjunction with our industrial finishes, as well as fluoroadditives, which are used in textiles to provide oil and water repellency and in paints to provide easy-to-clean functionality. Our broad family of surface active agents includes fluoroadditives, repellants and surfactants commercialized under the Capstone® and Teflon® trademarks. They are used in a wide variety of industries and applications around the world such as fluorosurfactants in architectural paint.

Industry Overview and Competitors

Our Fluoroproducts segment is the global leader in providing sustainable, fluorine-based, advanced material solutions. Our Fluoroproducts segment competes against a broad variety of global manufacturers, including Honeywell, Arkema, Mexichem, Daikin, Solvay and Dyneon, as well as local Chinese and Indian manufacturers. We have a leadership position in fluorine chemistry and materials science, a broad scope and scale of operations, market driven application development and deep customer knowledge.

Chemours has global leadership positions in a number of fluoroproduct categories as set forth in the table below:

Product Group	Position	Fluoroproducts Leadership Positions	
		Key Applications	Key Competitors
Fluorochemicals	#1 Globally	Refrigeration and Air conditioning	Honeywell, Arkema, Mexichem, Dongyue, Juhua
Fluoropolymers	#1 Globally	Diversified industrial applications	Daikin, 3M, Solvay, Asahi Glass Company, Dongyue, Chenguang, Whitford

We believe the size of the global fluoroproducts end markets that we serve was approximately \$10 to \$12 billion in 2014. We believe the fluoroproducts demand growth in developed markets is in line with global GDP, whereas demand growth in emerging markets is higher than GDP. Developed markets represent the largest fluoroproducts markets today. Emerging markets and especially China present the largest potential growth markets driven primarily by the emergence of a very large middle class and the increasing demand for consumer electronics, telecommunications, automobiles, refrigerators, air conditioners and an expanding infrastructure, all of which require fluoroproducts to operate effectively.

Research and Development

Our Fluoroproducts segment conducts R&D at dedicated research facilities, technical service labs and production facilities. We have 11 research and technical service locations in the U.S., Europe and Asia Pacific, with the highest concentration of researchers in Wilmington, Delaware.

Our current R&D focus is on the implementation of asset productivity programs and the development of new products for sustainable growth. Fluorochemicals' R&D efforts are focused on low global warming alternatives for HFCs. Product development, process development, and application all revolve around low global warming alternatives for HFCs. Fluoropolymers' R&D efforts are focused on existing plant productivity and new product generation. Areas of new product generation include fluoropolymers, oil and water repellants, surfactants, ion exchange membranes, and lubricants.

A deep understanding of our customers is at the core of our innovation process.

Raw Materials

The primary raw materials required to support the Fluoroproducts segment are fluorspar, chlorinated organics, chlorinated inorganics, hydrofluoric acid and vinylidene fluoride. Fluorspar is available in many countries and not concentrated in any particular region.

Our supply chains are designed for maximum competitiveness through advantaged sourcing of key raw materials. Starting with our sourcing agreements, we use a mixture of fixed and market-based pricing and we engage in long-term supply contracts to ensure a reliable supply of raw materials. Although the fluoroproduct industry has historically relied primarily on fluorspar exports from China, Chemours has diversified its sourcing through multiple geographic regions and suppliers to ensure a stable and cost competitive supply.

Fluoroproducts raw material needs are covered by contracts with terms that span from two to ten years, except for the purchase for resale from China that are negotiated on a monthly basis. Most qualified fluorspar sources have market based pricing.

Sales, Marketing and Distribution

With more than 85 years of innovation and development in fluorine science, our technical, marketing and sales teams around the world have deep expertise in our products and their end-uses and work with customers to select the appropriate fluoroproducts to meet their performance needs. We sell our products through direct channels and through resellers. Selling agreements vary by product line and markets served and include both spot pricing arrangements and longer term contracts with a typical duration of one-year.

We maintain one of the largest fleets of railcars, tank trucks and containers in the fluoroproducts industry. For the portion of the fleet that is leased, related lease terms are usually staggered, which provides us with a competitive cost position as well as the ability to adjust the size of our fleet in response to changes in market conditions. A dedicated logistics team, along with external partners, continually optimizes the assignment of our transportation equipment to product lines and geographic regions in order to maximize utilization and flexibility of the supply chain.

Customers

We serve thousands of customers and distributors globally and in many instances these commercial relationships have been in place for decades. No single Fluoroproducts customer represented more than 10 percent of our sales in 2014.

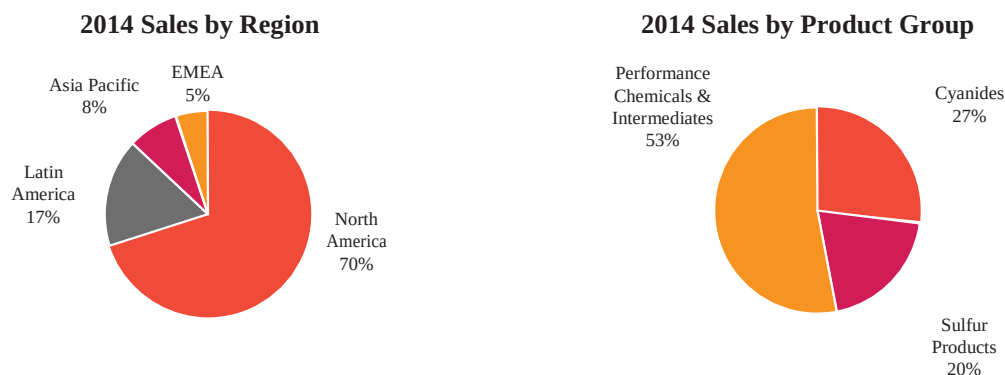
Seasonality

Seasonality in Fluorochemicals sales is driven by increased demand for residential, commercial and automotive air conditioning in the spring. This demand peaks in the summer months and declines in the fall and winter. Commercial refrigeration demand is fairly steady throughout the year, but demand is slightly higher during the summer months. There is no significant seasonality for Fluoropolymers as demand is consistent throughout the year. Slight increases in demand are typical during construction season (i.e., warmer months).

Chemical Solutions Segment

Our Chemical Solutions segment comprises a diverse portfolio of industrial and specialty chemical businesses primarily operating in the Americas. Chemical Solutions' products are used by a diverse group of industries in which they serve as important raw materials and effect chemicals for industries including, among others, gold production, oil refining agriculture and industrial polymers. We are the leading provider of several Chemical Solutions products, including cyanide and sulfuric acid. Chemical Solutions generates value through the use of market leading manufacturing technology, safety performance and product stewardship, and differentiated logistics capabilities.

Chemical Solutions operates at 12 dedicated production facilities, which are concentrated in North America. Chemical Solutions sells our products and solutions through three primary product groups: Cyanides, Sulfur Products, and Performance Chemicals & Intermediates. Performance Chemicals & Intermediates business includes a number of product lines including Clean & Disinfect chemicals, Aniline, Methylamines and Reactive Metals. A breakdown of Chemical Solutions' 2014 sales by region and primary product groups is shown in the charts below.



Business

The industrial and specialty chemicals produced by our Chemical Solutions segment are important raw materials for a wide range of industries and end markets. We hold a long standing reputation for high quality and the safe handling of hazardous products such as sodium cyanide and sulfuric acid. We believe that we have leading cost positions in cyanides, sulfur products and our clean & disinfect products. We believe that our costs positions in these products are the result of our process technology, manufacturing scale, efficient supply chain and proximity to large customers. Our Chemical Solutions segment also holds, and occasionally licenses, what we believe to be the leading process technologies for the production of aniline, a key building block for polyurethanes, and for hydrogen and sodium cyanide, which are used in industrial polymers and in gold production.

Our Chemical Solutions segment consists of three primary product groups, the key products and key applications for which are summarized as follows:

Chemical Solutions		
Product Group	Key Products	Key Applications
Cyanides	- Sodium Cyanide - Hydrogen Cyanide - Potassium Cyanide	- Gold and Silver Mining - Acrylics - Plating/Pharmaceuticals
Sulfur Products	- Non-Fuming Sulfuric Acid - Spent Acid Regeneration - Sulfur Derivatives—Oleums, SO₃, Chlorosulfonic Acid (CSA)	- Refining - Chemicals, Paper, Metal Water Treatment - Surfactants, Personal Care
Performance Chemicals & Intermediates		
	- Chlorine Dioxide - Virkon® Disinfectants - Glycolic Acid - Oxone® Chlorine free oxidizer—	- Water Sanitation and Treatment, Oil and Gas - Animal and Human Health, Bio-security - Industrial Cleaning - High Purity Anti-aging Ingredient - Pool and Spa care
	- Aniline - Nitrobenzene - Nitric Acid - Amines—MMA, DMA, TMA - Amides—MMF, DMF - DMAc - DMS - Vazo® Azo Free Radical Initiator—	- MDI (methylene diphenyl diisocyanate) for Rigid Polyurethane Foam for Construction and Refrigerators Insulation - Rubber Chemicals, Dyes and Pigments - Agricultural Chemicals - Water Treatment Chemicals - Oil and Gas Drilling - Electronics - Industrial Solvents - Surfactants, Fabric Softeners
	- Sodium Metal - Lithium Metal	- Pulp and Paper, Titanium, Silicon - Life Sciences, Batteries - Bio-Diesel

Cyanides

The principal product of our Cyanides product group is solid sodium cyanide, of which we are a leading producer in the Americas. Solid sodium cyanide is primarily sold for gold and silver production because it is the most efficient and lowest cost method to leach ore. Among the on-purpose producers of solid sodium cyanide, we hold a superior delivered-cost position in the Americas primarily due to higher hydrogen cyanide yields, attractive raw material cost (ammonia and natural gas), economies of scale and close proximity to our customer base. Though sodium cyanide only represents two to three percent of ore extraction cost, it is essential to the ore extraction process. Demand for solid sodium cyanide in the Americas has increased substantially over the last decade because of increased gold mining activity due to the region's structurally lower ore and refining costs, and resulting increases in production.

Our leading position in cyanides is attributable to our proprietary advanced technological capabilities in next-generation hydrogen cyanide and sodium cyanide manufacturing, best-in-class product stewardship and global distribution capabilities. Our ability to source and produce locally coupled with our strong distribution capabilities through strategically located warehouses, re-packing terminals and differentiated packaging are key differentiators. In addition, our reputation for supply safety is highly valued by our customers. Since operations began approximately 60 years ago, the cyanides business has had a leading safety record, lending confidence to customers that our products will be delivered safely.

Sulfur Products

The U.S.-based Sulfuric Acid Products product group is a leading producer of both non-fuming sulfuric acid products and higher value sulfur derivative products (HVSDs) such as oleum, sulfur trioxide and chlorosulfonic acid. We also provide spent acid regeneration and sulfur gas recovery services to the oil refining industry, where our merchant regeneration capacity is ranked #1 and #2 in the U.S. Northeast and Gulf Coast, respectively. Non-fuming sulfuric acid is one of the most produced chemicals in the world by volume and it is an input in a broad range of industrial applications including inorganic and organic chemicals, catalysts, paper, water treatment and chemical process water removal. HVSDs are primarily used in surfactants, flame retardants and shampoos. As part of our suite of services, our Sulfur Products business offers customers the option to transport spent sulfuric acid back to us to be recovered and regenerated.

Our Sulfur Products operations rely on an advantaged supply chain that leverages multiple cost-competitive U.S. plant sites, best-in-class process technology via our *Acid Technology Center* and deep and long-held customer relationships. We are the industry leader in acid plant reliability and provide our customers with a secure supply of sulfuric acid and HVSDs.

Performance Chemicals & Intermediates

Performance Chemicals & Intermediates business manufactures a wide range of products including Clean & Disinfect chemicals, Aniline, Methylamines and Reactive Metals. Clean & Disinfect chemicals consist of chlorine dioxide (“ClO₂”), disinfectants, glycolic acid and Oxone®. These chemicals have leading positions in a number of segments including animal production bio-security through our Virkon® products, household and industrial cleaning solutions through our glycolic acid and Oxone® products and water disinfection through our ClO₂ offerings. Clean & Disinfect chemicals are well positioned to take advantage of potential growth in each of these end markets due to our technological expertise, product pipeline and broad global market access through our network of channel partners. Aniline is a critical raw material in methylene diphenyl diisocyanate (MDI) production, an essential component of polyurethane. Besides use in MDI production, aniline is used in rubber processing chemicals, specialty aramid fibers such as aromatic polyamide, agricultural chemicals such as amide herbicides, dyes and pigments. In Methylamines we provide key industries, including water treatment, agricultural chemicals and specialty fibers, a reliable domestic source of primary amines and the only domestic source for amides, dimethyleacetamide, dimethylformamide and dimethylsulfate in the U.S. In the Asia-Pacific region, Methylamines business primarily serves the specialty fibers and electronics segments. Methylamines business also manages the manufacture and sales of Vazo®, azo free radical initiators, which are used in a range of chemical processes. We are the leading North American sodium metal producer serving the silicon, titanium, pulp and paper industries. We also produce lithium metal, which is sold for the production of butyl lithium.

Chemical Solutions Leadership Positions			
Product (Product Group)	Position	Key Applications	Key Competitors
Cyanides	#1 in Solid Sodium Cyanide in Americas	Gold Production	Orica, Cyanco, Samsung
Sulfur Products	#1 in Spent Acid Regeneration in U.S. Northeast Region #2 in Spent Acid Regeneration in U.S. Gulf Coast Region	Refining	Ecoservices, Chemtrade
Performance Chemicals & Intermediates	Leading positions in U.S. in number of products e.g.		
	Chlorine Dioxide	Water treatment	Evoqua, OxyChem
	Glycolic Acid	Household, institutional and industrial cleaning, Personal care	CABB, Taicang Xinmao
	Oxone®	Recreational Water treatment, dentures cleaning	United Initiators

Research and Development

The Chemical Solutions research and development team is primarily focused on developing and improving chemical production processes to improve asset safety, sustainability, capacity, productivity and product quality. The team also supports, from time to time, the licensing of proprietary technologies to generate incremental profitability and improving asset productivity across all businesses. The segment's new product research and development is limited and highly focused.

Raw Materials

Key raw materials for Chemical Solutions include ammonia, methanol, sulfur, natural gas, formaldehyde, hydrogen and caustic soda. We source raw materials from global and regional suppliers where possible and maintain multiple supplier relationships to protect against supply disruptions and potential price increases. To further mitigate the risk of raw material availability and cost fluctuation, Chemical Solutions has also taken steps to optimize routes for distribution, increase the storage capacity at our production facilities, lock-in long-term contracts with key suppliers and increase the number of customer contracts with raw material price pass-through terms. We do not believe that the loss of any particular supplier would be material to our business.

Sales, Marketing and Distribution

Our technical, marketing and sales teams around the world have deep expertise with our products and their end markets. We predominantly sell directly to customers, although we do also use a network of distributors for specific product lines and geographies. Sales may take place through either spot transactions or via long-term contracts.

Most of Chemical Solutions' raw materials and products can be delivered by efficient bulk transportation. As such, we maintain one of the largest fleets of railcars, tank trucks and containers in the chemicals industry. For the portion of the fleet that is leased, related lease terms are usually staggered, which provides us with a competitive cost position as well as the ability to adjust the size of our container fleet in response to changes in

market conditions. A dedicated logistics team, along with external partners, continually optimizes the assignment of our transportation equipment to product lines and geographic regions in order to maximize utilization and flexibility of the supply chain.

The strategic placement of our production facilities in locations designed to serve our key customer base gives us robust distribution capabilities.

Customers

Our Chemical Solutions segment focuses on developing long-term partnerships with key market participants. Many of our commercial and industrial relationships have been in place for decades and are based on our proven value proposition of safely and reliably supplying our customers with the materials needed for their operations. Our reputation and long-term track record is a key competitive advantage as several of the products' end users demand the highest level of excellence in safe manufacturing, distribution, handling and storage. Chemical Solutions has Department of Transportation Special Permits and Approvals in place for distribution of various materials associated with each of our business lines as required. Our Chemical Solutions segment serves several hundred customers globally. Only one Chemical Solutions customer represented approximately 10 percent of segment sales in 2014.

Seasonality

Our sales are subject to minimal seasonality. Our Sulfur Products business is influenced by seasonal fluctuations as in the warmer summer months we typically sell a higher volume of acid due to oil refinery customers operating at higher capacities.

Chemours Intellectual Property

Intellectual property, including trade secrets, certain patents, trademarks, copyrights, know-how and other proprietary rights, is a critical part of maintaining our technology leadership and competitive edge. Our business strategy is to file patent and trademark applications globally for proprietary new product and application development technologies. We hold many patents, particularly in our Fluoroproducts segment, as described herein. These patents, including various patents that expire during the period of 2015 to 2034, in the aggregate, are believed to be of material importance to our business. However, we believe that no single patent (or related group of patents) is material in relation to our business as a whole. In addition, particularly in our Titanium Technologies segment, we hold significant intellectual property in the form of trade secrets and, while we believe that no single trade secret is material in relation to our combined business as a whole, we believe they are material in the aggregate. Unlike patents, trade secrets do not have a predetermined validity period, but are valid indefinitely, so long as their secrecy is maintained. We work actively on a global basis to create, protect and enforce our intellectual property rights. The protection afforded by these patents and trademarks varies based on country, scope of individual patent and trademark coverage, as well as the availability of legal remedies in each country. Although certain proprietary intellectual property rights are important to the success of our company, we do not believe that we are materially dependent on any particular patent or trademark. We believe that securing our intellectual property is critical to maintaining our technology leadership and our competitive position, especially with respect to new technologies or the extensions of existing technologies. Our proprietary process technology is also a source of incremental income through licensing arrangements.

Our Titanium Technologies segment in particular relies upon unpatented proprietary knowledge and continuing technological innovation and other trade secrets to develop and maintain our competitive position in this space. Our proprietary chloride production process is an important part of our technology and our business could be harmed if our trade secrets are not maintained in confidence. In our Titanium Technologies intellectual property portfolio, we consider our trademark Ti-Pure® to be a valuable asset and have registered this trademark in a number of countries.

Our Fluoroproducts segment is the technology leader in the markets in which it participates. We have one of the largest patent portfolios in the fluorine derivatives industry. In our Fluoroproducts intellectual property portfolio, we consider our Suva®, ISCEON®, Freon®, Opteon®, Teflon®, Tefzel®, Viton®, Krytox®, Formacel®, Dymel®, FM 200®, Nafion® and Capstone® trademarks to be valuable assets.

Our Chemical Solutions segment is a manufacturing and application development technology leader in a majority of the markets in which it participates. In our Chemical Solutions intellectual property portfolio, we consider our Virkon® and Oxone® trademarks to be valuable assets. Trade secrets are one of the key elements of our intellectual property security in Chemical Solutions as most of the segment's manufacturing and application development technologies are no longer under patent coverage.

Please also see the section entitled "Certain Relationships and Related Party Transactions—Our Relationship with DuPont Following the Distribution" for a description of the material terms of the intellectual property license arrangements that we intend to enter into with DuPont prior to the consummation of the separation and distribution.

Chemours Production Facilities and Technical Centers

Our corporate headquarters are in Wilmington, Delaware, and we will maintain a global network of production facilities and technical centers located in cost-effective and strategic locations. We will also use contract manufacturing and joint venture partners in order to provide regional access or to lower manufacturing costs as appropriate. The following chart lists our production facilities:

	Production Facilities			
	Titanium Technologies	Fluoroproducts	Chemical Solutions	Shared Locations
North America	• Edge Moor, DE	• El Dorado, AR ⁽²⁾	• Red Lion, DE ⁽²⁾	• Pascagoula, MS (Chemical Solutions and Fluoroproducts) ⁽⁴⁾
	• DeLisle, MS	• Elkton, MD ⁽²⁾	• Wurtland, KY	
	• New Johnsonville, TN	• Louisville, KY	• Burnside, LA	• Belle, WV (Chemical Solutions and Fluoroproducts) ⁽⁴⁾
	• Starke, FL (Mine)	• Fayetteville, NC	• Morses Mill, NJ ⁽²⁾	
		• Deepwater, NJ	• Niagara, NY	
		• Corpus Christi, TX	• Fort Hill, OH	
		• LaPorte, TX ⁽³⁾	• N. Kingstown, RI ⁽²⁾	
		• Washington, WV	• Memphis, TN	
		• Maitland, Canada ⁽¹⁾	• Beaumont, TX	
			• Borderland, TX ⁽²⁾	
			• James River, VA	
EMEA		• Mechelen, Belgium	• Sudbury, UK	
		• Villers St. Paul, France ⁽²⁾		
		• Dordrecht, Netherlands		
		• Malmo, Sweden		

	Production Facilities			
	Titanium Technologies	Fluoroproducts	Chemical Solutions	Shared Locations
Latin America	• Altamira, Mexico	• Barra Mansa, Brazil ⁽³⁾		
Asia Pacific	• Kuan Yin, Taiwan ⁽¹⁾	• Changshu, China • Shanghai, China ⁽¹⁾ (Joint Venture) • Chiba, Japan (Joint Venture) • Shimizu, Japan (Joint Venture)		

⁽¹⁾ The equity interests in the entity which owns this production facility will not be transferred to the Company prior to the closing of this offering. For further details, see “The Transactions—The Separation and Distribution—Internal Reorganization.”

⁽²⁾ Leased from third party.

⁽³⁾ Leased from DuPont.

⁽⁴⁾ Shared facility between the Chemical Solutions and Fluoroproducts segments.

We have technical centers and R&D facilities located at number of our production facilities. We also maintain standalone technical centers to serve our customers and provide technical support. The following chart lists our standalone technical centers:

Region	Technical Centers			
	Titanium Technologies	Fluoroproducts	Chemical Solutions	Shared Locations
North America		• Akron, OH ⁽²⁾		• Wilmington, DE (all segments) ^{(2),(3)}
EMEA	• Moscow, Russia ⁽¹⁾	• Mantes, France ⁽¹⁾ • Meyrin, Switzerland ⁽²⁾		
Latin America	• Paulinia, Brazil ⁽²⁾ • Mexico City, Mexico ⁽¹⁾			
Asia Pacific		• Utsonomyia, Japan ⁽²⁾		• Shanghai, China ⁽²⁾ (all segments)

⁽¹⁾ Leased from third party.

⁽²⁾ Leased from DuPont.

⁽³⁾ There are two facilities in this location.

Chemours’ plants and equipment are maintained and in good operating condition. Chemours believes it has sufficient production capacity for its primary products to meet demand in 2015. Properties are primarily owned by Chemours; however, certain properties are leased. No title examination of the properties has been made for the purpose of this report and certain properties are shared with other tenants under long-term leases.

Chemours recognizes that the security and safety of its operations are critical to its employees, community, and to the future of Chemours. Physical security measures have been combined with process safety measures (including the use of inherently safer technology), administrative procedures and emergency response preparedness into an integrated security plan. Prior to the separation and distribution, DuPont conducted

vulnerability assessments at operating facilities in the U.S. and high priority sites worldwide and identified and implemented appropriate measures to protect these facilities from physical and cyber-attacks. Chemours intends to conduct similar vulnerability assessments periodically post-separation. Chemours is partnering with carriers, including railroad, shipping and trucking companies, to secure chemicals in transit.

Chemours Employees

We have approximately 9,000 employees, approximately 32 percent of whom are represented by unions. Management believes its relations with its employees to be good.

Regulatory

Chemours operates in a constantly evolving regulatory environment and we are subject to numerous and varying regulatory requirements for our operations and end products. It is our practice to identify potential regulatory risks early in the research and development process and manage them proactively throughout the product lifecycle through use of routine assessments, protocols, standards, performance measures and audits. Governing bodies regularly issue new regulations and changes to existing regulations and we have implemented global systems and procedures designed to ensure compliance with existing laws and regulations.

We continuously analyze and improve our practices, processes and products to reduce their risk and impact through the product life cycle. For example, in 2013, we met our commitment to no longer make, use or buy perfluorooctanoic acid (“PFOA”) by 2015, two years ahead of the U.S. EPA PFOA Stewardship Program.

We work collaboratively with a number of stakeholder groups including government agencies, trade associations and non-governmental organizations to proactively engage in federal, state, and international public policy processes ranging from climate change to chemical management. We also have ongoing interactions with our suppliers, carriers, distributors, and customers to achieve similar product stewardship.

Environmental Matters

Chemours’ global manufacturing, product handling and distribution facilities are subject to a broad array of environmental laws and regulations. Such rules are subject to change by the implementing governmental agency, and Chemours monitors these changes closely. Company policy requires that all operations fully meet or exceed legal and regulatory requirements. In addition, Chemours implements voluntary programs to reduce air emissions, minimize the generation of hazardous waste, decrease the volume of water use and discharges, increase the efficiency of energy use and reduce the generation of persistent, bioaccumulative and toxic materials. Management has noted a global upward trend in the amount and complexity of proposed chemicals regulation. The costs to comply with complex environmental laws and regulations, as well as internal voluntary programs and goals, are significant and will continue to be significant for the foreseeable future. Annual expenditures are expected to continue to increase in the near future; however, they are not expected to vary significantly from the range of such expenditures experienced in the past few years. Longer term, expenditures are subject to considerable uncertainty and may fluctuate significantly.

Climate Change

Chemours believes that climate change is an important global issue that presents risks and opportunities. Expanding upon significant global greenhouse gas (“GHG”) emissions and other environmental footprint reductions made in the period 1990-2004, Chemours reduced its environmental footprint achieving in 2013 reductions of 19 percent in GHG emissions and six percent in water consumption versus our 2004 baselines. Chemours continuously evaluates opportunities for existing and new product and service offerings in light of the anticipated demands of a low-carbon economy. About \$145 million of Chemours’ 2014 revenue was generated from sales of products that help direct and downstream customers reduce GHG emissions.

Legislative efforts to control or limit GHG emissions could affect Chemours' energy source and supply choices as well as increase the cost of energy and raw materials derived from fossil fuels. Such efforts are also anticipated to provide the business community with greater certainty for the regulatory future, help guide investment decisions, and drive growth in demand for low-carbon and energy-efficient products, technologies, and services. Similarly, demand is expected to grow for products that facilitate adaptation to a changing climate.

At the national and regional level, there are existing efforts to address GHG emissions. Several of Chemours' facilities in the EU are regulated under the EU Emissions Trading Scheme. China has begun pilot programs for trading of GHG emissions in selected areas and South Korea will begin to implement its emission trading scheme in 2015. In the EU, U.S. and Japan, policy efforts to reduce the GHG emissions associated with gases used in refrigeration and air conditioning create market opportunities for lower GHG solutions. The current unsettled policy environment in the U.S. adds an element of uncertainty to business decisions particularly those relating to long-term capital investments. If in the absence of federal legislation, states were to implement programs mandating GHG emissions reductions, Chemours, its suppliers and customers could be competitively disadvantaged by the added costs of complying with a variety of state-specific requirements.

In 2010, EPA launched a phased-in scheme to regulate GHG emissions first from large stationary sources under the existing Clean Air Act permitting requirements administered by state and local authorities. As a result, large capital investments may be required to install Best Available Control Technology on major new or modified sources of GHG emissions. This type of GHG emissions regulation by EPA, in the absence of or in addition to federal legislation, could result in more costly, less efficient facility-by-facility controls versus a federal program that incorporates policies that provide an economic balance that does not severely distort markets. Differences in regional or national legislation could present challenges in a global marketplace highlighting the need for coordinated global policy action. In 2013 EPA proposed more stringent regulations for new Electric Generating Units ("EGU's") that may affect the long-term price and supply of electricity. The precise impact is uncertain.

Legal Proceedings

Chemours is subject to various litigation matters, including, but not limited to, product liability, antitrust claims, and claims for third party property damage or personal injury stemming from alleged environmental or other torts.

Pursuant to the Separation Agreement, Chemours indemnifies DuPont against certain liabilities, including the litigation and environmental liabilities discussed below that arose prior to the distribution. The term of this indemnification is indefinite and includes defense costs and expenses, as well as monetary and non-monetary settlements and judgments. Also, pursuant to the Separation Agreement, Chemours indemnifies DuPont against liabilities that may arise in the future in connection with the Chemours business, including environmental, tax and product liabilities. For additional information see Note 17 to the Combined Financial Statements.

Litigation

Asbestos

At December 31, 2014, there were about 2,500 lawsuits pending against DuPont alleging personal injury from exposure to asbestos. These cases are pending in state and federal court in numerous jurisdictions in the United States and are individually set for trial. Most of the actions were brought by contractors who worked at sites at some point between 1950 and the 1990s. A small number of cases involve similar allegations by DuPont employees. A limited number of the cases were brought by household members of contractors and DuPont employees. Finally, certain lawsuits allege personal injury as a result of exposure to DuPont products. At December 31, 2014, Chemours had an accrual of \$38 million related to this matter. Management believes it is remote that Chemours would incur losses in excess of the amounts accrued in connection with this matter.

PFOA: Environmental and Litigation Proceedings

Chemours used PFOA (collectively, perfluorooctanoic acids and its salts, including the ammonium salt), as a processing aid to manufacture some fluoropolymer resins at various sites around the world including its Washington Works plant in West Virginia. At December 31, 2014, Chemours had an accrual of \$14 million related to this matter.

The accrual includes charges related to DuPont's obligations under agreements with the EPA and voluntary commitments to the New Jersey Department of Environmental Protection. These obligations and voluntary commitments include surveying, sampling and testing drinking water in and around certain company sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national Provisional Health Advisory.

Drinking Water Actions

In August 2001, a class action, captioned *Leach v. DuPont*, was filed in West Virginia state court alleging that residents living near the Washington Works facility had suffered, or may suffer, deleterious health effects from exposure to PFOA in drinking water.

DuPont and attorneys for the class reached a settlement in 2004 that binds about 80,000 residents. In 2005, DuPont paid the plaintiffs' attorneys' fees and expenses of \$23 million and made a payment of \$70 million, which class counsel designated to fund a community health project. Chemours, through DuPont, funded a series of health studies which were completed in October 2012 by an independent science panel of experts (the C8 Science Panel). The studies were conducted in communities exposed to PFOA to evaluate available scientific evidence on whether any probable link exists, as defined in the settlement agreement, between exposure to PFOA and human disease.

The C8 Science Panel found probable links, as defined in the settlement agreement, between exposure to PFOA and pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol.

In May 2013, a panel of three independent medical doctors released its initial recommendations for screening and diagnostic testing of eligible class members. In September 2014, the medical panel recommended follow-up screening and diagnostic testing three years after initial testing, based on individual results. The medical panel has not communicated its anticipated schedule for completion of its protocol. Through DuPont, Chemours is obligated to fund up to \$235 million for a medical monitoring program for eligible class members and, in addition, administrative cost associated with the program, including class counsel fees. In January 2012, Chemours, through DuPont, put \$1 million in an escrow account to fund medical monitoring as required by the settlement agreement. The court appointed Director of Medical Monitoring has established the program to implement the medical panel's recommendations and the registration process, as well as eligibility screening, is ongoing. Diagnostic screening and testing has begun and associated payments to service providers are being disbursed from the escrow account.

In addition, under the settlement agreement, DuPont must continue to provide water treatment designed to reduce the level of PFOA in water to six area water districts, including the Little Hocking Water Association ("LHWA"), and private well users.

Class members may pursue personal injury claims against DuPont only for those human diseases for which the C8 Science Panel determined a probable link exists. At December 31, 2014, there were approximately 2,900 lawsuits filed in various federal and state courts in Ohio and West Virginia, an increase of about 2,800 over December 31, 2013. In accordance with a stipulation reached in the third quarter 2014 and other court procedures, these lawsuits have been or will be served and consolidated in multi-district litigation in Ohio federal

court (MDL). Based on information currently available to Chemours, the majority of the lawsuits allege personal injury claims associated with high cholesterol and thyroid disease from exposure to PFOA in drinking water. At December 31, 2014, there were 27 lawsuits alleging wrongful death. In 2014, six plaintiffs from the MDL were selected for individual trial. The first trial is scheduled to begin in September 2015, and the second in November 2015. Chemours, through DuPont, denies the allegations in these lawsuits and is defending itself vigorously.

Additional Actions

An Ohio action brought by the LHWA is ongoing. In addition to general claims of PFOA contamination of drinking water, the action claims “imminent and substantial endangerment to health and or the environment” under the RCRA. In the second quarter 2014, DuPont filed a motion for summary judgment and LHWA moved for partial summary judgment. In the first quarter of 2015, the court granted in part and denied in part both parties’ motions. As a result, the litigation process will continue with respect to certain of the plaintiff’s claims.

While it is probable that Chemours will incur costs related to the medical monitoring program, such costs cannot be reasonably estimated due to uncertainties surrounding the level of participation by eligible class members and the scope of testing.

Chemours believes that it is reasonably possible that it could incur losses that could be material in the period recognized with respect to the other PFOA matters discussed above. However, a range of such losses, if any, cannot be reasonably estimated at this time due to the uniqueness of the individual MDL plaintiff’s claims and Chemours’ defenses to those claims both as to potential liability and damages on an individual claim basis, among other factors. Although considerable uncertainty exists, management does not currently believe that the ultimate disposition of these matters would have a material adverse effect on Chemours combined results of operations, financial position or liquidity.

Environmental Proceedings

Chambers Works Plant, Deepwater, New Jersey

In 2010, the government initiated an enforcement action alleging that the facility violated recordkeeping requirements of certain provisions of the CAA and the Federal Clean Air Act Regulations (“FCAR”) governing Leak Detection and Reporting (“LDAR”) and that it failed to report emissions of a compound from Chambers Works’ waste water treatment facility under EPCRA. The alleged non-compliance was identified by the EPA in 2007 and 2009 following separate environmental audits. In the first quarter of 2015, the District Court in New Jersey entered the agreement between DuPont and the Department of Justice (“DOJ”) settling this matter. The settlement agreement provides that DuPont pay a penalty of about \$0.5 million and agree to modification of its air permit ensuring continued compliance with refrigeration unit repair requirements.

MANAGEMENT

Executive Officers Following the Distribution

The following sets forth information regarding individuals who are expected to serve as our executive officers, including their positions after the distribution. Additional executive officers will be selected prior to the distribution to serve as executive officers after the distribution. While some of these individuals currently serve as officers and employees of DuPont, after the distribution, none of our executive officers will be executive officers or employees of DuPont.

Mark P. Vergnano, age 56, will serve as our President and Chief Executive Officer. In October 2009, Mr. Vergnano was appointed Executive Vice President of DuPont and was responsible for businesses in the Chemours segment: DuPont Chemicals & Fluoroproducts and Titanium Technologies. Prior to that, he had several assignments in manufacturing, technology, marketing, sales and business strategy. In June 2006, he was named Group Vice President of DuPont Safety & Protection. In February 2003, he was named Vice President and General Manager—Nonwovens and Vice President and General Manager—Surfaces and Building Innovations in October 2005. Mr. Vergnano joined DuPont in 1980 as a process engineer.

Mark E. Newman, age 51, will serve as our Senior Vice President and Chief Financial Officer. Mr. Newman joined Chemours in November 2014 from SunCoke Energy where he was SunCoke Energy's Senior Vice President and Chief Financial Officer and led its financial, strategy, business development and information technology functions. Mr. Newman joined SunCoke's leadership team in March 2011 to help drive SunCoke's separation from its parent company, Sunoco, Inc. He led SunCoke through an initial public offering and championed a major restructuring of SunCoke, which resulted in the initial public offering of SunCoke Energy Partners in January 2013, creating the first coke-manufacturing master limited partnership. Prior to joining SunCoke, Mr. Newman served as Vice President Remarketing & Managing Director of SmartAuction, Ally Financial Inc (previously General Motors Acceptance Corporation). Mr. Newman began his career at General Motors in 1986 as an Industrial Engineer and progressed through several financial and operational leadership roles within the global automaker, including Vice President and Chief Financial Officer of Shanghai General Motors Limited; Assistant Treasurer of General Motors Corporation; and North America Vice President and CFO.

Boo Ching (B.C.) Chong, age 53, will serve as our President—Titanium Technologies. Mr. Chong was named president—DuPont Titanium Technologies in January 2011. In October 2009, he was named vice president—DuPont Performance Coatings, Asia Pacific. In July 2008, he was named vice president and general manager of DuPont Automotive OEM Coatings. From 2004 to 2007, he was global business director—DuPont Packaging & Industrial Polymers, Ethylene Copolymers. Mr. Chong was named vice president and general manager—DuPont Packaging & Industrial Polymers in June 2007. From 2001 to 2003, he was global business director for Delrin® polyacetal and Asia Pacific regional director for Engineering Polymers before assuming the additional role of managing director for DuPont in Singapore. Mr. Chong joined DuPont in 1989 in Singapore as operations manager for DuPont Engineering Polymers.

Thierry F.J. Vanlancker, age 50, will serve as our President—Fluoroproducts. Mr. Vanlancker was named president—DuPont Chemicals & Fluoroproducts in May 2012. He was named vice president for DuPont Performance Coatings—EMEA in November 2010. In 2006, he moved to Wilmington, Delaware to serve as global business and market director—Fluorochemicals. In 2004, after two years as sales manager for all Refinish Brands EMEA, he was appointed as regional director—Fluoroproducts EMEA based in Geneva, Switzerland. He moved to Belgium in 1999 to be part of the Herberts Acquisition/Integration Team within the newly formed DuPont Performance Coatings business and in 2000 was appointed business manager for the Spies Hecker Refinish paint brand based in Cologne, Germany. In 1996, he transferred to Wilmington, Delaware as global technical service manager for P&IP and was appointed global product manager Vamac® ethylene acrylic elastomers in 1998. In 1993 he transferred to Bad Homburg, Germany, and was appointed market development consultant for P&IP Europe, Middle East & Africa (EMEA). Mr. Vanlancker joined DuPont in 1988 in Belgium as a sales representative.

Christian W. Siemer, age 56, will serve as our President—Chemical Solutions. Mr. Siemer joined DuPont in 2010 as the Managing Director of Clean Technologies, a business unit of DuPont Sustainable Solutions focused on process technology development and licensing. He led the successful acquisition of MECS Inc., the global leader in technology for the production of sulfuric acid. Mr. Siemer began his career in 1980 with Stauffer Chemicals as a process engineer. Following Stauffer’s acquisition by ICI plc, Mr. Siemer moved through a range of commercial roles and overseas assignments managing portfolios of international industrial and specialty chemical businesses.

David C. Shelton, age 51, will serve as our General Counsel and Corporate Secretary. In 2011, Mr. Shelton was appointed Associate General Counsel, DuPont, and was responsible for the US Commercial team—the business lawyers and paralegals counseling all the DuPont business units with the exception of Agriculture and Pioneer. Since 2002, Mr. Shelton was the Commercial attorney to a variety of DuPont businesses including the Performance Materials platform, which he advised on international assignment in Geneva, and the businesses now comprising the DuPont Chemicals and Fluoroproducts business unit. Prior to that, Mr. Shelton advised the company on environmental and remediation matters as part of the environmental legal team. Mr. Shelton joined DuPont in 1996, after seven years in private practice as a litigator in Pennsylvania and New Jersey.

E. Bryan Snell, age 58, will serve as Senior Vice President—Corporate Strategy and Productivity. Mr. Snell was appointed Planning Director—DuPont Performance Chemicals in May, 2014. Prior to that, he held leadership positions in DuPont Titanium Technologies, including Planning Director (2011-12 in Wilmington, DE and 2012-13 in Singapore) and Global Sales and Marketing Director (2008-2010). Mr. Snell served as Regional Operations Director—DuPont Coatings and Color Technologies Platform in 2007 and 2008. He was posted in Taiwan from 2002 to 2006, in the roles of Plant Manager—Kuan Yin Plant and Asia/Pacific Regional Director, DuPont Titanium Technologies. Mr. Snell joined DuPont in 1978 as a process engineer and has experience in nuclear and petrochemical operations, as well as sales, business strategy and M&A.

Beth Albright, age 47, will serve as our Senior Vice President Human Resources. Mrs. Albright joined DuPont in October 2014 from Day & Zimmermann, where she held the position of Senior Vice-President Human Resources since May 2011. Prior to her experience at Day & Zimmermann, Mrs. Albright was the Global Vice President Human Resources for Tekni-Plex, which she joined in July 2009. She joined Rohm and Haas in 2000 and held various Human Resources supporting global businesses, technology, manufacturing and staff functions. In 1995 she joined FMC as site Human Resources manager at a manufacturing site and progressed into the corporate office. Mrs. Albright began her career with Fluor Daniel Construction in their Industrial Relations department in 1989.

Erich Parker, age 63, will serve as our Vice President of Corporate Communications and Chief Brand Officer. Mr. Parker was appointed Creative Director and Global Director of Corporate Communications of DuPont in 2010. He led the initiative to develop corporate positioning and its creative expression through branded content and program sponsorship with large international media outlets. In 2008, Mr. Parker was appointed Communications Leader for DuPont’s Safety and Protection Platform. Prior to joining DuPont, Mr. Parker was principal of his own public relations and marketing communications firm based in Washington, D.C., and New York. Mr. Parker has also served as Executive Vice President of Association & Issues Management; Director of Communications for the American Academy of Actuaries; founding publisher and Executive Editor of the magazine Contingencies; and Public Affairs Aide for Renewable Energy to the Secretary of Energy, US Department of Energy.

Board of Directors Following the Distribution

The following sets forth information with respect to those persons who are expected to serve on our Board of Directors following the distribution. We may name and present additional nominees for election prior to the distribution. After the distribution, none of these individuals will be directors or employees of DuPont.

Upon completion of the distribution, Chemours' Board of Directors will be divided into three classes, each comprised of three directors. The directors designated as Class I directors will have terms expiring at the first annual meeting of stockholders following the distribution, which Chemours expects to hold in 2016. The directors designated as Class II directors will have terms expiring at the following year's annual meeting of stockholders, which Chemours expects to hold in 2017, and the directors designated as Class III directors will have terms expiring at the following year's annual meeting of stockholders, which Chemours expects to hold in 2018. Commencing with the first annual meeting of stockholders following the separation and distribution, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter will serve for a term of three years. However, Chemours' classified board structure will be submitted to a stockholder vote at Chemours' first annual meeting in 2016. If the classified structure described herein is not approved by a majority of the shares voted by its stockholders at the meeting, Chemours would declassify its Board such that all directors would be up for annual election beginning with the 2017 annual meeting. At any meeting of stockholders for the election of directors at which a quorum is present, the election will be determined by a majority of the votes cast by the stockholders entitled to vote in the election, with directors not receiving a majority of the votes cast required to tender their resignations for consideration by the board, expect that in the case of a contested election, the election will be determined by a plurality of the votes cast by the stockholders entitled to vote in the election.

We are in the process of identifying individuals who will serve on our Board of Directors following the distribution. It is anticipated that all of our Board of Directors, except our Chief Executive Officer, who will be an employee of Chemours, will meet the criteria for independence as defined by the rules of the NYSE and the corporate governance guidelines to be adopted by the Board of Directors. The corporate governance guidelines, including our independence standards, will be posted to our website prior to the completion of the distribution.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Our Relationship with DuPont Following the Distribution

Following the separation and distribution, we and DuPont will operate separately, each as an independent public company. Prior to the separation and distribution, we and DuPont will enter into certain agreements that will effect the separation and distribution, provide a framework for our relationship with DuPont after the separation and distribution and provide for the allocation between us and DuPont of DuPont's assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) attributable to periods prior to, at and after our separation from DuPont. The following is a summary of the terms of the material agreements that we intend to enter into with DuPont prior to the separation and distribution. When used in this section, "distribution date" refers to the date on which DuPont distributes our common stock to the holders of DuPont common stock.

The summaries of each of the material agreements described below set forth the terms of the agreements that we believe are material. These summaries are qualified in their entirety by reference to the full text of the applicable agreements, which will be filed as exhibits to Chemours' registration statement on Form 10 filed in connection with the separation and distribution. The terms of the agreements described below that will be in effect following the separation and distribution have not yet been finalized; changes to these agreements, some of which may be significant, may be made prior to our separation from DuPont.

Separation Agreement

We intend to enter into a Separation Agreement with DuPont prior to the distribution of our common stock to DuPont stockholders. The Separation Agreement will set forth our agreements with DuPont regarding the principal actions to be taken in connection with the separation and distribution. It will also set forth other agreements that govern certain aspects of our relationship with DuPont following the separation and distribution. This summary of the Separation Agreement is qualified in its entirety by reference to the full text of the agreement, which will be filed as an exhibit to Chemours' registration statement on Form 10 filed in connection with the separation and distribution.

Transfer of Assets and Assumption of Liabilities. The Separation Agreement will identify assets to be transferred, liabilities to be assumed and contracts to be assigned to each of DuPont and us as part of the internal reorganization transaction described herein, and will describe when and how these transfers, assumptions and assignments will occur, though many of the transfers, assumptions and assignments will have already occurred prior to the parties' entering into the Separation Agreement. The Separation Agreement will provide for those transfers of assets and assumptions of liabilities that are necessary in connection with the separation and distribution so that we and DuPont retain the assets necessary to operate our respective businesses and retain or assume the liabilities allocated in accordance with the separation and distribution. The Separation Agreement will also provide for the settlement or extinguishment of certain liabilities and other obligations between us and DuPont. In particular, the Separation Agreement will provide that, subject to the terms and conditions contained in the Separation Agreement:

- All of the assets, including the equity interests of our subsidiaries, assets reflected on our pro forma balance sheet and assets exclusively relating to our business will be retained by or transferred to us or one of our subsidiaries, except as set forth in one of the other agreements described below.
- All of the liabilities (whether accrued, contingent or otherwise, and subject to certain exceptions) primarily related to, arising out of or resulting from our business will be retained by or transferred to us or one of our subsidiaries, except as set forth in one of the other agreements described below.
- Liabilities (whether accrued, contingent or otherwise) related to, arising out of or resulting from certain businesses of DuPont that were previously terminated or divested will be generally allocated among the parties to the extent formerly owned or primarily managed or otherwise operated by such parties or their respective businesses.

- Liabilities (whether accrued, contingent or otherwise) relating to environmental matters, including liabilities relating to remediation, hazardous substances and off-site liability arising from or related to our business, property or assets or, with respect to shared sites, our operations, and certain other specified environmental liabilities (consisting generally of liabilities that relate to certain non-operating predecessor business lines of Chemours, and, in some instances, to certain currently identified or yet to be identified third-party sites where liabilities were allocated to Chemours based on current or predecessor Chemours activities), will be retained by or transferred to us or one of our subsidiaries.
- Liabilities (whether accrued, contingent or otherwise) relating to legal proceedings, including actions primarily relating to or arising out of our business and certain other specified actions, including with respect to PFOA, will be retained by or transferred to us or one of our subsidiaries.
- Liabilities (whether accrued, contingent or otherwise) relating to, arising out of or resulting from infringement, misappropriation or other violations of any intellectual property relating to the conduct of our business will be retained by or transferred to us or one of our subsidiaries.
- Liabilities (whether accrued, contingent or otherwise) relating to, arising out of or resulting from any form, registration statement, schedule or similar disclosure document filed or furnished with the SEC, to the extent the liability arising therefrom related to matters related to our business will be retained by or transferred to us or one of our subsidiaries.
- We will generally assume all other liability (whether accrued, contingent or otherwise) relating to, arising out of or resulting from disclosure documents filed or furnished with the SEC that are related to the separation and distribution (including the registration statement on Form 10 filed in connection with the separation and distribution).
- Except as expressly set forth in the Separation Agreement or any other agreements, each party shall be responsible for its own internal fees, costs and expenses incurred following the distribution date, including any costs and expenses relating to such party's disclosure documents filed following the distribution date.
- All assets and liabilities (whether accrued, contingent or otherwise) of DuPont will be retained by or transferred to DuPont or one of its subsidiaries (other than us or one of our subsidiaries), except as set forth in one of the other agreements described below and except for other limited exceptions that will result in us retaining or assuming certain other specified liabilities.

The allocation of liabilities with respect to taxes, except for payroll taxes and reporting and other tax matters expressly covered by the employee matters agreement, are solely covered by the tax matters agreement.

Except as expressly set forth in the Separation Agreement or any ancillary agreement, all assets will be transferred on an "as is," "where is" basis and the respective transferees will bear the economic and legal risks that any conveyance will prove to be insufficient to vest in the transferee good title, free and clear of any security interest, that any necessary consents or governmental approvals are not obtained and that any requirements of laws or judgments are not complied with. In general, neither we nor DuPont will make any representations or warranties regarding any assets or liabilities transferred or assumed, any consents or approvals that may be required in connection with such transfers or assumptions, or any other matters.

Information in this offering circular with respect to the assets and liabilities of the parties following the separation and distribution is presented based on the allocation of such assets and liabilities pursuant to the Separation Agreement, unless the context otherwise requires. Certain of the liabilities and obligations to be assumed by one party or for which one party will have an indemnification obligation under the Separation Agreement and the other agreements relating to the separation and distribution are, and following the separation and distribution may continue to be, the legal or contractual liabilities or obligations of another party. Each such party that continues to be subject to such legal or contractual liability or obligation will rely on the applicable party that assumed the liability or obligation or the applicable party that undertook an indemnification obligation

with respect to the liability or obligation, as applicable, under the Separation Agreement, to satisfy the performance and payment obligations or indemnification obligations with respect to such legal or contractual liability or obligation.

Further Assurances; Separation of Guarantees. To the extent that any transfers of assets or assumptions of liabilities contemplated by the Separation Agreement have not been consummated on or prior to the date of the distribution, the parties will agree to cooperate with each other to effect such transfers or assumptions while holding such assets or liabilities for the benefit of the appropriate party so that all the benefits and burdens relating to such asset or liability inure to the party entitled to receive or assume such asset or liability. Each party will agree to use commercially reasonable efforts to take or to cause to be taken all actions, and to do, or to cause to be done, all things reasonably necessary under applicable law or contractual obligations to consummate and make effective the transactions contemplated by the Separation Agreement and other transaction agreements. Additionally, we and DuPont will use commercially reasonable efforts to remove us as a guarantor of liabilities (including surety bonds) retained by DuPont and its subsidiaries and to remove DuPont and its subsidiaries as a guarantor of liabilities (including surety bonds) to be assumed by us.

The Distribution. The Separation Agreement will govern the rights and obligations of the parties regarding the proposed distribution and certain actions that must occur prior to the proposed distribution. DuPont will cause its agent to distribute to its stockholders that hold shares of DuPont's common stock as of the applicable record date all the issued and outstanding shares of our common stock. DuPont will have the sole and absolute discretion to determine (and change) the terms of, and whether to proceed with, the distribution and, to the extent it determines to so proceed, to determine the date of the distribution.

Conditions. The Separation Agreement will provide that the distribution is subject to several conditions that must be satisfied or waived by DuPont in its sole discretion. For further information regarding these conditions, see "The Transactions—Conditions to the Distribution." DuPont may, in its sole discretion, determine the record date, the distribution date and the terms of the distribution and may at any time prior to the completion of the distribution decide to abandon or modify the distribution. DuPont has informed us that, to the extent the board of directors of DuPont determines to waive, or take any action to amend or modify, any condition in a manner that is material or abandon the distribution, DuPont will issue a press release publicly announcing any such decision.

Shared Contracts. Certain shared contracts are to be assigned or amended to facilitate the separation of our business from DuPont. If such contracts may not be assigned or amended, the parties are required to take reasonable actions to cause the appropriate party to receive the benefit of the contract after the separation and distribution is complete.

Release of Claims and Indemnification. Except as otherwise provided in the Separation Agreement or any ancillary agreement, each party will release and forever discharge the other party and its subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the separation and distribution. The releases will not extend to obligations or liabilities under any agreements between the parties that remain in effect following the separation and distribution pursuant to the Separation Agreement or any ancillary agreement. These releases will be subject to certain exceptions set forth in the Separation Agreement.

The Separation Agreement will provide for cross-indemnities that, except as otherwise provided in the Separation Agreement, are principally designed to place financial responsibility for the obligations and liabilities allocated to us under the Separation Agreement with us and financial responsibility for the obligations and liabilities allocated to DuPont under the Separation Agreement with DuPont. Specifically, each party will indemnify, defend and hold harmless the other party, its affiliates and subsidiaries and each of its officers, directors, employees and agents for any losses arising out of or due to:

- the liabilities or alleged liabilities each party assumed or retained pursuant to the Separation Agreement;

- the operation of each such party's business, whether prior to, at, or after the distribution; and
- any breach by us or DuPont of any provision of the Separation Agreement or any other agreement unless such other agreement expressly provides for separate indemnification therein.

Each party's aforementioned indemnification obligations will be uncapped; provided that the amount of each party's indemnification obligations will be subject to reduction by any insurance proceeds (net of premium increases) received by the party being indemnified. The Separation Agreement will also specify procedures with respect to claims subject to indemnification and related matters. Indemnification with respect to taxes will be governed by the Tax Matters Agreement.

Legal Matters. Except as otherwise set forth in the Separation Agreement or any ancillary agreement (or as otherwise described above), each party to the Separation Agreement will assume the liability for, and control of, all pending, threatened and future legal matters related to its own business or its assumed or retained liabilities and will indemnify the other party for any liability arising out of or resulting from such legal matters. Each party to a claim will agree to cooperate in defending any claims against the other party for events that took place prior to, on or after the date of distribution.

Cash Distribution. The Separation Agreement will provide that, prior to the distribution, we will make a cash distribution to DuPont, funded by the net proceeds received by us from the offering of the notes offered by us hereby and substantially all of the borrowings under the Term Loan Facility. The completion of the cash distribution will be a condition to the consummation of the separation and distribution under the Separation Agreement.

Cash True-up. The Separation Agreement will contain a cash adjustment provision, to be determined reasonably promptly after the distribution date, but in any event no later than December 31, 2015, that will assure that our aggregate cash balance at the time of the distribution is equal to a target level of cash in the amount of \$200 million. For this purpose, cash includes "Cash Equivalents" (as defined in the Separation Agreement), which includes marketable securities, commercial paper, other short-term instruments and governmental indebtedness. This adjustment could result in a payment to us from DuPont or a payment by us to DuPont. The Separation Agreement will also provide for a secondary adjustment provision, to be determined reasonably promptly after the distribution date, but in any event no later than December 31, 2015, to cover variances from our target levels of receivables, payables, inventory, fixed costs expenditures and capital expenditures, in each case calculated as of the distribution date.

Insurance. Following the separation and distribution, we will be responsible for obtaining and maintaining at our own cost our own insurance coverage. Additionally, with respect to certain claims arising prior to the distribution, we may, at the sole discretion of DuPont, seek coverage under certain specified DuPont third-party insurance policies to the extent that coverage may be available thereunder.

Non-compete. The Separation Agreement will include certain noncompetition obligations with respect to our not engaging in certain future business and activities that we currently do not engage in. Specifically, for a period of five years following the date of the distribution, we will not directly or indirectly engage in any activities related to, or hold any ownership interest in an entity that engages in, the following products, services and activities:

- Fluoropolymers and fluoropolymer containing films for backsheets for photovoltaic modules, for interior laminates or thermal insulation for aircraft fuselages or railcars and for holographic image recording films;
- certain fluoro rubbers;
- certain fluorinated ionomer products for use in organic light emitting diodes and displays;
- certain vinyl fluoride-containing polymer products (other than certain permitted vinyl-fluoride activities for which we receive a license under the IP Cross-License Agreement); and
- offer or engage in certain services and activities related to the services and activities of the DuPont Sustainable Solutions division of DuPont.

The Separation Agreement will contain certain obligations to, at our sole option, either cease operations and decommission or divest certain subject assets in the event that we were to acquire an entity engaged in activities otherwise prohibited by the noncompetition provisions. The noncompetition provisions further provide that, under certain circumstances, third parties acquiring assets of Chemours may become subject to the non-compete.

Dispute Resolution. If a dispute arises between us and DuPont under the Separation Agreement, the general counsels of the parties and such other representatives as the parties may designate will negotiate to resolve any disputes for a reasonable period of time. If the parties are unable to resolve the dispute in this manner then, unless otherwise agreed by the parties and except as otherwise set forth in the Separation Agreement, the dispute will be resolved through binding arbitration.

Term/Termination. Prior to the distribution, DuPont has the unilateral right to terminate or modify the terms of the Separation Agreement. After the effective time of the distribution, the term of the Separation Agreement is indefinite and it may only be terminated with the prior written consent of both DuPont and us.

Other Matters Governed by the Separation Agreement. Other matters governed by the Separation Agreement include access to financial and other information, confidentiality, access to and provision of records and treatment of outstanding guarantees and similar credit support.

Site Services Agreements

We intend to enter into Site Services Agreements with DuPont for the provision of site services at shared sites either (a) by Chemours to DuPont at sites owned by Chemours and on which DuPont will maintain operations, or (b) by DuPont to Chemours at sites owned by DuPont on which Chemours will maintain operations. These services agreements will generally address provision of services relating to access to steam, waste water treatment, potable water supply, access to electricity, to the extent permitted by local law, and site security, to the extent permitted by, and in accordance with, Federal law.

All such services will be provided for an indefinite period of time and for specified fees, which are generally at cost.

Transition Services Agreement / IT Transition Services Agreement

We intend to enter into a Transition Services Agreement and an IT Transition Services Agreement pursuant to which DuPont will provide functional and information technology services, respectively, to Chemours. DuPont will provide such services for a limited time, for no longer than 24 months following the date of the distribution, for specified fees, which are at cost for services provided by third parties and at cost plus five percent for services provided by either Chemours or DuPont, as applicable.

Tax Matters Agreement

Allocation of Taxes. We intend to enter into a Tax Matters Agreement with DuPont immediately prior to the distribution that will govern the parties' respective rights, responsibilities and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings and other matters regarding taxes. In general, under the agreement:

- DuPont will be responsible for any U.S. federal, state and local taxes (and any related interest, penalties or audit adjustments) reportable on a consolidated, combined or unitary return that includes DuPont or any of its subsidiaries (and us and/or any of our subsidiaries) for any periods or portions thereof ending on or prior to the date of the distribution.

- Otherwise, we will be responsible for any U.S. federal, state, local and foreign taxes (and any related interest, penalties or audit adjustments) that are imposed on us and/or any of our subsidiaries for all tax periods, whether before or after the date of the distribution.

Neither party's obligations under the agreement will be limited in amount or subject to any cap. The agreement will also assign responsibilities for administrative matters, such as the filing of returns, payment of taxes due, retention of records and conduct of audits, examinations or similar proceedings. In addition, the agreement provides for cooperation and information sharing with respect to tax matters.

DuPont will generally be responsible for preparing and filing any tax return that includes DuPont or any of its subsidiaries (as determined immediately after the distribution), including those that also include us and/or any of our subsidiaries. We will generally be responsible for preparing and filing any tax returns that include only us and/or any of our subsidiaries.

The party responsible for preparing and filing a given tax return will generally have primary authority to control tax contests related to any such tax return. We will generally have exclusive authority to control tax contests with respect to tax returns that include only us and/or any of our subsidiaries.

Preservation of the Tax-free Status of Certain Aspects of the Separation and Distribution. We and DuPont intend for the distribution and certain related transactions to qualify as a reorganization pursuant to which no gain or loss is recognized by DuPont or its stockholders for U.S. federal income tax purposes under Sections 355, 368(a)(1)(D) and related provisions of the Code. In addition, we and DuPont intend for certain other aspects of the separation and distribution to qualify for tax-free treatment under U.S. federal, state and local tax law and/or foreign tax law.

DuPont has received a private letter ruling from the IRS to the effect that, among other things, the distribution and certain related transactions qualify as a reorganization pursuant to which no gain or loss is recognized by DuPont or its stockholders for U.S. federal income tax purposes under Sections 355, 368(a)(1)(D) and related provisions of the Code. In addition, DuPont will receive opinions from its outside tax advisors regarding the tax-free status of these transactions and certain related transactions. In connection with the ruling and the opinions, we and DuPont have made and will make certain representations regarding the past and future conduct of our respective businesses and certain other matters.

We will also agree to certain covenants that contain restrictions intended to preserve the tax-free status of the distribution and certain related transactions. We may take certain actions prohibited by these covenants only if DuPont receives a private letter ruling from the IRS or we obtain and provide to DuPont an opinion from a U.S. tax counsel or accountant of recognized national standing, acceptable to DuPont in its sole and absolute discretion, to the effect that such action would not jeopardize the tax-free status of these transactions. We will be barred from taking any action, or failing to take any action, where such action or failure to act adversely affects the tax-free status of these transactions, for all time periods. In addition, during the time period ending two years after the date of the distribution these covenants will include specific restrictions on our:

- issuance or sale of stock or other securities (including securities convertible into our stock but excluding certain compensatory arrangements);
- sales of assets outside the ordinary course of business; and
- entering into any other corporate transaction (apart from the Merger or LLC Merger) which would cause us to undergo a 50 percent or greater change in our stock ownership.

We will generally agree to indemnify DuPont and its affiliates against any and all tax-related liabilities incurred by them relating to the distribution and certain other aspects of the separation and distribution to the extent caused by an acquisition of our stock or assets or by any other action undertaken by us. This indemnification provision will apply even if DuPont has permitted us to take an action that would otherwise have been prohibited under the tax-related covenants described above.

Employee Matters Agreement

We will enter into an Employee Matters Agreement with DuPont prior to the distribution that will govern the compensation and employee benefit obligations with respect to our current and former employees and those of DuPont. The Employee Matters Agreement will allocate liabilities and responsibilities relating to employee compensation and benefits plans and programs and other related matters in connection with the distribution including, without limitation, the treatment of outstanding DuPont equity awards, other outstanding incentive compensation awards, deferred compensation obligations and retirement and welfare benefit obligations.

With certain exceptions, the Employee Matters Agreement will provide that as of the consummation of the distribution, our employees will cease to be active participants in, and we will cease to be a participating employer in, the benefit plans and programs maintained by DuPont. As of such time, our employees will generally become eligible to participate in all of our applicable plans. In general, we will credit each of our employees with his or her pre-distribution service for all purposes under the plans maintained by us to the extent the corresponding DuPont plans gave credit for such service and such crediting does not result in a duplication of benefits.

We will generally retain or assume responsibility for, and will pay and be liable for, all wages, salaries, welfare, incentive compensation and employment-related obligations and liabilities with respect to our current employees, whether arising before or after the distribution, and DuPont will generally retain or assume responsibility for, and will pay and be liable for, all such obligations and liabilities with respect to its own employees and our former employees. There will be no transfer of pension assets or liabilities in the United States, and DuPont will retain the obligation to provide any post-retirement welfare benefits that may have been made available to our employees in the United States. The treatment of benefit plans maintained outside of the United States is generally subject to the provisions of the applicable local transfer agreements.

We and DuPont will agree that for a period of three years following the effective date, subject to certain customary exceptions, neither we nor DuPont will (1) recruit, solicit, hire, or retain an employee of the other party or its subsidiaries or (2) induce or attempt to induce any such employee to cease his relationship with the other party.

IP Cross-License

We intend that certain of our subsidiaries will enter into an Intellectual Property Cross-License Agreement with DuPont, pursuant to which (i) DuPont will license to Chemours certain patents, know-how and technical information owned by DuPont or its affiliates and necessary or useful in Chemours' business, and (ii) Chemours will license to DuPont certain patents owned by Chemours or its affiliates and necessary or useful in DuPont's business. All patents and technical information licensed pursuant to this agreement will be identified in schedules to the agreement.

In most circumstances, the licenses will be perpetual, irrevocable, sublicenseable (in connection with the party's business), assignable (in connection with a sale of the applicable portion of a party's business or assets, subject to certain exceptions) worldwide licenses in connection with the current operation of the businesses and, with respect to specified products and fields of use, future operation of such businesses, subject to certain limitations.

Tolling, Supply and other Commercial Agreements

We intend to enter into certain tolling, supply and other commercial agreements with DuPont, the terms and conditions and costs of which will be specified in each such agreement.

Real Estate Matters

We intend to enter into one or more License to Use Agreements with DuPont, involving our and DuPont's subsidiaries, under which we and DuPont will allow each other to use certain shared manufacturing sites for an indefinite period of time for specified fees, and to certain lab space, office space, warehouse space, outside storage yard space, restrooms and conference rooms on a temporary basis for specified fees.

Other Ancillary Agreements

We intend enter into additional ancillary agreements related to the separation and distribution, including a reciprocal sales arrangement, on arm's-length terms, that would continue the compatibility of certain of our products into certain DuPont technology platforms or otherwise provide for the sale of goods or services, and an agreement regarding the manufacture and sale by DuPont to us of a limited number of products or intermediates currently manufactured at a facility housing Chemours equipment, as well as the ownership and transfer of the equipment and other property and the employment of the personnel related to the manufacturing of those products or intermediates.

DESCRIPTION OF OTHER INDEBTEDNESS

Senior Secured Credit Facilities

Prior to the separation and distribution, we expect to enter into a credit agreement with a syndicate of banks providing for a seven-year \$1.5 billion senior secured Term Loan B Facility (the “Term Loan Facility”) and a five-year \$1.0 billion senior secured Revolving Credit Facility (the “Revolving Credit Facility” and, together with the Term Loan Facility, the “Senior Secured Credit Facilities”). The Senior Secured Credit Facilities will not be available for borrowings until the date on which certain conditions are satisfied.

We expect the Senior Secured Credit Facilities to bear interest, at our option, at a rate equal to an adjusted base rate or LIBOR, plus, in each case, an applicable margin. In the case of the Term Loan Facility, we expect that the adjusted base rate will not in any event be less than 1.75% and LIBOR will not in any event be less than 0.75%. In the case of the Term Loan Facility, the applicable margin is expected to be 2.00% for base rate loans and 3.00% for LIBOR loans. In the case of the Revolving Credit Facility, the applicable margin for base rate loans and LIBOR loans will vary based on our total net leverage ratio and is expected to be a range between 0.50% and 1.25% for base rate loans and 1.50% and 2.25% for LIBOR loans. During an event of default, overdue principal under the Senior Secured Credit Facilities is expected to bear interest at a rate of 2.00% in excess of the otherwise applicable rate of interest. We expect that interest on borrowings and the commitment fee will generally be payable quarterly in arrears or at the end of the interest period if such interest period is shorter than three months. Additionally, we expect to pay a quarterly commitment fee based on the unused portion of the Revolving Credit Facility, which will also be determined by our total net leverage ratio.

We expect the Term Loan Facility will amortize in equal quarterly installments equal to 1.00% per annum, with the balance due at maturity. We expect to be permitted to voluntarily prepay loans and/or reduce the commitment under the Senior Secured Credit Facilities, in whole or in part, without penalty or premium, subject to certain minimum amounts and increments and the payment of customary breakage costs; provided, that any prepayment of the Term Loan Facility on or prior to twelve months after the credit facility effective date with proceeds from a repricing transaction will require a prepayment premium equal to 1.00% of such loans prepaid. We do not expect that mandatory prepayment will be required under the Revolving Credit Facility. We anticipate that mandatory prepayments will be required under the Term Loan Facility using the net cash proceeds from certain asset sales and indebtedness and from excess cash flow (each subject to customary thresholds and exclusions).

If the separation and distribution has not been completed on or before November 30, 2015 or, if prior to such date, DuPont has abandoned the separation and distribution, then we expect to be required to repay all loans outstanding under the Senior Secured Credit Facilities together with all accrued and unpaid interest, and the commitments under the Revolving Credit Facility are expected to be terminated.

Our obligations under the Senior Secured Credit Facilities are expected to be guaranteed on a senior secured basis by all of our material domestic subsidiaries, subject to certain agreed upon exceptions. The obligations under the Senior Secured Credit Facilities are also expected, subject to certain agreed upon exceptions, to be secured by a first priority lien on substantially all of our and our material wholly-owned domestic subsidiaries’ assets, including 100% of the stock of domestic subsidiaries and 65% of the stock of certain foreign subsidiaries.

We expect the Revolving Credit Facility will contain a financial covenant requiring us not to exceed a maximum total net leverage ratio and, unless certain investment grade ratings specified in the credit agreement are received, to maintain a minimum interest coverage ratio. In addition, the Senior Secured Credit Facilities are expected to contain customary affirmative and negative covenants that, among other things, will limit or restrict our and our subsidiaries’ ability, subject to certain exceptions, to incur liens, merge, consolidate or sell, transfer or lease assets, make investments, pay dividends, transact with subsidiaries and incur indebtedness. The Senior Secured Credit Facilities are also expected to contain customary events of default.

The foregoing summarizes some of the currently expected terms of our Senior Secured Credit Facilities. However, the foregoing summary does not purport to be complete, and the terms of the Senior Secured Credit Facilities have not yet been finalized. There may be changes to the expected principal amount and terms of the Senior Secured Credit Facilities, some of which may be material.

SELLING SECURITYHOLDERS

Credit Suisse Securities (USA) LLC is offering \$253.5 million aggregate principal amount of the 2025 notes, and J.P. Morgan Securities LLC is offering \$253.5 million aggregate principal amount of the 2025 notes. After giving effect to this offering, neither selling securityholder will own any notes in their capacity as such. The selling securityholders or their affiliates are also acting as initial purchasers in connection with the offering of the notes and as agents under the Senior Secured Credit Facilities. See “Plan of Distribution.”

The selling securityholders expect to obtain the 2025 notes from DuPont in exchange for certain debt securities of DuPont that they may have acquired pursuant to an on-going tender offer. See “The Transactions.”

DESCRIPTION OF NOTES

Certain terms used in this “Description of Notes” are defined under the subheading “Certain Definitions.” In this “Description of Notes,” (1) the term “Company” refers to The Chemours Company, a Delaware corporation, and not to any of its Subsidiaries or Affiliates, and (2) the terms “we,” “our” and “us” refer to the Company and its consolidated Subsidiaries.

The Company will issue (1) \$1,350 million aggregate principal amount of Senior Notes due 2023 (the “2023 Dollar Notes”), (2) \$750 million aggregate principal amount of Senior Notes due 2025 (the “2025 Dollar Notes” and, together with the 2023 Dollar Notes, the “Dollar Notes”) and (3) €360 million aggregate principal amount of Senior Notes due 2023 (the “Euro Notes” and, together with the Dollar Notes, the “Notes”) under an Indenture and one or more supplemental indentures thereto (such Indenture, together with each such supplemental indenture thereto, the “Indenture”) among itself, the Subsidiary Guarantors party thereto and U.S. Bank National Association, as Trustee. Except as otherwise indicated in this Description of Notes, the redemption provisions, covenants, events of default and other terms applicable to the 2023 Dollar Notes, the 2025 Dollar Notes and the Euro Notes will be substantially identical. The Notes will be issued in a private transaction that is not subject to the registration requirements of the Securities Act. Holders of the Notes will be entitled to registration rights pursuant to the Registration Rights Agreement. See “Registered Exchange Offer; Registration Rights.” The terms of the Notes will be those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act.

Application is expected to be made to the Irish Stock Exchange for the approval of listing particulars in relation to the Euro Notes prior to the first anniversary of the issue date of the Euro Notes. Investors should note that any listing particulars approved by the Irish Stock Exchange would be issued by the Company solely for the purposes of obtaining a listing of the Euro Notes on the Irish Stock Exchange following completion of the offering and issuance of the Euro Notes contemplated in this offering circular and such listing particulars should not be relied upon by any person. The information contained in such listing particulars will be materially different from the information included in this offering circular because, among other things, the financial information to be included in such listing particulars will be in respect of a period subsequent to the most recent period presented herein. Application is expected to be made to list the Euro Notes on the Official List of the Irish Stock Exchange and to trading on the Global Exchange Market of such exchange, which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that a listing of the Euro Notes on the Global Exchange Market of the Irish Stock Exchange will be obtained prior to the date of the first interest payment of the Euro Notes or at all. The offering and issuance of the Euro Notes will be consummated prior to the listing being obtained.

The following description is a summary of the material provisions of the Notes and the Indenture and does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, including the definitions therein of certain terms used below. We urge you to read the Indenture because it, not this “Description of Notes,” will define your rights as Holders of the Notes. You may request a copy of the Indenture at our address set forth under the heading “Where You Can Find More Information.”

On the Issue Date, the Company will be a wholly owned subsidiary of E. I. du Pont de Nemours and Company, a Delaware corporation (“DuPont”). Following the Issue Date, DuPont expects to complete the separation and distribution of the Company. See “The Transactions” for additional information about the separation and distribution. In the event that the separation and distribution are not completed or before November 30, 2015 or if, prior to such date, DuPont has abandoned the separation and distribution, certain mandatory redemption rights will be applicable as described under the heading “—Special Mandatory Redemption.”

Notwithstanding any provision of the Notes and the Indenture, nothing therein shall be deemed to prevent, restrict or otherwise impose limitations on the ability of DuPont, the Company and their respective Subsidiaries

to enter into and perform the Transactions (including the Separation and Distribution Documents) and to consummate the separation and distribution, and no such action, in and of itself, shall be deemed to constitute or result in a Default or an Event of Default.

Brief Description of the Notes

The Notes:

- will be senior unsecured unsubordinated obligations of the Company;
- will be effectively subordinated to any existing or future Secured Indebtedness of the Company (including the Company's existing and future Obligations under the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Secured Indebtedness;
- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of the Company's Subsidiaries that do not guarantee the Notes;
- will rank *pari passu* in right of payment with all existing and future Senior Indebtedness of the Company, including the Company's existing and future Obligations under the Senior Secured Credit Facilities;
- will be senior in right of payment to any future Subordinated Indebtedness of the Company;
- will be guaranteed on a senior unsecured basis by the Guarantors, as described under "—Guarantees;" and
- will be subject to registration with the SEC pursuant to the Registration Rights Agreement.

As of the date of the Indenture, all of the Company's Subsidiaries will be "Restricted Subsidiaries." However, under certain circumstances, we will be permitted to designate certain of our subsidiaries as "Unrestricted Subsidiaries." Any Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture and will not guarantee the Notes.

Guarantees

The Notes will be guaranteed on a senior unsecured unsubordinated basis by each of the Company's direct and indirect Domestic Restricted Subsidiaries that guarantee our Senior Secured Credit Facilities. Except as set forth in the next paragraph, the Guarantors, as primary obligors and not merely as sureties, will initially jointly and severally, fully and unconditionally guarantee, on a senior unsecured unsubordinated basis, the performance and full and punctual payment when due, whether at maturity, by acceleration or otherwise, of all obligations of the Company under the Indenture and the Notes, whether for payment of principal of, or any premium or interest on or in respect of, the Notes, expenses, indemnification or otherwise, on the terms set forth in the Indenture by executing such Indenture.

In the future, each direct and indirect Restricted Subsidiary, other than a direct or indirect Foreign Subsidiary or Foreign Subsidiary Holding Company of the Company, that (a) incurs or guarantees any Indebtedness under our Senior Secured Credit Facilities, or (b) guarantees other Indebtedness of the Company or any Guarantor in an aggregate principal amount in excess of \$75 million, will guarantee the Notes. As of the Issue Date, none of our Foreign Subsidiaries or Foreign Subsidiary Holdings Companies will guarantee the Notes, and no Foreign Subsidiaries or Foreign Subsidiary Holdings Companies are expected to Guarantee the Notes in the future. Each of the Guarantees of the Notes:

- will be a senior unsecured unsubordinated obligation of each Guarantor;
- will be effectively subordinated to any existing or future Secured Indebtedness of such Guarantor (including such Guarantor's guarantee of the Senior Secured Credit Facilities) to the extent of the value of the collateral securing such Indebtedness;

- will be structurally subordinated to all existing and future Indebtedness, claims of holders of Preferred Stock and other liabilities of Subsidiaries of such Guarantor that do not guarantee the Notes;
- will rank *pari passu* in right of payment with all existing and future Senior Indebtedness of each such Guarantor, including such Guarantor's existing and future Obligations under the Senior Secured Credit Facilities; and
- will be senior in right of payment to all existing and future Subordinated Indebtedness of each such Guarantor.

Not all of the Company's Subsidiaries will be required to guarantee the Notes. In the event of a bankruptcy, liquidation, reorganization or similar proceeding of any of these non-guarantor Subsidiaries, the non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to the Company or any Subsidiary Guarantor. As a result, all of the existing and future liabilities of these non-guarantor Subsidiaries, including any claims of trade creditors, will be effectively senior to the Notes.

Each Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by that Restricted Subsidiary without rendering the Guarantee, as it relates to such Restricted Subsidiary, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally. This provision may not, however, be effective to protect a Guarantee from being voided under fraudulent transfer law, or may reduce the applicable Guarantor's obligation to an amount that effectively makes its Guarantee worthless. Any entity that makes a payment under its Guarantee will be entitled upon payment in full of all guaranteed obligations under the Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP. If a Guarantee were rendered voidable, it could be subordinated by a court to all other indebtedness and other obligations (including guarantees and other contingent liabilities) of the Guarantor, and, depending on the amount of such indebtedness and other obligations, a Guarantor's liability on its Guarantee could be reduced to zero. See "Risk Factors—Risks Related to our Indebtedness and the Notes—Federal and state statutes may allow courts, under specific circumstances, to void the notes and the guarantees, subordinate claims in respect of the notes and the guarantees and/or require holders of the notes to return payments received from us."

A Guarantee by a Subsidiary Guarantor will provide by its terms that it will be automatically and unconditionally released and discharged with respect to the Notes, without further action required on the part of the Subsidiary Guarantor, the Trustee or any holder of Notes, upon:

- (1) (a) any direct or indirect sale, exchange, transfer or other disposition (by merger, consolidation or otherwise) of the Capital Stock of such Subsidiary Guarantor, after which the applicable Subsidiary Guarantor is no longer a Restricted Subsidiary, if such sale, exchange, transfer or other disposition is not in violation of the applicable terms of the Indenture;
- (b) the release or discharge of the Indebtedness or guarantee of Indebtedness by such Subsidiary Guarantor that resulted in the creation of such Guarantee except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the purposes of this provision);
- (c) the direct or indirect sale, exchange, transfer or other disposition of all or substantially all of the assets of such Subsidiary Guarantor, in a transaction that is not in violation of the applicable terms of the Indenture, to any Person who is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary;
- (d) the release or discharge of such Subsidiary Guarantor from its guarantee, and of all pledges and security, if any, granted by such Subsidiary Guarantor in connection with the Senior Secured Credit Facilities, except a release or discharge by or as a result of payment under such guarantee (it being understood that a release subject to a contingent reinstatement will constitute a release for the

purposes of this provision); *provided* that at the time of such release or discharge, such Subsidiary Guarantor is not then a guarantor or an obligor in respect of any other Indebtedness that would require a Guarantee of the Notes under the Indenture;

(e) the proper designation of any Restricted Subsidiary that is a Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the provisions set forth under “—Certain Covenants—Limitation on Restricted Payments” and the definition of “Unrestricted Subsidiary”;

(f) the merger or consolidation of any Guarantor with and into the Company or another Guarantor or upon the liquidation of such Guarantor following the transfer of all of its assets to the Company or another Guarantor; or

(g) the Company exercising its defeasance option or covenant defeasance option with respect to the Notes as described under “—Legal Defeasance and Covenant Defeasance” or the Company’s obligations under the Indenture being discharged with respect to the Notes in accordance with the terms of the Indenture;

and, in the case of this clause (1), such Subsidiary Guarantor delivering to the Trustee an Officer’s Certificate and opinion stating that all conditions precedent provided for in the Indenture relating to the release of such Guarantee shall have been complied with; or

(2) the consent of Holders of a majority in aggregate principal amount of the outstanding Notes of each applicable series.

Upon request of the Company or the applicable Subsidiary Corporation, the Trustee shall evidence such release by a supplemental indenture or other instrument which may be executed by the Trustee without the consent of any Holder of the Notes (other than a release or discharge pursuant to clause (2) above).

Ranking

The payment of the principal of, premium, if any, and interest on the Notes and the payment of any Guarantee will rank *pari passu* in right of payment with all Senior Indebtedness of the Company or the relevant Guarantor, as the case may be, including the obligations of the Company and such Guarantor under the Senior Secured Credit Facilities. The ranking of the Notes and the Guarantees is more fully described above under “—Brief Description of the Notes” and “—Guarantees.”

Secured Indebtedness of the Company (including the Company’s obligations in respect of the Senior Secured Credit Facilities) will be effectively senior to the Notes to the extent of the value of the collateral securing such Indebtedness. As of December 31, 2014, after giving *pro forma* effect to the Transactions, the Company and the Subsidiary Guarantors would have had \$1,500 million of Secured Indebtedness outstanding and an additional \$1,000 million available for borrowing under the Senior Secured Credit Facilities.

All of our operations are conducted through our Subsidiaries. Some of our Subsidiaries, including all of our Foreign Subsidiaries and all of our Foreign Subsidiary Holding Companies, are not guaranteeing the Notes and, as described above under “—Guarantees,” Guarantees may be released under certain circumstances. In addition, our future Subsidiaries may not be required to guarantee the Notes. Claims of creditors of such non-guarantor Subsidiaries, including trade creditors and creditors holding Indebtedness of such non-guarantor Subsidiaries, and claims of holders of Preferred Stock of such non-guarantor Subsidiaries, generally will have priority with respect to the assets and earnings of such non-guarantor Subsidiaries over the claims of our creditors, including holders of the Notes. Accordingly, the Notes will be effectively subordinated to creditors (including trade creditors) and holders of Preferred Stock, if any, of our non-guarantor Subsidiaries. As of December 31, 2014, after giving *pro forma* effect to the Transactions, the total liabilities of our non-guarantor Subsidiaries would have been approximately \$994 million, including trade payables.

Although the Indenture will contain limitations on the amount of additional Indebtedness that the Company and the Restricted Subsidiaries may incur, under certain circumstances the amount of such Indebtedness could be substantial. The Indenture does not limit the amount of liabilities that are not considered Indebtedness that may be incurred by the Company or its Restricted Subsidiaries, including the non-guarantor Subsidiaries. See “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.”

Paying Agent and Registrar for the Notes

The Company will maintain a paying agent for the Notes. The initial paying agent for the Dollar Notes will be the Trustee. The initial paying agent for the Euro Notes will be Elavon Financial Services Limited, UK Branch. The Company undertakes that, so long as the Euro Notes remain outstanding, it will ensure that it maintains a paying agent with respect to the Euro Notes in a member state of the European Union that will not be obligated to withhold or deduct tax pursuant to the Council of the European Union Directive 2003/48/EC (as amended from time to time) or any other law or directive implementing the conclusions of the Economic and Financial Affairs Council meeting of 26 and 27 November 2000 on the taxation of savings income, or any law implementing, or complying with or introduced in order to conform to, such directive. The applicable paying agent will make payments on the Notes on behalf of the Company. The paying agent, or agents, as applicable, will hold all cash and securities for the benefit of the Trustee and the respective Holders.

The Company will also maintain a registrar with respect to the Dollar Notes and a registrar and transfer agent with respect to the Euro Notes. The initial registrar for the Dollar Notes will be the Trustee. The initial registrar and transfer agent for the Euro Notes will be Elavon Financial Services Limited. The applicable registrar will maintain a register reflecting ownership of the applicable Notes outstanding from time to time and facilitate transfers of Notes on behalf of the Company.

The Company may change the paying agents, the transfer agents or the registrars without prior notice to the Holders. The Company or any of its Subsidiaries may act as a paying agent or registrar with respect to the Dollar Notes. If and for so long as the Euro Notes are listed on the Global Exchange Market and the rules of the Irish Stock Exchange so permit, the Company will publish a notice of any change of paying agent, registrar or transfer agent on the official website of the Irish Stock Exchange (<http://www.ise.ie>).

Transfer and Exchange

A Holder may transfer or exchange Notes in accordance with the Indenture. The applicable registrar and the Trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of Notes. Holders will be required to pay all taxes due on transfer. The Company will not be required to transfer or exchange any Note selected for redemption. Also, the Company will not be required to transfer or exchange any Note for a period of 30 days before a selection of Notes to be redeemed.

Principal, Maturity and Interest

The Company will issue (1) the 2023 Dollar Notes initially with an aggregate principal amount of \$1,350 million, (2) the 2025 Dollar Notes initially with an aggregate principal amount of \$750 million and (3) the Euro Notes initially with an aggregate principal amount of €360 million. The 2023 Dollar Notes will mature on May 15, 2023, the 2025 Dollar Notes will mature on May 15, 2025 and the Euro Notes will mature on May 15, 2023. Subject to compliance with the covenants described below under the caption “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock,” the Company may issue additional Notes from time to time after this offering under the Indenture (any such additional Notes, for purposes of this Description of Notes, “Additional Notes”). Except as otherwise provided herein, the Notes of a series offered hereby and any Additional Notes of such series subsequently issued under

the Indenture will be treated as a single class for all purposes under such Indenture, including waivers, amendments, redemptions and offers to purchase; *provided* that if the Additional Notes of a series are not fungible with the Notes of such series for United States federal income tax purposes, such Additional Notes will have a separate CUSIP number. Unless otherwise specified, or the context requires otherwise, references to “Notes” of a series for all purposes of the Indenture and this “Description of Notes” include any additional Notes of such series that are actually issued. The Company will issue Dollar Notes in minimum denominations of \$2,000 (the “Dollar Minimum Denomination”) and integral multiples of \$1,000 in excess thereof, and Euro Notes in minimum denominations of €100,000 (the “Euro Minimum Denomination”) and integral multiples of €1,000 in excess thereof.

Interest on the 2023 Dollar Notes will accrue at the rate of 6.625% per annum, interest on the 2025 Dollar Notes will accrue at the rate of 7.000% per annum and interest on the Euro Notes will accrue at the rate of 6.125% per annum. Interest on each series of Notes will be payable semiannually in arrears on May 15 and November 15 of each year, commencing on November 15, 2015, to the holders of record of those Notes on the immediately preceding May 1 or November 1, as applicable. Additional interest may accrue on the Notes in certain circumstances pursuant to the Registration Rights Agreement. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the issue date of the Notes. Interest on the Notes will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Principal of, premium, if any, and interest on (x) the Dollar Notes will be payable at the office or agency of the Company maintained for such purpose, and (y) the Euro Notes will be payable at the office or agency of the paying agent or registrar of the Euro Notes maintained for such purpose or, at the option of the Company, payment of interest may be made by check mailed to the Holders of the Notes at their respective addresses set forth in the register of Holders; *provided* that all payments of principal, premium, if any, and interest with respect to (x) the Dollar Notes represented by one or more global notes registered in the name of or held by DTC or its nominee will be made by wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof, and (y) the Euro Notes represented by one or more global notes registered in the name of a nominee of and held by the common depository for Euroclear Bank S.A./N.V. as the operator of the Euroclear System (“Euroclear”), and Clearstream Banking, société anonyme (“Clearstream”) will be made by the wire transfer of immediately available funds to the accounts specified by the Holder or Holders thereof. The rights of holders of beneficial interests in the Euro Notes to receive payment on such Euro Notes are subject to applicable procedures of Euroclear and Clearstream. Until otherwise designated by the Company, the Company’s office or agency will be the office of the Trustee maintained for such purpose. If the due date for any payment in respect of the Notes is not a Business Day at the place at which such payment is due to be paid, the holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any further interest or other payment as a result of any such delay.

Issuance of Euro Notes in Euros

All payments of principal and interest on the Euro Notes, including payments made upon any redemption of the Euro Notes, will be payable in Euros. If the Euro is unavailable to us on the date that is two Business Days prior to the relevant payment date as a result of the imposition of exchange controls or other circumstances beyond our control, or if the Euro is no longer being used by the then member states of the European Economic and Monetary Union that have adopted the Euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then we will be entitled, until the Euro is again available to us or so used, to satisfy our payment obligations in respect of the Euro Notes by making such payments in U.S. Dollars. The amount payable on any date in Euros will be converted by the Company into U.S. Dollars at the rate mandated by the U.S. Federal Reserve Board as of the close of business on the second Business Day prior to the relevant payment date or, in the event the U.S. Federal Reserve Board has not mandated a rate of conversion, on the basis of the most recent U.S. Dollar/Euro exchange rate published in The

Wall Street Journal on or prior to the second Business Day prior to the relevant payment date. If the U.S. Dollar/Euro exchange rate is not published in The Wall Street Journal on the second Business Day prior to the relevant payment date, the amount payable on any relevant payment date in Euros will be converted into U.S. Dollars at the Market Exchange Rate (as defined below) on the second Business Day before that payment is due, or if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate on or before the date that payment is due. "Market Exchange Rate" means the noon buying rate in the City of New York for cable transfers of Euros as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

Any payment in respect of the Euro Notes so made in U.S. Dollars will not constitute an Event of Default in respect of the Euro Notes or under the Indenture. Neither the Trustee nor any paying agent shall have any responsibility for any calculation or conversion in connection with the foregoing or otherwise under the Indenture or in connection with any Notes. Investors will be subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them. See "Risk Factors."

Payment of Additional Amounts on the Euro Notes

All payments of principal and interest on the Euro Notes by the Company will be made free and clear of and without withholding or deduction for or on account of any present or future tax, assessment or other governmental charge imposed by the United States (as defined below), unless the Company is required to withhold or deduct such taxes, assessments or other governmental charge by law or the official interpretation or administration thereof. The Company will, subject to the exceptions and limitations set forth below, pay as additional interest on Euro Notes such additional amounts (the "additional amounts") as are necessary in order that the net payment by the Company of the principal of and interest on such Euro Notes to a Holder who is not a United States person (as defined below), after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States, will not be less than the amount provided in such Euro Notes to be then due and payable; *provided, however*, that the foregoing obligation to pay additional amounts shall not apply:

1. to any tax, assessment or other governmental charge that is imposed by reason of the Holder (or the beneficial owner for whose benefit such Holder holds such Euro Note), or a fiduciary, settlor, beneficiary, member or shareholder of the Holder if the Holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:
 - a. being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;
 - b. having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of such Euro Notes, the receipt of any payment or the enforcement of any rights in respect of the Notes), including being or having been a citizen or resident of the United States;
 - c. being or having been a foreign or domestic personal holding company, a passive foreign investment company or a controlled foreign corporation for United States income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;
 - d. being or having been a "10-percent shareholder" of the Company as defined in section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the "Code") or any successor provision; or
 - e. being or having been a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business, as described in section 881(c)(3)(A) of the Code or any successor provision;
2. to any Holder that is not the sole beneficial owner of such Euro Notes, or a portion of such Euro Notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the Holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or

member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

3. to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the Holder or beneficial owner to submit an applicable United States Internal Revenue Service (“IRS”) Form W-8BEN or Form W-8BEN-E (or appropriate substitute or successor form with any required attachments) to establish the status as a non-United States person as required for purposes of the portfolio interest exemption or IRS Form W-9 to establish the status as a United States person, or comply with other certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the Holder or beneficial owner of such Euro Notes, if compliance is required by statute, by regulation of the United States or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;
4. to any tax, assessment or other governmental charge that is imposed otherwise than by deduction or withholding by the Company or a paying agent from the payment;
5. to any estate, inheritance, gift, sales, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;
6. to any withholding or deduction that is imposed on a payment and that is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive amending, supplementing or replacing such Directive, or any law implementing or complying with, or introduced in order to conform to, such Directive or Directives;
7. to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any Euro Note as a result of the presentation of any Euro Note for payment (where presentation is required) by or on behalf of a holder of Euro Notes, if such payment could have been made without such withholding by presenting the relevant note to at least one other paying agent in a member state of the European Union;
8. to any tax, assessment or other governmental charge that would not have been imposed or levied but for the presentation by the Holder of any Euro Note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
9. to any tax, assessment or other governmental charge imposed under sections 1471 through 1474 of the Code as of the issue date (or any amended or successor provisions that are substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code; or
10. in the case of any combination of items (1) through (9) above.

The Euro Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the Euro Notes. Except as specifically provided under this heading “—Payment of Additional Amounts on the Euro Notes,” the Company will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading “—Payment of Additional Amounts on the Euro Notes” and the heading “—Redemption of Euro Notes for Tax Reasons”, the term “United States” means the United States of America, the states of the United States, and the District of Columbia, including in each case, any political subdivision or taxing authority thereof or therein having power to tax, and the term “United States person” means any individual

who is a citizen or resident of the United States for U.S. federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Redemption of Euro Notes for Tax Reasons

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States, or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings (including by virtue of a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice), which change or amendment is announced or becomes effective on or after the date of this offering circular, the Company becomes or, based on a written opinion of independent counsel selected by the Company, will become, obligated to pay additional amounts as described herein under the heading “—Payment of Additional Amounts on the Euro Notes” with respect to the Euro Notes (such change or amendment, a “Change in Tax Law”), then the Company may at any time at the Company’s option redeem, in whole, but not in part, the Euro Notes on not less than 30 nor more than 60 days prior notice, at a redemption price equal to 100% of their principal amount, together with accrued and unpaid interest on the Euro Notes to, but excluding, the redemption date.

Mandatory Redemption; Offers to Purchase; Acquisition of Notes

Other than pursuant to the Special Mandatory Redemption provisions described below, we are not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, we may be required to offer to purchase Notes as described under “—Repurchase at the Option of Holders.” We may, and our affiliates may, at any time and from time to time, acquire Notes by means other than a redemption, including by tender offer, open market purchases, negotiated transactions or otherwise (including in connection with a consent solicitation), in accordance with applicable securities laws, in each case so long as such acquisition does not violate the terms of the Indenture.

Special Mandatory Redemption

If (1) the separation and distribution have not been completed on or before November 30, 2015, or (2) prior to November 30, 2015, DuPont has delivered to the Trustee and the Company an Officer’s Certificate indicating that it has abandoned the separation and distribution (the earlier to occur of (1) or (2), the “Special Mandatory Redemption Event”), then the Company will, on the Special Mandatory Redemption Date (as defined below), redeem each series of Notes (the “Special Mandatory Redemption”) at a redemption price (the “Special Mandatory Redemption Price”) equal to (a) 100% of the initial issue price of such series of Notes if the Special Mandatory Redemption Date is on or before August 15, 2015, or (b) 101% of the principal amount of such Notes, in each case plus accrued and unpaid interest from the Issue Date to, but not including, the Special Mandatory Redemption Date (subject to the right of Holders of record of Notes on the relevant record date to receive interest due on the relevant interest payment date).

“Special Mandatory Redemption Date” means the date that is 30 days after the Special Mandatory Redemption Notice Date.

Notice of the Special Mandatory Redemption will be delivered electronically or mailed by the Company no later than three business days following a Special Mandatory Redemption Event to each Holder of Notes at its registered address and the Trustee (such date of mailing, the “Special Mandatory Redemption Notice Date”). On or prior to the Special Mandatory Redemption Date, the Company shall pay to a paying agent for payment to each Holder of Notes the Special Mandatory Redemption Price for such Holder’s Notes.

Certain provisions relating to the Company's obligations to redeem the Notes pursuant to the Special Mandatory Redemption described above may not be waived or modified without the written consent of each Holder of the applicable Notes of the applicable series of Notes. Failure to make the Special Mandatory Redemption, if required, in accordance with the terms described above will constitute an Event of Default with respect to the Notes.

Optional Redemption

2023 Dollar Notes

Except as set forth below, the Company will not be entitled to redeem the 2023 Dollar Notes at its option prior to May 15, 2018.

At any time prior to May 15, 2018, the Company may redeem all or a part of the 2023 Dollar Notes upon notice as described under “—Optional Redemption—Selection and Notice” below, at a redemption price equal to 100% of the principal amount of 2023 Dollar Notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption (the “2023 Dollar Notes Redemption Date”), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

On and after May 15, 2018, the Company may redeem the 2023 Dollar Notes, in whole or in part, upon notice as described under the heading “—Optional Redemption—Selection and Notice” below, at the redemption prices (expressed as percentages of principal amount of the 2023 Dollar Notes to be redeemed) set forth below, *plus* accrued and unpaid interest thereon, to the 2023 Dollar Notes Redemption Date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed beginning on May 15 of the years indicated below:

Date	Percentage
2018.....	104.969%
2019.....	103.313%
2020.....	101.656%
2021 and thereafter	100.0%

In addition, until May 15, 2018, the Company may, at its option, on one or more occasions, redeem up to 35% of the aggregate principal amount of 2023 Dollar Notes issued by it at a redemption price equal to 106.625% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, to, but excluding, the 2023 Dollar Notes Redemption Date, subject to the right of Holders of 2023 Dollar Notes of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 65% of the aggregate principal amount of the 2023 Dollar Notes originally issued under the Indenture (calculated after giving effect to any issuance of Additional Notes) remains outstanding immediately after the occurrence of each such redemption; *provided further* that each such redemption occurs within 90 days of the date of closing of each such Equity Offering.

Notwithstanding the foregoing, in connection with any tender offer for all of the outstanding 2023 Dollar Notes at a price of at least 100% of the principal amount of the 2023 Dollar Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date (including any Change of Control Offer), if Holders of not less than 90% in aggregate principal amount of the outstanding 2023 Dollar Notes validly tender and do not withdraw such 2023 Dollar Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the 2023 Dollar Notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase date, to redeem all

2023 Dollar Notes that remain outstanding following such purchase at a price equal to the price offered to each other Holder in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the 2023 Dollar Notes Redemption Date.

2025 Dollar Notes

Except as set forth below, the Company will not be entitled to redeem the 2025 Dollar Notes at its option prior to May 15, 2020.

On and after May 15, 2020, the Company may redeem the 2025 Dollar Notes, in whole or in part, upon notice as described under the heading “—Optional Redemption—Selection and Notice” below, at the redemption prices (expressed as percentages of principal amount of the 2025 Dollar Notes to be redeemed) set forth below, *plus* accrued and unpaid interest thereon, to the date of redemption (the “2025 Dollar Notes Redemption Date”), subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed beginning on May 15 of the years indicated below:

Date	Percentage
2020	103.500%
2021	102.333%
2022	101.167%
2023 and thereafter	100.0%

Notwithstanding the foregoing, in connection with any tender offer for all of the outstanding 2025 Dollar Notes at a price of at least 100% of the principal amount of the 2025 Dollar Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date (including any Change of Control Offer), if Holders of not less than 90% in aggregate principal amount of the outstanding 2025 Dollar Notes validly tender and do not withdraw such 2025 Dollar Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the 2025 Dollar Notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days’ prior notice, given not more than 30 days following such purchase date, to redeem all 2025 Dollar Notes that remain outstanding following such purchase at a price equal to the price offered to each other Holder in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the 2025 Dollar Notes Redemption Date.

Euro Notes

Except as set forth below or as set forth under “Redemption of Euro Notes for Tax Reasons” above, the Company will not be entitled to redeem the Euro Notes at its option prior to May 15, 2018.

At any time prior to May 15, 2018, the Company may redeem all or a part of the Euro Notes upon notice as described under “—Optional Redemption—Selection and Notice” below, at a redemption price equal to 100% of the principal amount of Euro Notes redeemed *plus* the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding, the date of redemption (the “Euro Notes Redemption Date”), subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

On and after May 15, 2018, the Company may redeem the Euro Notes, in whole or in part, upon notice as described under the heading “—Optional Redemption—Selection and Notice” below, at the redemption prices (expressed as percentages of principal amount of the Euro Notes to be redeemed) set forth below, *plus* accrued

and unpaid interest thereon, to the Euro Notes Redemption Date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed beginning on May 15 of the years indicated below:

Date	Percentage
2018.....	104.594%
2019.....	103.063%
2020.....	101.531%
2021 and thereafter	100.0%

In addition, until May 15, 2018, the Company may, at its option, on one or more occasions, redeem up to 35% of the aggregate principal amount of Euro Notes issued by it at a redemption price equal to 106.125% of the aggregate principal amount thereof, plus accrued and unpaid interest thereon, to, but excluding, the Euro Notes Redemption Date, subject to the right of Holders of Euro Notes of record on the relevant record date to receive interest due on the relevant interest payment date, with the net cash proceeds of one or more Equity Offerings; *provided* that at least 65% of the aggregate principal amount of the Euro Notes originally issued under the Indenture (calculated after giving effect to any issuance of Additional Notes) remains outstanding immediately after the occurrence of each such redemption; *provided further* that each such redemption occurs within 90 days of the date of closing of each such Equity Offering.

Notwithstanding the foregoing, in connection with any tender offer for all of the outstanding Euro Notes at a price of at least 100% of the principal amount of the Euro Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date (including any Change of Control Offer), if Holders of not less than 90% in aggregate principal amount of the outstanding Euro Notes validly tender and do not withdraw such Euro Notes in such tender offer and the Company, or any third party making such a tender offer in lieu of the Company, purchases all of the Euro Notes validly tendered and not withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase date, to redeem all Euro Notes that remain outstanding following such purchase at a price equal to the price offered to each other Holder in such tender offer plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, the Euro Notes Redemption Date.

Selection and Notice

Notices of redemption shall be delivered electronically or mailed by first-class mail, postage prepaid, at least 30 but not more than 60 days before the applicable Redemption Date to each Holder of Notes to be redeemed at such Holder's registered address or otherwise in accordance with the procedures of DTC with respect to the Dollar Notes or the procedures of Euroclear and Clearstream with respect to the Euro Notes, except that redemption notices may be delivered more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the applicable Notes or a satisfaction and discharge of the Indenture. If any Note is to be redeemed in part only, any notice of redemption that relates to such Notes shall state the portion of the principal amount thereof that has been or is to be redeemed.

Notice of any redemption may be given prior to the completion of any offering or other corporate transaction, and any redemption or notice may, at the Company's discretion, be subject to one or more conditions precedent, including, but not limited to, the completion of the related offering or corporate transaction.

If the Company is redeeming less than all of the Notes of a series issued under the Indenture at any time, the Trustee will select the Notes of the applicable series to be redeemed (1) if the Company has notified the Trustee that the Notes of the applicable series are listed on an exchange, in compliance with the requirements of such exchange or (2) on a pro rata basis to the extent practicable, or, if a pro rata basis is not practicable or permitted

for any reason, by lot or by such other method as may be prescribed by, in respect of the Dollar Notes, DTC's applicable procedures, or, in respect of the Euro Notes, Euroclear and Clearstream's applicable procedures. No Dollar Notes of the Dollar Notes Minimum Denomination or less, and no Euro Notes of the Euro Notes Minimum Denomination or less, may be redeemed in part.

If and for so long as any Euro Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Global Exchange Market and the rules of the Irish Stock Exchange so require, any such notice to the holder of the relevant Euro Notes shall also be released by the Company through the Companies Announcement Office of the Irish Stock Exchange and, in connection with any redemption, the Company will notify the Irish Stock Exchange of any change in the principal amount of Euro Notes outstanding.

With respect to Notes represented by certificated notes, the Company will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the Holder upon cancellation of the original Note; *provided*, that new Dollar Notes will only be issued in the Dollar Minimum Denomination and integral multiples of \$1,000 in excess thereof and new Euro Notes will only be issued in the Euro Minimum Denomination and integral multiples of €1,000 in excess thereof. Notes called for redemption become due on the date fixed for redemption, unless such redemption is conditioned on the happening of one or more future events or conditions precedent. On the applicable Redemption Date, interest will cease to accrue on Notes or any series or portion thereof called for redemption.

Repurchase at the Option of Holders

Change of Control

The Indenture will provide that if a Change of Control occurs after the Issue Date, unless the Company has previously or concurrently mailed a redemption notice with respect to all the outstanding Notes as described under "—Optional Redemption," the Company will make an offer to purchase all of the Notes pursuant to the offer described below (the "Change of Control Offer") at a price in cash (the "Change of Control Payment") equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase, subject to the right of Holders of the Notes of record on the relevant record date to receive interest due on the relevant interest payment date. For the avoidance of doubt, the separation and distribution will not be deemed to be a Change of Control. Within 30 days following any Change of Control, the Company will deliver notice of such Change of Control Offer with a copy to the Trustee, to each Holder of Notes to the address of such Holder appearing in the security register or otherwise in accordance with the procedures of DTC with respect to the Dollar Notes or the procedures of Euroclear and Clearstream with respect to the Euro Notes, with the following information:

(1) that a Change of Control Offer is being made pursuant to the covenant entitled "Change of Control" under the Indenture and that all Notes properly tendered pursuant to such Change of Control Offer will be accepted for payment by the Company;

(2) the purchase price and the purchase date, which will be no earlier than 30 days nor later than 60 days from the date such notice is sent (the "Change of Control Payment Date"), except in the case of a conditional Change of Control Offer made in advance of a Change of Control as described below;

(3) that any Note not properly tendered will remain outstanding and continue to accrue interest;

(4) that, unless the Company defaults in the payment of the Change of Control Payment required to be made, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender such Notes, with the form entitled "Option of Holder to Elect Purchase" on the reverse of such Notes completed, to the paying agent specified in the notice at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their tendered Notes and their election to require the Company to purchase such Notes; *provided* that the applicable paying agent receives, not later than the close of business on the expiration date of the Change of Control Offer, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder of the Notes, the principal amount of Notes tendered for purchase, and a statement that such Holder is withdrawing its tendered Notes and its election to have such Notes purchased;

(7) the other instructions, as determined by the Company, consistent with the covenant described hereunder, that a Holder must follow; and

(8) if such notice is sent prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional upon the occurrence of such Change of Control.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue of such conflict.

On the Change of Control Payment Date, the Company will, to the extent permitted by law,

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer,

(2) deposit with the applicable paying agent an amount equal to the aggregate Change of Control Payment in respect of all Notes or portions thereof properly tendered, and

(3) deliver, or cause to be delivered, to the Trustee for cancellation the Notes so accepted together with an Officer's Certificate to the Trustee stating that such Notes or portions thereof have been tendered to, and purchased by, the Company.

The Senior Secured Credit Facilities provide, and future credit agreements or other agreements relating to Indebtedness to which the Company becomes a party may provide, that certain change of control events with respect to the Company would constitute a default thereunder (including events that would constitute a Change of Control under the Indenture). If we experience a change of control event that triggers a default or prepayment provision under the Senior Secured Credit Facilities or any such future Indebtedness, we could seek a waiver of such default or prepayment provision or seek to refinance the Senior Secured Credit Facilities or such future Indebtedness. In the event we do not obtain such a waiver and do not refinance the Senior Secured Credit Facilities or such future Indebtedness, such default could result in amounts outstanding under the Senior Secured Credit Facilities or such future Indebtedness being declared due and payable or lending commitments being terminated.

Our ability to pay cash to the Holders of Notes following the occurrence of a Change of Control may be limited by our then-existing financial resources. Therefore, sufficient funds may not be available when necessary to make any required repurchases. See "Risk Factors—Risks Relating to our Indebtedness and the Notes—We may not be able to finance a change of control offer required by the indenture."

The Change of Control purchase provisions of the Indenture described above may in certain circumstances make more difficult or discourage a sale or takeover of us and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the initial purchasers and us. We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or

otherwise affect our capital structure or credit ratings. Restrictions on our ability to incur additional Indebtedness are contained in the covenants described under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” and “—Certain Covenants—Liens.” However, the covenants are subject to significant exceptions. Such restrictions in the Indenture can be waived, with respect to any series of Notes, with the consent of the Holders of a majority in principal amount of the Notes of the applicable series then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that may afford Holders of the Notes protection in the event of a highly leveraged transaction.

We will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all Notes properly tendered and not withdrawn under such Change of Control Offer.

Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

The definition of “Change of Control” includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the assets of the Company and its Restricted Subsidiaries, taken as a whole. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Company to make an offer to repurchase the Notes as described above.

The provisions under the Indenture relating to the Company’s obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified, with respect to any series of Notes, with the written consent of the Holders of a majority in principal amount of the Notes of the applicable series then outstanding, including after the entry into of an agreement that would result in the need to make a Change of Control Offer.

If and for so long as the Euro Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Global Exchange Market and the rules of the Irish Stock Exchange so require, notices of any amendment, supplement or waiver shall be published through the Companies Announcement Office of the Irish Stock Exchange and/or, to the extent and in the manner permitted by the rules of the Irish Stock Exchange, on the official website of the Irish Stock Exchange.

Asset Sales

The Indenture will provide that the Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale, unless:

(1) the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by the Company at the time of contractually agreeing to such Asset Sale) of the assets sold or otherwise disposed of or the Equity Interests issued; and

(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents; *provided* that the following shall be deemed to be cash for purposes of this provision and for no other purpose:

(a) any liabilities (as reflected in the Company’s or such Restricted Subsidiary’s most recent balance sheet or in the footnotes thereto or, if incurred, increased or accrued subsequent to the date of

such balance sheet, such liabilities that would have been shown on the Company's or such Restricted Subsidiary's balance sheet or in the footnotes thereto if such incurrence, increase or accrual had taken place on the date of such balance sheet, as determined in good faith by the Company) of the Company or such Restricted Subsidiary (other than Contingent Obligations and liabilities that are by their terms subordinated to the Notes or the applicable Guarantee) that are assumed by the transferee of any such assets pursuant to a written agreement that releases or indemnifies the Company or such Restricted Subsidiary from such liabilities or that are otherwise extinguished by the transferee in connection with such transaction;

(b) any securities, notes or other similar obligations received by the Company or such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within 180 days of the receipt thereof;

(c) any Designated Non-cash Consideration received by the Company or such Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of \$200.0 million and 3.25% of Total Assets at the time of the receipt of such Designated Non-cash Consideration, with the fair market value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value; and

(d) Capital Stock of a Person that is a Restricted Subsidiary or of a Person engaged in a Similar Business that shall become a Restricted Subsidiary immediately upon the acquisition thereof by the Company or any Restricted Subsidiary.

Within 365 days after the receipt of any Net Proceeds of any Asset Sale, the Company or such Restricted Subsidiary, at its option, may apply an amount equal to the Net Proceeds from such Asset Sale,

(1) to permanently reduce Indebtedness as follows:

(a) to permanently reduce Secured Indebtedness, including Indebtedness under the Senior Secured Credit Facilities, in each case, that is secured by a Lien that is permitted by the Indenture and (if applicable) to permanently reduce commitments with respect thereto;

(b) to permanently reduce Obligations under other Senior Indebtedness of the Company or a Subsidiary Guarantor (and (if applicable) to permanently reduce commitments with respect thereto), *provided* that the Company shall equally and ratably reduce (or offer to reduce, as applicable) Obligations under the Notes; *provided further* that all reductions of Obligations under the Notes shall be made as provided under "—Optional Redemption" or through open-market purchases (to the extent such purchases are at or above 100% of the principal amount thereof plus accrued and unpaid interest) or by making an offer (in accordance with the procedures set forth below for an Asset Sale Offer) to all Holders of Notes to purchase their Notes at 100% of the principal amount thereof, plus the amount of accrued but unpaid interest, if any, on the amount of Notes of the applicable Series that would otherwise be prepaid; or

(c) if the assets that are the subject of such Asset Sale are the property or assets of a Restricted Subsidiary that is not a Subsidiary Guarantor, to permanently reduce Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor, other than Indebtedness owed to the Company or any Restricted Subsidiary;

(2) to make (a) an Investment in any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) capital expenditures or (c) acquisitions of other businesses, properties, assets or intellectual property rights that, in the case of each of (a), (b) and (c), are used or useful in a Similar Business; and/or

(3) to make an Investment in (a) any one or more businesses; *provided* that such Investment in any business is in the form of the acquisition of Capital Stock and results in the Company or any of its Restricted Subsidiaries, as the case may be, owning an amount of the Capital Stock of such business such that it constitutes a Restricted Subsidiary, (b) properties or (c) acquisitions of other businesses, properties, assets or intellectual property rights that, in the case of each of (a), (b) and (c), replace the businesses, properties, assets or intellectual property rights that are the subject of such Asset Sale;

provided that, in the case of clauses (2) and (3) above, a binding commitment entered into not later than the end of such 365-day period shall be treated as a permitted application of the Net Proceeds from the date of such commitment so long as the Company or such Restricted Subsidiary enters into such commitment with the good faith expectation that an amount equal to the Net Proceeds will be applied to satisfy such commitment within 180 days of the end of such 365-day period (an “Acceptable Commitment”) and, in the event any Acceptable Commitment is later cancelled or terminated for any reason before an amount equal to the Net Proceeds is so applied, then the Company or such Restricted Subsidiary shall be permitted to apply an amount equal to the Net Proceeds in any manner set forth above before the expiration of such 180-day period and, in the event the Company or such Restricted Subsidiary fails to do so, then such Net Proceeds shall constitute Excess Proceeds.

Any Net Proceeds from the Asset Sale that are not invested or applied as provided and within the time period set forth in the preceding paragraph will be deemed to constitute “Excess Proceeds.” When the aggregate amount of Excess Proceeds exceeds \$100.0 million (the “Excess Proceeds Threshold”), the Company shall make an offer to all Holders of the Notes and, if required by the terms of any Senior Indebtedness, to the holders of such Senior Indebtedness (an “Asset Sale Offer”), to purchase the maximum aggregate principal amount of the Notes and such Senior Indebtedness that, in the case of Dollar Notes, is an integral multiple of \$1,000 (but in minimum amounts of the Dollar Minimum Denomination) and, in the case of Euro Notes, is an integral multiple of €1,000 (but in minimum amounts of the Euro Minimum Denomination) that may be purchased with such Excess Proceeds at an offer price, in the case of the Notes, in cash in an amount equal to 100% of the principal amount thereof, plus accrued and unpaid interest to the date fixed for the closing of such offer, and in the case of any Senior Indebtedness at the offer price required by the terms thereof but not to exceed 100% of the principal amount thereof, plus accrued and unpaid interest, if any, in each case in accordance with the procedures set forth in the Indenture. The Company will commence an Asset Sale Offer with respect to Excess Proceeds within 10 Business Days after the date that Excess Proceeds exceed the Excess Proceeds Threshold by delivering the notice required pursuant to the terms of the Indenture, with a copy to the Trustee. The Company may satisfy the foregoing obligations with respect to any Net Proceeds from an Asset Sale by making an Asset Sale Offer with respect to such Net Proceeds prior to the expiration of the relevant 365-day period. Upon the completion of each Asset Sale Offer (including a voluntary Asset Sale Offer with respect to all Excess Proceeds even though less than the Excess Proceeds Threshold), the amount of Excess Proceeds shall be reset to zero.

To the extent that the aggregate principal amount of Notes and such Senior Indebtedness, as the case may be, tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company may use any remaining Excess Proceeds for any purposes not otherwise prohibited under the Indenture. If the aggregate principal amount of Notes or Senior Indebtedness, as the case may be, surrendered by such holders thereof exceeds the amount of Excess Proceeds, such Notes or Senior Indebtedness, as the case may be, will be purchased on a pro rata basis based on the accreted value or principal amount of such Notes or Senior Indebtedness, as the case may be, tendered (and the Trustee or applicable Registrar will select the tendered Notes of tendering holders on a pro rata basis, or such other basis in accordance with DTC procedures with respect to the Dollar Notes or the procedures of Euroclear and Clearstream with respect to the Euro Notes, based on the amount of Notes tendered).

Pending the final application of any Net Proceeds, the holder of such Net Proceeds may apply such Net Proceeds temporarily to reduce Indebtedness outstanding under a revolving credit facility or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of the Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of an Indenture, the Company will comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations set forth in the Indenture by virtue thereof.

The provisions under the Indenture relative to the Company's obligation to make an offer to repurchase the Notes as a result of an Asset Sale may be waived or modified, with respect to a series of Notes, with the written consent of the Holders of a majority in principal amount of the Notes of the applicable series then outstanding.

Future credit agreements or other similar agreements to which the Company becomes a party may contain restrictions on the Company's ability to repurchase Notes. In the event an Asset Sale occurs at a time when the Company is prohibited from purchasing Notes, the Company could seek the consent of its lenders to the repurchase of Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such consent or repay such borrowings, the Company will remain prohibited from repurchasing Notes. In such a case, the Company's failure to repurchase tendered Notes when required by the Indenture would constitute an Event of Default under the Indenture which would, in turn, likely constitute a default under such other agreements.

Certain Covenants

Set forth below are summaries of certain covenants contained in the Indenture that will apply to the Company and its Restricted Subsidiaries. For the avoidance of doubt, all covenant basket sizes including any definitions relating thereto are as specified in U.S. Dollars, including with respect to the Euro Notes.

If on any date following the Issue Date (i) the Notes of a series have Investment Grade Ratings from both Rating Agencies, and (ii) no Default or Event of Default has occurred and is continuing under the Indenture, then, beginning on that day (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event") and continuing until the occurrence of the Reversion Date, the covenants specifically listed under the following captions in this "Description of Notes" section of this offering circular will not be applicable to such Notes (collectively, the "Suspended Covenants"):

- (1) "Repurchase at the Option of Holders—Asset Sales;"
- (2) "Limitation on Restricted Payments;"
- (3) "Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;"
- (4) clause (4) of the first paragraph of "—Merger, Consolidation or Sale of All or Substantially All Assets—Company;"
- (5) "Transactions with Affiliates;" and
- (6) "Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries."

During any period that the foregoing covenants have been suspended, the Company may not designate any of its Subsidiaries as Unrestricted Subsidiaries, unless such designation would have complied with the covenant described under "Limitation on Restricted Payments" as if such covenant were in effect during such period.

If and while the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants, the applicable Notes will be entitled to substantially less covenant protection. In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants under an Indenture for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the applicable Notes below an

Investment Grade Rating, then the Company and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under the Indenture with respect to future events. The period of time between the Suspension Date and the Reversion Date is referred to in this description as the “Suspension Period.” Upon the occurrence of a Covenant Suspension Event, the amount of Excess Proceeds from Asset Sales shall be reset to zero.

During any Suspension Period, the Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Lease-Back Transaction; *provided, however*, that the Company or any Restricted Subsidiary may enter into a Sale and Lease-Back Transaction if (i) the Company or such Restricted Subsidiary could have incurred a Lien to secure the Indebtedness attributable to such Sale and Lease-Back Transaction pursuant to “—Liens” below without equally and ratably securing the Notes pursuant to the covenant described therein; and (ii) the consideration received by the Company or such Restricted Subsidiary in that Sale and Lease-Back Transaction is at least equal to the fair market value of the property sold and otherwise complies with “—Repurchase at the Option of Holders—Asset Sales” above; *provided, further*, that the foregoing provisions shall cease to apply on and subsequent to any Reversion Date.

During the Suspension Period, the Company and its Restricted Subsidiaries will be entitled to incur Liens to the extent provided for under “—Liens” (including, without limitation, Permitted Liens) to the extent provided for in such covenant, and any Permitted Liens that refer to one or more Suspended Covenants shall be interpreted as though such applicable Suspended Covenant(s) continued to be applicable during the Suspension Period (but solely for purposes of the “—Liens” covenant and for no other covenant).

Notwithstanding the foregoing, in the event of any such reinstatement, no action taken or omitted to be taken by the Company or any of its Restricted Subsidiaries during the Suspension Period will give rise to a Default or Event of Default under any of the Suspended Covenants; *provided* that (1) after such reinstatement, the amount of Restricted Payments since the Issue Date will be calculated as though the covenant described below under the caption “—Limitation on Restricted Payments” had been in effect prior to, but not during, the Suspension Period; (2) all Indebtedness incurred, or Disqualified Stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to clause (3) of the second paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;” (3) any Affiliate Transaction entered into after such reinstatement pursuant to an agreement entered into during any Suspension Period shall be deemed to be permitted pursuant to clause (11) of the second paragraph of the covenant described under “—Transactions with Affiliates”; and (4) any encumbrance or restriction on the ability of any Restricted Subsidiary that is not a Guarantor to take any action described in clauses (1) through (3) of the first paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries” that becomes effective during any Suspension Period shall be deemed to be permitted pursuant to clause (a) of the second paragraph of the covenant described under “—Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries”.

There can be no assurance that the Notes will ever receive Investment Grade Ratings or, if such ratings are received, that the Notes will maintain such Investment Grade Ratings.

Limitation on Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(I) declare or pay any dividend or make any payment or distribution on account of the Company’s, or any of its Restricted Subsidiaries’ Equity Interests, including any dividend or distribution payable in connection with any merger or consolidation involving the Company or any Restricted Subsidiary, other than:

(a) dividends or distributions by the Company payable solely in Equity Interests (other than Disqualified Stock) of the Company; or

(b) dividends or distributions by a Restricted Subsidiary so long as, in the case of any dividend or distribution payable on or in respect of any class or series of securities issued by a Restricted Subsidiary, the Company or a Restricted Subsidiary receives at least its pro rata share of such dividend or distribution in accordance with its Equity Interests in such class or series of securities;

(II) purchase, redeem, defease or otherwise acquire or retire for value any Equity Interests of the Company, or any direct or indirect parent of the Company, including any such purchase, redemption, defeasance, acquisition or retirement in connection with any merger or consolidation;

(III) make any principal payment on, or redeem, repurchase, defease or otherwise acquire or retire for value, in each case, prior to any scheduled repayment, sinking fund payment or maturity, any Subordinated Indebtedness, other than (a) Indebtedness permitted under clause (7) or (8) of the second paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” or (b) the payment, redemption, repurchase, defeasance or other acquisition of Subordinated Indebtedness in anticipation of satisfying a rescheduled payment, sinking fund obligation, principal installment or maturity, in each case due within one year of the date of payment, redemption, repurchase, defeasance or acquisition; or

(IV) make any Restricted Investment

(all such payments and other actions set forth in clauses (I) through (IV) above (other than any exceptions thereto) being collectively referred to as “Restricted Payments”), unless, at the time of such Restricted Payment:

(1) no Default shall have occurred and be continuing or would occur as a consequence thereof;

(2) immediately after giving effect to such transaction on a *pro forma* basis, the Company could incur \$1.00 of additional Indebtedness under the provisions of the first paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (including Restricted Payments permitted by clause (1) of the next succeeding paragraph, but excluding all other Restricted Payments permitted by the next succeeding paragraph), is less than the sum of (without duplication):

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) beginning on April 1, 2015 to the end of the Company’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment, or, in the case such Consolidated Net Income for such period is a deficit, minus 100% of such deficit; *plus*

(b) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company since immediately after the Issue Date (other than net cash proceeds to the extent such net cash proceeds have been used to incur Indebtedness, or issue Disqualified Stock or Preferred Stock, pursuant to clause (12)(a) of the second paragraph of “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”) from the issue or sale of:

(i) Equity Interests of the Company, including Treasury Capital Stock, but excluding cash proceeds and the fair market value of marketable securities or other property received from the sale of:

(x) Equity Interests to any present, former or future employees, directors, officers, managers or consultants of the Company or any of the Company’s Subsidiaries after the Issue Date to the extent such amounts have been applied to the amount of available Restricted Payments in accordance with clause (5) of the next succeeding paragraph; and

(y) Designated Preferred Stock; and

(ii) debt securities of the Company or any Restricted Subsidiary that have been converted into or exchanged for such Equity Interests of the Company;

provided, however, that this clause (b) shall not include the proceeds from (W) Refunding Capital Stock (as defined below), (X) Equity Interests or convertible debt securities of the Company sold to a Restricted Subsidiary, (Y) Disqualified Stock or debt securities that have been converted into Disqualified Stock or (Z) Excluded Contributions; *plus*

(c) 100% of the aggregate net cash proceeds and the fair market value of marketable securities or other property received by the Company or any Restricted Subsidiary by means of:

(i) the sale or other disposition (other than to the Company or a Restricted Subsidiary) of Restricted Investments made by the Company or its Restricted Subsidiaries and repurchases and redemptions of such Restricted Investments from the Company or its Restricted Subsidiaries and repayments of loans or advances that constitute Restricted Investments by the Company or its Restricted Subsidiaries, in each case after the Issue Date; or

(ii) the sale (other than to the Company or a Restricted Subsidiary) of the stock of an Unrestricted Subsidiary (other than to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (11) or (17) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment) or a distribution or dividend from an Unrestricted Subsidiary, in each case, after the Issue Date; *plus*

(d) in the case of the redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the fair market value (as determined in good faith by the Company, *provided* that if such fair market value may exceed \$50.0 million, such determination shall be made by the board of directors of the Company and evidenced by a board resolution) of the Investment in such Unrestricted Subsidiary at the time of the redesignation of such Unrestricted Subsidiary as a Restricted Subsidiary other than to the extent the Investment in such Unrestricted Subsidiary was made by the Company or a Restricted Subsidiary pursuant to clause (11) or (17) of the next succeeding paragraph or to the extent such Investment constituted a Permitted Investment.

The foregoing provisions will not prohibit:

(1) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration thereof or the giving of the irrevocable redemption notice, as applicable, if at the date of declaration or notice such payment would have complied with the provisions of the Indenture;

(2) (a) the redemption, repurchase, defeasance, retirement or other acquisition of any Equity Interests (“Treasury Capital Stock”) or Subordinated Indebtedness of the Company in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company to the extent contributed to the Company (in each case, other than any Disqualified Stock or Designated Preferred Stock) (“Refunding Capital Stock”) and (b) if immediately prior to the retirement of Treasury Capital Stock, the declaration and payment of dividends thereon was permitted under clause (7) of this paragraph, the declaration and payment of dividends on the Refunding Capital Stock in an aggregate per annum amount no greater than the aggregate amount of dividends per annum that were declarable and payable on such Treasury Capital Stock immediately prior to such retirement;

(3) any other Restricted Payment made in exchange for, or out of the proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary) of, Equity Interests of the Company (other than any Disqualified Stock or Designated Preferred Stock);

(4) the redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor made in exchange for, or out of the proceeds of the substantially concurrent sale of, new Indebtedness or Disqualified Stock of the Company or a Subsidiary Guarantor, as the case may be, that in each case is incurred in compliance with the “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” but only:

(a) to the extent that the principal amount (or accreted value, if applicable) of such new Indebtedness does not exceed the principal amount (or accreted value, if applicable) of, plus any

accrued and unpaid interest on, the Subordinated Indebtedness being so redeemed, repurchased, acquired or retired for value, plus the amount of any premium to be paid, defeasance costs and any fees and expenses incurred in connection with the issuance of such new Indebtedness, and any excess amount is otherwise permitted under the Indenture;

(b) if such new Indebtedness is subordinated to the Notes or the applicable Guarantee at least to the same extent, if at all, as such Subordinated Indebtedness so purchased, exchanged, redeemed, repurchased, defeased, acquired or retired for value;

(c) if such new Indebtedness or Disqualified Stock has a final scheduled maturity date equal to or later than the final scheduled maturity date of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired; and

(d) if such new Indebtedness or Disqualified Stock has a Weighted Average Life to Maturity equal to or greater than the remaining Weighted Average Life to Maturity of the Subordinated Indebtedness or Disqualified Stock being so redeemed, repurchased, defeased, acquired or retired;

(5) a Restricted Payment to pay for the repurchase, redemption or other acquisition or retirement for value of Equity Interests (other than Disqualified Stock) of the Company held by any future, present or former employee, director, officer, manager or consultant of the Company or any of its Subsidiaries pursuant to any management equity plan or stock option plan or any other management, director or employee benefit plan or agreement (x) upon the death or disability of such employee, director, officer, manager or consultant or (y) upon the resignation or other termination of employment of such employee, director, officer, manager or consultant; *provided, however*, that the aggregate Restricted Payments made under this clause (5) do not exceed in any calendar year \$40.0 million (with unused amounts in any calendar year being carried over to succeeding calendar years); *provided further* that such amount in any calendar year may be increased by an amount not to exceed:

(a) the cash proceeds from the sale of Equity Interests (other than Disqualified Stock) of the Company to employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries that occurs after the Issue Date, to the extent the cash proceeds from the sale of such Equity Interests have not otherwise been applied to the payment of Restricted Payments by virtue of clause (3) of the preceding paragraph; plus

(b) the cash proceeds of key man life insurance policies received by the Company or its Restricted Subsidiaries after the Issue Date; less

(c) the amount of any Restricted Payments previously made with the cash proceeds described in clause (a) or (b) of this clause (5);

and *provided further* that (i) cancellation of Indebtedness owing to the Company or any of its Restricted Subsidiaries from any future, present or former employees, directors, officers, managers or consultants of the Company or any of its Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Company and (ii) the repurchase of Equity Interests deemed to occur upon the exercise of options, warrants or similar instruments if such Equity Interests represents all or a portion of the exercise price thereof or payments, in lieu of the issuance of fractional Equity Interests or withholding to pay other taxes payable in connection therewith, in the case of each of clauses (i) and (ii), will not be deemed to constitute a Restricted Payment for purposes of this covenant or any other provision of the Indenture;

(6) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Company or any of its Restricted Subsidiaries, or of Preferred Stock of any Restricted Subsidiary, in each case issued in accordance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;” and

(7) (a) the declaration and payment of dividends to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued by the Company after the Issue Date;

(b) the declaration and payment of dividends on Refunding Capital Stock that is Preferred Stock in excess of the dividends declarable and payable thereon pursuant to clause (2) of this paragraph;

provided, however, in the case of each of subclauses (a) and (b) of this clause (7), that for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of issuance of such Designated Preferred Stock or Refunding Capital Stock that is Preferred Stock, after giving effect to such issuance or declaration on a *pro forma* basis, the Company and its Restricted Subsidiaries on a consolidated basis would have had a Fixed Charge Coverage Ratio of at least 2.00 to 1.00;

(8) repurchases of Equity Interests deemed to occur (i) upon the exercise of stock options, warrants or other equity-based awards if such Equity Interests represent a portion of the exercise price of such options, warrants or awards or (ii) for the purposes of satisfying any required tax withholding obligation upon the exercise or vesting of a grant or award of any stock options, warrants or other equity-based awards;

(9) the declaration and payment of ordinary dividends or distributions in respect of, or repurchases of, the Company's common stock in an aggregate amount not to exceed (a) for dividends declared and paid or distributions made in respect of, or repurchases during, the period commencing on the Issue Date and ending on December 31, 2015, an aggregate of \$200.0 million in respect of such period and (b) for dividends declared and paid or distributions made in respect of, or repurchases during, any subsequent fiscal year, an aggregate of \$400.0 million in respect of such period;

(10) Restricted Payments in an amount equal to the amount of Excluded Contributions previously received;

(11) other Restricted Payments in an aggregate amount taken together with all other Restricted Payments made pursuant to this clause (11) not to exceed the greater of \$350.0 million and 5.50% of Total Assets;

(12) Restricted Payments comprising the payment or distribution of any Securitization Fees;

(13) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness in accordance with the provisions similar to those described under the captions "—Repurchase at the Option of Holders—Change of Control" and "—Repurchase at the Option of Holders—Asset Sales"; *provided* that all Notes tendered in connection with a Change of Control Offer or Asset Sale Offer, as applicable, have first been repurchased, redeemed or acquired for value;

(14) the distribution, by dividend or otherwise, of shares of Capital Stock of, or Indebtedness owed to the Company or a Restricted Subsidiary by, Unrestricted Subsidiaries (other than Unrestricted Subsidiaries the primary assets of which are cash and/or Cash Equivalents);

(15) any Restricted Payment made as part of the Transactions in a manner consistent in all material respects with the disclosures set forth in the Form 10 and this offering circular; *provided* that immediately after giving effect to the separation and distribution, the Company and its Restricted Subsidiaries shall, subject to the adjustment procedures for Cash Equivalents (as such term is defined in the Separation Agreement) set forth in the Separation Agreement in relation to such requirement, have not less than \$200.0 million in Cash Equivalents (as such term is defined in the Separation Agreement);

(16) payments made or expected to be made by the Company or any Restricted Subsidiary in respect of withholding or similar taxes payable by any present, former or future employees, director, officers, managers or consultants of the Company or any Restricted Subsidiary; and

(17) the making of other Restricted Payments if, at the time of the making of such Restricted Payment, and after giving *pro forma* effect thereto (including, without limitation, the incurrence of any Indebtedness to finance such Restricted Payment and the application of the net proceeds thereof), the Consolidated Net Leverage Ratio of the Company would not exceed 3.00 to 1.00;

provided, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (3), (9), (11), (14) and (17), no Default shall have occurred and be continuing or would occur as a consequence thereof.

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment (or a portion thereof) meets the criteria of clauses (1) through (17) above or is entitled to be made pursuant to the first paragraph of this covenant, the Company will be entitled to classify or later reclassify (based on circumstances existing on the date of such reclassification) such Restricted Payment (or a portion thereof) between such clauses (1) through (17) and such first paragraph in any manner that otherwise complies with this covenant.

As of the issue date of the Notes, all of the Company's Subsidiaries will be Restricted Subsidiaries. The Company will not permit any Unrestricted Subsidiary to become a Restricted Subsidiary except pursuant to the penultimate sentence of the definition of "Unrestricted Subsidiary." For purposes of designating any Restricted Subsidiary as an Unrestricted Subsidiary, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investments." Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time, whether pursuant to the first paragraph of this covenant or under clause (3), (10), (11) or (17) of the second paragraph of this covenant, or if it is a Permitted Investment, and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants set forth in the Indenture.

Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise (collectively, "incur" and each instance thereof, an "incurrence"), with respect to any Indebtedness (including Acquired Indebtedness), and the Company will not issue any shares of Disqualified Stock and will not permit any Restricted Subsidiary to issue any shares of Disqualified Stock or Preferred Stock; *provided, however*, that the Company may incur Indebtedness (including Acquired Indebtedness) or issue shares of Disqualified Stock, and any of its Restricted Subsidiaries may incur indebtedness (including Acquired Indebtedness), issue shares of Disqualified Stock and issue shares of Preferred Stock, if the Fixed Charge Coverage Ratio on a consolidated basis for the Company and its Restricted Subsidiaries' most recently ended four fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or Preferred Stock is issued would have been at least 2.00 to 1.00, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

The foregoing limitations will not apply to:

(1) the incurrence of Indebtedness pursuant to Credit Facilities by the Company or any of its Restricted Subsidiaries and the issuance and creation of letters of credit and bankers' acceptances thereunder (with letters of credit and bankers' acceptances being deemed to have a principal amount equal to the face amount thereof), up to an aggregate principal amount at any one time outstanding not to exceed the greater of (a) \$3,200 million and (b) 375.0% of the EBITDA of the Company and its Restricted Subsidiaries on a consolidated basis for the most recently ended four fiscal quarters ending immediately prior to the date of such incurrence for which internal financial statements are available determined on a *pro forma* basis in a manner consistent with the definition of Fixed Charge Coverage Ratio;

(2) the incurrence by the Company and any Subsidiary Guarantor of Indebtedness under the Notes (including Guarantees thereof) (other than any Additional Notes) and any notes (including Guarantees thereof) issued in exchange for the Notes pursuant to a registration rights agreement;

(3) Indebtedness and Disqualified Stock of the Company and its Restricted Subsidiaries in existence on the Issue Date;

(4) Indebtedness (including Capitalized Lease Obligations) and Disqualified Stock incurred or issued by the Company or any of its Restricted Subsidiaries, and the issuance of Preferred Stock by any Restricted Subsidiary of the Company, to finance the purchase, lease or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the purchase of Capital Stock of any Person owning such assets, in an aggregate principal amount at the date of such incurrence (including all Refinancing Indebtedness incurred to refinance any other Indebtedness incurred pursuant to this clause (4)) not to exceed the greater of \$300.0 million and 4.75% of Total Assets (as adjusted to give *pro forma* effect to any assets purchased with the proceeds of the Indebtedness to be incurred, *provided* that such assets are acquired substantially concurrently with the incurrence of such Indebtedness); *provided, however*, that such Indebtedness exists at the date of such purchase or transaction or is created within 365 days thereafter (for the avoidance of doubt, the purchase date for any asset shall be the later of the date of completion of installation and the beginning of the full productive use of such asset);

(5) Indebtedness incurred by the Company or any of its Restricted Subsidiaries constituting reimbursement obligations with respect to letters of credit issued in the ordinary course of business, including letters of credit in respect of workers' compensation claims, death, disability or other employee benefits or property, casualty or liability insurance, or other Indebtedness with respect to reimbursement-type obligations regarding workers' compensation claims; *provided, however*, that upon the drawing of such letters of credit or the incurrence of such Indebtedness, such obligations (a) are reimbursed within 30 days following such drawing or incurrence or (b) are permitted to be incurred (and thereupon shall be deemed to be incurred) pursuant to clause (4) above following the expiry of such 30 day period;

(6) Indebtedness arising from agreements of the Company or its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, including earnouts, in each case, incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or a Subsidiary for the purpose of financing such acquisition; *provided, however*, that such Indebtedness is not reflected on the balance sheet of the Company or any of its Restricted Subsidiaries (contingent obligations referred to in a footnote to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this clause (6));

(7) Indebtedness of the Company to a Restricted Subsidiary; *provided* that any such Indebtedness owing to a Restricted Subsidiary that is not a Subsidiary Guarantor shall be subordinated in right of payment to the Notes; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in the Restricted Subsidiary holding such Indebtedness ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (7);

(8) Indebtedness of a Restricted Subsidiary to the Company or another Restricted Subsidiary; *provided* that if a Subsidiary Guarantor incurs such Indebtedness to a Restricted Subsidiary that is not a Subsidiary Guarantor, such Indebtedness shall be subordinated in right of payment to the Guarantee of the Notes of such Subsidiary Guarantor; *provided further* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Indebtedness being held by a person other than the Company or a Restricted Subsidiary or any subsequent transfer of any such Indebtedness (except to the Company or another Restricted Subsidiary) shall be deemed, in each case, to be an incurrence of such Indebtedness not permitted by this clause (8);

(9) shares of Preferred Stock of a Restricted Subsidiary issued to the Company or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to the Company or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of Preferred Stock not permitted by this clause (9);

(10) Hedging Obligations (excluding Hedging Obligations entered into for speculative purposes) for the purpose of limiting interest rate risk with respect to any Indebtedness of the Company or any Restricted Subsidiary permitted to be incurred pursuant to “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock,” exchange rate risk or commodity pricing risk;

(11) obligations in respect of self-insurance and obligations in respect of performance, bid, appeal, stay, surety, customs and replevin bonds and performance and completion guarantees provided by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(12) (a) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary equal to 100.0% of the net cash proceeds received by the Company since immediately after the Issue Date from the issue or sale of Equity Interests of the Company or cash contributed to the capital of the Company (in each case, other than proceeds of Disqualified Stock, Designated Preferred Stock or sales of Equity Interests to the Company or any of its Subsidiaries) as determined in accordance with clauses (3)(c) of the first paragraph of “—Limitation on Restricted Payments” to the extent such net cash proceeds or cash have not been applied pursuant to such clauses to make Restricted Payments or to make other Investments, payments or exchanges pursuant to the second paragraph of “—Limitation on Restricted Payments” or to make a Permitted Investment and (b) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of any Restricted Subsidiary not otherwise permitted hereunder in an aggregate principal amount or liquidation preference that, when aggregated with the principal amount and liquidation preference of all other Indebtedness, Disqualified Stock and Preferred Stock then outstanding and incurred pursuant to this clause (12)(b), does not exceed the greater of \$350.0 million and 5.50% of Total Assets (as adjusted to give *pro forma* effect to any assets purchased with the proceeds of the Indebtedness to be incurred, *provided* that such assets are acquired substantially concurrently with the incurrence of such Indebtedness);

(13) the incurrence or issuance by the Company or any Restricted Subsidiary of Indebtedness or Disqualified Stock, and the issuance by any Restricted Subsidiary of Preferred Stock, in each case that serves to refund, refinance, replace, renew, extend or defease any Indebtedness or Disqualified Stock of the Company or any Restricted Subsidiary or Preferred Stock of any Restricted Subsidiary incurred or issued as permitted under the first paragraph of this covenant or clause (2), (3), (4) or (12)(a) above, this clause (13) or clause (14) below or any Indebtedness, Disqualified Stock or Preferred Stock previously incurred or issued to so refund, refinance, replace, renew, extend or defease such Indebtedness or Disqualified Stock or Preferred Stock, including additional Indebtedness, Disqualified Stock or Preferred Stock incurred or issued to pay premiums (including tender premiums), defeasance costs, accrued interest, fees and expenses in connection therewith (the “Refinancing Indebtedness”) prior to its respective maturity; *provided, however*, that such Refinancing Indebtedness:

(a) has a Weighted Average Life to Maturity at the time such Refinancing Indebtedness is incurred that is not less than the remaining Weighted Average Life to Maturity of the Indebtedness or Disqualified Stock or Preferred Stock being refunded, refinanced, replaced, renewed, extended or defeased (or requires no or nominal payments in cash prior to the date that is 91 days after the maturity date of the Notes);

(b) to the extent such Refinancing Indebtedness refunds, refinances, replaces, renews, extends or defeases (i) Subordinated Indebtedness, such Refinancing Indebtedness is subordinated in right of payment to the Notes or the Guarantee thereof at least to the same extent as the Indebtedness being refunded, refinanced, replaced, renewed, extended or defeased or (ii) Disqualified Stock or Preferred Stock, such Refinancing Indebtedness must be Disqualified Stock or Preferred Stock, respectively; and

(c) shall not include:

(i) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of the Company;

(ii) Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary of the Company that is not a Guarantor that refinances Indebtedness, Disqualified Stock or Preferred Stock of a Subsidiary Guarantor; or

(iii) Indebtedness or Disqualified Stock of the Company or Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary that refinances Indebtedness, Disqualified Stock or Preferred Stock of an Unrestricted Subsidiary;

and, *provided, further*, that subclause (a) of this clause (13) will not apply to any refunding, refinancing, replacement, renewal, extension or defeasance of any Secured Indebtedness;

(14) (x) Indebtedness or Disqualified Stock of the Company and Indebtedness, Disqualified Stock or Preferred Stock of a Restricted Subsidiary incurred or issued to finance an acquisition (or other purchase of assets) or (y) Indebtedness, Disqualified Stock or Preferred Stock of Persons that are acquired by the Company or any Restricted Subsidiary or merged into or consolidated with the Company or a Restricted Subsidiary in accordance with the terms of the Indenture; *provided* that in the case of (x) and (y) after giving effect to such acquisition, merger or consolidation, either (a) the Company would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first sentence of this covenant or (b) the Fixed Charge Coverage Ratio of the Company and the Restricted Subsidiaries is greater than immediately prior to such acquisition;

(15) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business;

(16) Indebtedness of the Company or any of its Restricted Subsidiaries supported by a letter of credit issued pursuant to Credit Facilities, in a principal amount not in excess of the stated amount of such letter of credit;

(17) (a) any guarantee by the Company or a Restricted Subsidiary of Indebtedness or other obligations of any Restricted Subsidiary so long as the incurrence of such Indebtedness incurred by such Restricted Subsidiary is permitted under the terms of the Indenture, and

(b) any guarantee by a Restricted Subsidiary of Indebtedness of the Company.

(18) Indebtedness of the Company or any of its Restricted Subsidiaries consisting of (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply arrangements, in each case incurred in the ordinary course of business;

(19) Indebtedness consisting of Indebtedness issued by the Company or any of its Restricted Subsidiaries to current or former officers, directors and employees thereof, their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company to the extent described in clause (4) of the second paragraph under the heading “—Limitation on Restricted Payments”;

(20) Indebtedness consisting of cash management services incurred in the ordinary course of business, including in respect of credit card obligations, overdrafts and related liabilities arising from treasury, depository and cash management services or in connection with any automated clearinghouse transfers of funds;

(21) customer deposits and advance payments received in the ordinary course of business from customers for goods purchased in the ordinary course of business;

(22) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions incurred in the ordinary course of business of the Company and its Restricted Subsidiaries with such banks or financial institutions and arising in connection with ordinary banking arrangements to manage cash balances of the Company and its Restricted Subsidiaries;

(23) Indebtedness incurred by the Company or a Restricted Subsidiary in connection with bankers’ acceptances or discounted bills of exchange, in each case incurred or undertaken consistent with past practice or in the ordinary course of business;

(24) Indebtedness of Foreign Subsidiaries of the Company in an amount not to exceed, at any one time outstanding and together with any other Indebtedness incurred under this clause (24), the greater of \$250.0 million and 4.00% of Total Assets;

(25) Indebtedness incurred by a Securitization Special Purpose Entity pursuant to a Qualified Securitization Transaction that is without recourse to the Company or to any Restricted Subsidiary (other than Standard Securitization Undertakings);

(26) to the extent constituting Indebtedness, any obligations incurred as part of the Transactions in a manner consistent in all material respects with the disclosures set forth in the Form 10 and this offering circular; and

(27) Indebtedness representing guarantees of Indebtedness of joint ventures of the Company or any Restricted Subsidiary not to exceed the greater of \$100.0 million and 1.50% of Total Assets.

For purposes of determining compliance with this covenant:

(1) in the event that an item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) meets the criteria of more than one of the categories of permitted Indebtedness, Disqualified Stock or Preferred Stock described in clauses (1) through (27) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company, in its sole discretion, will classify or reclassify such item of Indebtedness, Disqualified Stock or Preferred Stock (or any portion thereof) and will only be required to include the amount and type of such Indebtedness, Disqualified Stock or Preferred Stock in one of the above clauses or under the first paragraph of this covenant; and

(2) at the time of incurrence, the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in the first and second paragraphs above;

provided that all Indebtedness outstanding under the Senior Secured Credit Facilities on the Issue Date will be treated as incurred under clause (1) of the preceding paragraph.

Notwithstanding the above, Restricted Subsidiaries that are not Subsidiary Guarantors may not incur Indebtedness or issue Disqualified Stock or Preferred Stock pursuant to the first paragraph of this covenant or clause (12), (13), (14) or (24) of this covenant if, after giving *pro forma* effect to such incurrence or issuance (including a *pro forma* application of the net proceeds therefrom), the aggregate amount of Indebtedness, Disqualified Stock and Preferred Stock of Restricted Subsidiaries that are not Subsidiary Guarantors incurred or issued pursuant to the first paragraph of this covenant or clause (12), (13), (14) or (24) of this covenant at any one time outstanding would exceed the greater of \$500.0 million and 8.00% of Total Assets (as adjusted to give *pro forma* effect to any assets purchased with the proceeds of the Indebtedness to be incurred, *provided* that such assets are acquired substantially concurrently with the incurrence of such Indebtedness).

Accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional Disqualified Stock or Preferred Stock, as applicable, will in each case not be deemed to be an incurrence of Indebtedness or Disqualified Stock or Preferred Stock for purposes of this covenant.

For purposes of determining compliance with any U.S. Dollar-denominated restriction on the incurrence of Indebtedness, the U.S. Dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. Dollar denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not

exceed (a) the principal amount of such Indebtedness being refinanced, plus (b) the aggregate amount of fees, underwriting discounts, premiums (including tender premiums) and other costs and expenses (including original issue discount, upfront fees or similar fees) incurred in connection with such refinancing.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

The Indenture will provide that the Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, incur any Indebtedness (including Acquired Indebtedness) that is expressly subordinated or junior in right of payment to any Indebtedness of the Company or such Subsidiary Guarantor, as the case may be, unless such Indebtedness is expressly subordinated in right of payment to the Notes or such Subsidiary Guarantor's Guarantee to the extent and on substantially identical terms as such Indebtedness is subordinated to other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be.

The Indenture will not treat (1) unsecured Indebtedness as subordinated or junior to Secured Indebtedness merely because it is unsecured or (2) Senior Indebtedness as subordinated or junior to any other Senior Indebtedness merely because it has a junior priority with respect to the same collateral or because such other Senior Indebtedness is guaranteed by other obligors.

Liens

The Company will not, and will not permit any Subsidiary Guarantor to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist any Lien (except Permitted Liens) that secures obligations under any Indebtedness or any related Guarantee of the Company or any Subsidiary Guarantor, on any asset or property of the Company or any Subsidiary Guarantor, or any income or profits therefrom, or assign or convey any right to receive income therefrom, unless:

(1) in the case of any Liens securing Subordinated Indebtedness, the Notes and related Guarantees are secured by a Lien on such property, assets or proceeds that is senior in priority to such Liens; and

(2) in all other cases, the Notes or the Guarantees are equally and ratably secured, except that the foregoing shall not apply to or restrict Liens securing obligations in respect of the Notes (and exchange notes with respect thereto) and the related Guarantees.

Any Lien created for the benefit of the Holders of the Notes pursuant to this covenant shall be deemed automatically and unconditionally released and discharged upon the release and discharge of each of the Lien (other than a release as a result of the enforcement of remedies in respect of such Lien or the Obligations secured by such Lien) that gave rise to the obligation to secure the Notes or such Guarantee pursuant to the preceding paragraph.

Merger, Consolidation or Sale of All or Substantially All Assets

Company. The Company may not, directly or indirectly, consolidate or merge with or into or wind up into (whether or not the Company is the surviving corporation) or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of the Company's properties or assets, in one or more related transactions, to any Person unless:

(1) the Company is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership (including a limited partnership), trust or

limited liability company organized or existing under the laws of the jurisdiction of organization of the Company or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Person, as the case may be, being herein called the “Successor Company”); *provided* that in the case where the Successor Company is not a corporation, a co-obligor of the Notes is a corporation;

(2) the Successor Company, if other than the Company, expressly assumes all the obligations of the Company under the Notes, pursuant to a supplemental indenture or other documents or instruments;

(3) immediately after such transaction, no Default or Event of Default exists;

(4) immediately after giving *pro forma* effect to such transaction and any related financing transactions, as if such transactions had occurred at the beginning of the applicable four-quarter period,

(a) the Company or the Successor Company, as applicable, would be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock,” or

(b) the Fixed Charge Coverage Ratio of the Company (or, if applicable, the Successor Company) and its Restricted Subsidiaries would be equal to or greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such transaction;

(5) each Subsidiary Guarantor, unless (i) it is the other party to the transactions described above, in which case subclause (b) of the second succeeding paragraph shall apply or (ii) the Company is the surviving entity, shall have by supplemental indenture confirmed that its Guarantee shall apply to such Person’s obligations under the Indenture and the applicable Notes; and

(6) the Company (or, if applicable, the Successor Company) shall have delivered to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture.

The Successor Company will succeed to, and be substituted for, the Company under the Indenture, the Guarantees and the Notes, as applicable. Notwithstanding the foregoing clauses (3) and (4),

(1) any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Company or a Subsidiary Guarantor, and

(2) the Company may merge with an Affiliate of the Company, as the case may be, solely for the purpose of reincorporating the Company in the United States, any state thereof, the District of Columbia or any territory thereof or for the sole purpose of forming or collapsing a holding company structure.

Subsidiary Guarantors. Subject to certain limitations set forth in the Indenture governing release of a Guarantee upon the sale, disposition or transfer of a Subsidiary Guarantor, no Subsidiary Guarantor will, and the Company will not permit any Subsidiary Guarantor to, consolidate or merge with or into or wind up into (whether or not such Subsidiary Guarantor is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to, any Person unless:

(1) (a) such Guarantor is the surviving entity or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation, partnership, trust or limited liability company organized or existing under the laws of the jurisdiction of organization of such Guarantor, as the case may be, or the laws of the United States, any state thereof, the District of Columbia or any territory thereof (such Guarantor or such Person, as the case may be, being herein called the “Successor Person”);

(b) the Successor Person, if other than a Guarantor, expressly assumes all the obligations of such Guarantor under the Indenture and such Guarantor’s related Guarantee pursuant to a supplemental indenture or other documents or instruments;

(c) immediately after such transaction, no Default or Event of Default exists; and

(d) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture, if any, complies with the Indenture;

(2) the transaction is made in compliance with the covenant described under "—Repurchase at the Option of Holders—Asset Sales", if applicable; or

(3) in the case of assets comprised of Equity Interests of Subsidiaries that are not Guarantors, such Equity Interests are sold, assigned, transferred, leased, conveyed or otherwise disposed of to one or more Restricted Subsidiaries.

Subject to certain limitations set forth in the Indenture, the Successor Person will succeed to, and be substituted for, such Guarantor under the Indenture and such Guarantor's Guarantee. Notwithstanding the foregoing, any Subsidiary Guarantor may (1) merge or consolidate with or into, wind up into or transfer all or part of its properties and assets to another Subsidiary Guarantor or the Company, (2) merge with an Affiliate of the Company solely for the purpose of reincorporating the Subsidiary Guarantor in the United States, any state thereof, the District of Columbia or any territory thereof, (3) convert into a corporation, partnership, limited partnership, limited liability company or trust organized or existing under the laws of the jurisdiction of organization of such Subsidiary Guarantor or (4) liquidate or dissolve or change its legal form if the Company determines in good faith that such action is in the best interests of the Company, in each case, without regard to the requirements set forth in the preceding paragraph.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into, or make or amend, any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an "Affiliate Transaction") involving aggregate payments or consideration in excess of \$25.0 million, unless:

(1) such Affiliate Transaction is on terms that are not materially less favorable, taken as a whole, as determined in good faith by the Company, to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm's-length basis; and

(2) the Company delivers to the Trustee, with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate payments or consideration in excess of \$50.0 million, a resolution adopted by the majority of the disinterested members of the board of directors of the Company approving such Affiliate Transaction and set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) above.

The foregoing provisions will not apply to the following:

(1) transactions between or among the Company or any of its Restricted Subsidiaries;

(2) Restricted Payments permitted by the provisions of the Indenture described above under the covenant "—Limitation on Restricted Payments" and the definition of "Permitted Investment";

(3) the payment of reasonable and customary compensation and fees paid to, and indemnities provided for the benefit of, or employment, service or benefit plan agreements with or for the benefit of, former, current or future officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries;

(4) transactions in which the Company or any of its Restricted Subsidiaries, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor either stating that such transaction is

fair to the Company or such Restricted Subsidiary from a financial point of view or stating that such terms are not materially less favorable to the Company or its relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person on an arm's-length basis;

(5) any agreement as in effect as of the Issue Date, or any amendment, supplement, modification, extension or renewal thereto or thereof or any transaction contemplated thereby (including pursuant to any amendment, supplement, modification, extension or renewal thereto or thereof) or by any replacement agreement thereto (so long as any such amendment or replacement agreement is not more disadvantageous to the Holders in any material respect when taken as a whole as compared to the applicable agreement as in effect on the Issue Date as determined in good faith by the Company);

(6) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Company and its Restricted Subsidiaries, as determined in good faith by the Company, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

(7) the sale and/or issuance of Equity Interests of the Company to any director, officer, employee or consultant of the Company or its Restricted Subsidiaries;

(8) any issuances of securities or other payments, awards, grants in cash, securities or otherwise or loans (or cancellation of loans) to employees or consultants of the Company or any of its Restricted Subsidiaries pursuant to, or for the funding of, employment arrangements or agreements, stock option plans, stock ownership plans and other similar arrangements with such employees or consultants which, in each case, are approved by the Company in good faith;

(9) any transaction with any Person that is an Affiliate of the Company or any Restricted Subsidiary that would constitute an Affiliate Transaction solely because the Company or any Restricted Subsidiary owns (directly or indirectly) an equity interest in, or controls (including pursuant to any management agreement or otherwise), such Person;

(10) transactions with joint ventures on terms that are not materially less favorable, taken as a whole, to the Company or any Restricted Subsidiary (as applicable), as determined in good faith by the Company, than the other joint venture partner(s);

(11) the Transactions and the payment of all fees and expenses related to the Transactions;

(12) transactions effected as part of a Qualified Securitization Transaction;

(13) transactions with Affiliates solely in their capacity as holders of Indebtedness or Capital Stock of the Company or any Restricted Subsidiary where such Affiliate receives the same consideration or is treated in the same manner as non-Affiliates that are party to (or have the benefit of) such transaction; and

(14) any agreement that grants SEC registration rights or customary exchange offer rights to the direct or indirect securityholders of the Company or any Restricted Subsidiary (and the performance of any such agreement).

Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries that are not Guarantors to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary that is not a Guarantor to:

(1) (a) pay dividends or make any other distributions to the Company or any Subsidiary Guarantor on its Capital Stock, or

(b) pay any Indebtedness owed to the Company or any Subsidiary Guarantor;

(2) make loans or advances to the Company or any Subsidiary Guarantor; or

(3) sell, lease or transfer any of its properties or assets to the Company or any Subsidiary Guarantor, except (in each case) for such encumbrances or restrictions existing under or by reason of:

(a) contractual encumbrances or restrictions in effect on the Issue Date, including pursuant to the Senior Secured Credit Facilities and the related documentation and Hedging Obligations in effect on the Issue Date and any related documentation;

(b) the Indenture, the Notes and the Guarantees thereof;

(c) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature discussed in clause (3) above on the property so acquired;

(d) applicable law or any applicable rule, regulation, order, approval, license, permit or other similar restriction, including under contracts with domestic or foreign governments or agencies thereof entered into in the ordinary course of business;

(e) any agreement or other instrument (including an instrument governing Capital Stock or Indebtedness) of a Person acquired by the Company or any Restricted Subsidiaries in existence at the time of such acquisition or at the time it merges with or into the Company or any of its Restricted Subsidiaries or assumed in connection with the acquisition of assets from such Person (but, in any such case, not created in anticipation or contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired or the property or assets so assumed;

(f) contracts for the sale of assets, including customary restrictions with respect to a Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;

(g) Secured Indebtedness otherwise permitted to be incurred pursuant to the covenants described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock” and “—Liens,” to the extent limiting the right of the Company or any of its Restricted Subsidiaries to dispose of assets subject to such Lien;

(h) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;

(i) other Indebtedness, Disqualified Stock or Preferred Stock of Foreign Subsidiaries permitted to be incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock;” *provided* that such encumbrances and restrictions apply only to such Restricted Subsidiary and its assets; and *provided, further*, that the Company has determined in good faith, at the time of creation of each such encumbrance or restriction, that such encumbrances and restrictions would not individually or in the aggregate have a material adverse effect on the Company’s ability to make required payments in respect of the Notes;

(j) customary provisions in joint venture agreements and other similar agreements or arrangements relating solely to such joint venture;

(k) customary provisions contained in leases, licenses or similar agreements, including with respect to intellectual property and other agreements, in each case, entered into in the ordinary course of business;

(l) non-assignment provisions of any contract or any lease of any Restricted Subsidiary entered into in the ordinary course of business;

(m) restrictions on the transfer of assets subject to any Lien permitted under the Indenture imposed by the holder of such Lien;

- (n) any agreement or instrument governing Capital Stock of any Person that is acquired;
- (o) restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase, sale or other agreement to which the Company or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; *provided* that such agreement prohibits the encumbrance solely of the property or assets of the Company or such Restricted Subsidiary that are subject to such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Company or such Restricted Subsidiary or the assets or property of another Restricted Subsidiary;
- (p) contractual requirements of a Securitization Special Purpose Entity in connection with a Qualified Securitization Transaction; *provided* that such restrictions apply only to such Securitization Special Purpose Entity;
- (q) any encumbrances, restrictions, contractual requirements or other provisions of the Separation and Distribution Documents or in connection with any of the Transactions in a manner consistent in all material respects with the disclosures set forth in the Form 10 and this offering circular;
- (r) any encumbrances or restrictions of the type referred to in clauses (1) and (2) above to the extent that such encumbrances or restrictions do not materially adversely affect the consolidated cash position of the Company and the Subsidiary Guarantors; or
- (s) any encumbrances or restrictions of the type referred to in clauses (1), (2) and (3) above imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (a) through (q) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Company, either (i) not materially more restrictive with respect to such encumbrance and other restrictions taken as a whole than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing, or (ii) ordinary and customary with respect to such instruments and obligations at the time of such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing; and
- (t) restrictions created in connection with any Receivables Facility that are customarily entered into in relation to transactions of that nature.

Reports and Other Information

For so long as the Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will file with the SEC (subject to the next sentence), and provide to the Trustee and holders of the Notes, within the time periods specified in such Sections:

- all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if the Company were required to file such reports; and
- all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports.

All such reports will be prepared in all material respects in accordance with the rules and regulations applicable to such reports. While the Company remains subject to the periodic reporting requirements of the Exchange Act, the Company agrees that it will not take any action for the purpose of causing the SEC not to accept such filings.

If, at any time, the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for any reason, the Company will nevertheless post the substance of the reports specified above

(other than separate financial statements or condensed consolidating financial information required by Rule 3-10 or 3-16 of Regulation S-X) on its website and will provide those to the Trustee (but will not be required to file such reports with the SEC), in each case within the time periods that would apply if the Company were required to file those reports with the SEC; *provided* that, (1) with respect to the quarter ended March 31, 2015, the Company may provide the information required above with respect to such quarter at any time on or prior to June 30, 2015, including by means of an amendment to the Form 10, (2) with respect to the quarter ended June 30, 2015, if the separation and distribution have not occurred on or prior to August 14, 2015, the Company may provide the information required above with respect to such quarter at any time on or prior to September 30, 2015, including by means of an amendment to the Form 10 and (3) with respect to the quarter ended September 30, 2015, if the separation and distribution have not occurred on or prior to November 16, 2015, the Company may provide the information required above with respect to such quarter at any time on or prior to November 30, 2015, including by means of an amendment to the Form 10.

For purposes of this covenant, the Company will be deemed to have provided a required report to the Trustee and holders of the Notes if it has timely filed such report with the SEC via the EDGAR filing system (or any successor system).

In addition, at any time when the Company is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will furnish to the holders of the Notes and to prospective investors, upon the requests of such holders, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely transferable under the Securities Act.

Notwithstanding the foregoing, in the event that any direct or indirect parent company of the Company becomes a guarantor of the Notes, the Indenture will permit the Company to satisfy its obligations pursuant to this covenant with respect to financial information relating to the Company by furnishing or filing the required financial information relating to such direct or indirect parent company.

In addition, (i) the Trustee shall be entitled (but not obligated) and (ii) holders of not less than 25% of the aggregate principal amount of the then outstanding Notes of a series shall be entitled, each at any time, to request in writing that the Company provide to the Trustee, within 20 Business Days following such request, an Officer's Certificate confirming whether or not the Company, as at the end of the most recently ended quarterly period, had designated any of its Subsidiaries to be Unrestricted Subsidiaries that, alone or taken together, represented either (a) 10% or more of the total assets of the Company as at the end of the relevant period, (b) 10% or more of the consolidated net income of the Company for the relevant most recent consecutive four-quarter period, or (c) 10% or more of the consolidated earnings before interest, taxes, depreciation and amortization of the Company for the relevant most recent consecutive four-quarter period (the "Trustee Notice Requirement"). A copy of any such request delivered by the relevant holders pursuant to clause (ii) above shall be provided to the Trustee. If the Trustee Notice Requirement is satisfied, the Officer's Certificate to be delivered pursuant to the foregoing requirement shall specify (a) the Total Assets, the Consolidated Net Income and the EBITDA of the Company and its Restricted Subsidiaries and (b) the total assets, the consolidated net income and the earnings before interest, taxes, depreciation and amortization of the Unrestricted Subsidiaries. The Trustee shall deliver such Officer's Certificate to the Holders of the Notes within five Business Days of the date of receipt by the Trustee of the Officer's Certificate, and the Trustee shall not have any responsibility or liability for any information set forth in such Officer's Certificate or for any analysis thereof.

Events of Default and Remedies

The Indenture will provide that each of the following is an Event of Default:

- (1) default in payment when due and payable (whether at maturity, upon redemption, acceleration or otherwise) of principal of, or premium, if any, on the Notes;
- (2) default for 30 days or more in the payment when due of interest on or with respect to the Notes;

(3) failure by the Company or any Subsidiary Guarantor for 60 days after receipt of written notice given by the Trustee or the Holders of not less than 25% of the aggregate principal amount of the then outstanding Notes of a series (with a copy to the Trustee) to comply with any of its other obligations, covenants or agreements (other than a default referred to in clauses (1) and (2) above) contained in the Indenture or the applicable Notes;

(4) default under any mortgage, indenture or instrument under which there is issued or by which there is secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries, other than Indebtedness owed to the Company or a Restricted Subsidiary, whether such Indebtedness or guarantee now exists or is created after the issuance of the Notes, if both:

(a) such default either results from the failure to pay any principal of such Indebtedness at its stated final maturity (after giving effect to any applicable grace periods) or relates to an obligation other than the obligation to pay principal of any such Indebtedness at its stated final maturity and results in the holder or holders of such Indebtedness causing such Indebtedness to become due prior to its stated maturity; and

(b) the principal amount of such Indebtedness, together with the principal amount of any other such Indebtedness in default for failure to pay principal at stated final maturity (after giving effect to any applicable grace periods), or the maturity of which has been so accelerated, aggregates \$100.0 million or more;

(5) failure by the Company or any Significant Subsidiary to pay final judgments for the payment of money aggregating in excess of \$100.0 million, which final judgments remain unpaid, undischarged and unstayed for a period of more than 60 days after such judgment becomes final and non-appealable, and in the event such judgment is covered by insurance, an enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed;

(6) certain events of bankruptcy or insolvency with respect to the Company or any Significant Subsidiary; or

(7) the Guarantee of any Significant Subsidiary shall for any reason cease to be in full force and effect or be declared null and void, or any responsible officer of any Subsidiary Guarantor that is a Significant Subsidiary denies in writing that it has any further liability under its Guarantee or gives notice to such effect, other than by reason of the termination of the Indenture or the release of any such Guarantee in accordance with the Indenture.

If any Event of Default (other than of a type specified in clause (6) above) occurs and is continuing under the Indenture, the Trustee or the Holders of not less than 25% of the aggregate principal amount of all then outstanding Notes of the applicable series may declare the principal, premium, if any, interest and any other monetary obligations on all the then outstanding Notes of such series to be due and payable immediately.

Upon the effectiveness of such declaration, such principal of and premium, if any, and interest will be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising under clause (6) of the first paragraph of this section, all outstanding Notes will become due and payable without further action or notice on the part of the Trustee or any Holder. The Indenture will provide that the Trustee may withhold from the Holders notice of any continuing Default, except a Default relating to the payment of principal, premium, if any, or interest, if it determines that withholding notice is in their interest. In addition, the Trustee will have no obligation to accelerate the Notes.

The Indenture will provide that the Holders of a majority of the aggregate principal amount of all then outstanding Notes of a series, by notice to the Trustee, may on behalf of the Holders of all of the Notes of such series waive any existing Default and its consequences under the Indenture except a continuing Default in the

payment of interest on, premium, if any, or the principal of any Note held by a non-consenting Holder and rescind any acceleration with respect to the Notes and its consequences (*provided* such rescission would not conflict with any judgment or decree of a court of competent jurisdiction).

In the event of any Event of Default specified in clause (4) above, such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of acceleration of the Notes) shall be annulled, waived and rescinded, automatically and without any action by the Trustee or the Holders, if within 30 days after such Event of Default arose:

- (1) the Indebtedness or guarantee that is the basis for such Event of Default has been discharged;
- (2) holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default; or
- (3) the default that is the basis for such Event of Default has been cured.

The Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders of the Notes of a series unless the Holders have offered to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder of a Note may pursue any remedy with respect to the Indenture or the applicable Notes unless:

- (1) such Holder has previously given the Trustee notice that an Event of Default is continuing;
- (2) holders of at least 25% in the aggregate principal amount of all then outstanding Notes of such series have requested the Trustee to pursue the remedy;
- (3) Holders of the applicable Notes have offered the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;
- (4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and
- (5) holders of a majority in principal amount of all then outstanding Notes of such series have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions contained in the Indenture, the Holders of a majority in principal amount of the total outstanding Notes of a series are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that is unduly prejudicial to the rights of any other Holder of a Note or that would involve the Trustee in personal liability.

The Indenture will provide that the Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required, within 30 days of becoming aware of any continuing Default, to deliver to the Trustee a statement specifying such Default and steps to be taken to cure such Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No present, past or future director, officer, employee, member, partner, incorporator or equityholder of the Company, any Guarantor or any Subsidiary of the Company or any of their respective direct or indirect parent companies (except for the Company or any Subsidiary in its capacity as obligor or guarantor in respect of the Notes and not in its capacity as equityholder of any Subsidiary Guarantor) shall have any liability for any obligations of the Company or the Guarantors under the Notes, the Guarantees, the Indenture or for any claim

based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting the Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the SEC that such waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Obligations of the Company and the Guarantors with respect to the Notes under the Indenture, the Notes or the Guarantees, as the case may be, will terminate (other than certain obligations) and will be released upon payment in full of all of the applicable Notes. The Company may, at its option and at any time, elect to have all of its Obligations discharged with respect to the Notes and have each Guarantor's obligation discharged with respect to its Guarantee ("Legal Defeasance") and cure all then existing Events of Default except for:

- (1) the rights of Holders of Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due solely out of the trust created pursuant to the Indenture;
- (2) the Company's Obligations with respect to Notes concerning issuing temporary Notes, registration of such Notes, replacement of mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- (3) the rights and immunities of the Trustee, and the Company's obligations in connection therewith; and
- (4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have its obligations and those of each Guarantor released with respect to substantially all the restrictive covenants that are set forth in the Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default with respect to the applicable Notes. In the event Covenant Defeasance occurs, certain events (not including bankruptcy, receivership, rehabilitation and insolvency events pertaining to the Company) described under "—Events of Default and Remedies" will no longer constitute an Event of Default with respect to the applicable Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance with respect to the Notes of the applicable series:

- (1) the Company must irrevocably deposit with the Trustee, in trust, (x) for the benefit of the Holders of any such Dollar Notes, cash in U.S. Dollars, Government Securities, or a combination thereof, and (y) for the benefit of the Holders of any such Euro Notes, cash in Euros, Government Securities, European Government Obligations or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest due on such Notes on the stated maturity date or on the redemption date, as the case may be, of such principal, premium, if any, or interest on such Notes and the Company must specify whether such Notes are being defeased to maturity or to a particular redemption date;
- (2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions,
 - (a) the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling, or
 - (b) since the issuance of the Notes, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss

for U.S. federal income tax purposes, as applicable, as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel confirming that, subject to customary assumptions and exclusions, the Holders of such Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default (other than that resulting from borrowing funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to other Indebtedness and, in each case, the granting of Liens in connection therewith) shall have occurred and be continuing on the date of such deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, the Senior Secured Credit Facilities or any other material agreement or instrument (other than the Indenture) to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound (other than that resulting with respect to any Indebtedness being defeased from any borrowing of funds to be applied to make the deposit required to effect such Legal Defeasance or Covenant Defeasance and any similar and simultaneous deposit relating to such Indebtedness, and the granting of Liens in connection therewith);

(6) the Company shall have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or any Guarantor or others; and

(7) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel (which Opinion of Counsel may be subject to customary assumptions and exclusions) each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.

Notwithstanding the foregoing, the Opinion of Counsel required by clause (2) above with respect to a Legal Defeasance need not be delivered if all Notes of the applicable series not therefore delivered to the Trustee for cancellation (x) have become due and payable, or (y) will become due and payable on the maturity date within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in our name, and at our expense.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect as to all Notes of the applicable series, when:

(1) either

(a) all Notes of such series theretofore authenticated and delivered, except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust, have been delivered to the Trustee for cancellation; or

(b) all Notes of such series not theretofore delivered to the Trustee for cancellation have become due and payable by reason of the making of a notice of redemption or otherwise, will become due and payable within one year or are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust (x) solely for the benefit of the Holders of any Dollar

Notes of such series, cash in U.S. Dollars, Government Securities, or a combination thereof, and (y) solely for the benefit of the Holders of any Euro Notes of such series, cash in Euros, Government Securities, European Government Obligations or a combination thereof, in each case, in such amounts as will be sufficient without consideration of any reinvestment of interest to pay and discharge the entire indebtedness on the Notes of such series not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption;

(2) the Company has paid or caused to be paid all sums payable by it under the Indenture; and

(3) the Company has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes of such series at maturity or the redemption date, as the case may be.

The Trustee will acknowledge the satisfaction and discharge of the Indenture if we have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each stating that all conditions precedent to satisfaction and discharge have been complied with.

Amendment, Supplement and Waiver

Except as provided below, the Indenture, any Guarantee and the Notes (in each case with respect to one or more series of Notes) may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the Notes of the applicable series then outstanding, including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes and any existing Default or compliance with any provision of the Indenture or the Notes issued thereunder may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes of the applicable series then outstanding, other than Notes beneficially owned by the Company or its Affiliates (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes).

The Indenture will provide that, without the consent of each affected Holder of Notes of the applicable series, an amendment or waiver may not, with respect to any Notes of such series held by a non-consenting Holder:

(1) make any change in the percentage of the principal amount of such Notes required for amendments or waivers;

(2) reduce the principal of or change the fixed final maturity of any such Note or change the date on which any Notes may be subject to redemption or reduce the redemption price therefor;

(3) reduce the rate of or change the time for payment of interest on any Note of such series;

(4) (A) waive a Default in the payment of principal of or premium, if any, or interest on the Notes of such series, except a rescission of acceleration of the Notes by the Holders of a majority in aggregate principal amount of all then outstanding Notes of such series, and a waiver of the payment default that resulted from such acceleration, or (B) waive a Default in respect of a covenant or provision contained in the Indenture or any Subsidiary Guarantee which cannot be amended or modified without the consent of all Holders;

(5) make any Dollar Note payable in money other than U.S. Dollars or make any Euro Note payable in money other than Euros;

(6) make any change in these amendment and waiver provisions;

(7) impair the right of any Holder to receive payment of principal of, premium, if any, or interest on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes or the Subsidiary Guarantees; or

(8) make any change to or modify the ranking of the Notes of such series that would adversely affect the Holders thereof.

Notwithstanding the foregoing, the Company, any Guarantor (with respect to a Guarantee or the Indenture to which it is a party) and the Trustee may amend or supplement the Indenture and any Guarantee or Notes without the consent of any Holder:

- (1) to cure any ambiguity, omission, mistake, defect or inconsistency;
- (2) to provide for uncertificated Notes in addition to or in place of certificated Notes or to alter the provisions of the Indenture relating to the form of the Notes (including the related definitions) in a manner that does not materially adversely affect any Holder (as determined in good faith by the Company);
- (3) to comply with the covenant relating to mergers, consolidations and sales of assets;
- (4) to provide for the assumption of the Company's or any Guarantor's obligations to the Holders;
- (5) to make any change that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under the Indenture of any such Holder (as determined in good faith by the Company);
- (6) to add covenants for the benefit of the Holders or to surrender any right or power conferred upon the Company or any Guarantor;
- (7) to evidence and provide for the acceptance and appointment under the Indenture of a successor Trustee thereunder pursuant to the requirements thereof;
- (8) to provide for the issuance of exchange notes or private exchange notes that are identical to exchange notes except that they are not freely transferable;
- (9) to provide for the issuance of Additional Notes in accordance with the Indenture;
- (10) to add a Guarantor under the Indenture and to allow a Guarantor to execute a supplemental indenture and/or guarantee the Notes or to release a Guarantor in accordance with the terms of the Indenture;
- (11) to conform the text of the Indenture, Guarantees or the Notes to any provisions of this "Description of Notes" to the extent that such provision in this "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, Guarantee or Notes (as determined in good faith by the Company);
- (12) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including to facilitate the issuance and administration of the Notes; *provided, however*, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes (in each case, as determined in good faith by the Company);
- (13) to provide for the issuance of the Notes in a manner consistent with the terms of the Indenture; or
- (14) to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

For purposes of determining whether the Holders of the requisite principal amount of Notes of a series have taken any action under the Indenture, the principal amount of Notes shall be deemed to be the principal amount of Notes as of (i) if a record date has been set with respect to the taking of such action, such date or (ii) if no such record date has been set, the date the taking of such action by the Holders of such requisite principal amount is certified to the Trustee by the Company.

Notices

Notices given by publication or electronic delivery will be deemed given on the first date on which publication or electronic delivery is made and notices given by first-class mail, postage prepaid, will be deemed given five calendar days after mailing or transmitting.

In addition, if and for so long as any of the Euro Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Global Exchange Market and the rules of the Irish Stock Exchange so require, notices with respect to the Euro Notes listed on the Global Exchange will be published through the Companies Announcement Office of the Irish Stock Exchange and/or, to the extent and in the manner permitted by the rules of the Irish Stock Exchange, on the official website of the Irish Stock Exchange.

Concerning the Trustee

The Indenture will contain certain limitations on the rights of the Trustee thereunder, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; *however*, if it acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as Trustee or resign.

The Indenture will provide that the Holders of a majority in principal amount of all then outstanding Notes of the applicable series will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The Indenture will provide that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of the rights and powers vested in it by the Indenture, to use the degree of care of a prudent person in the conduct of his own affairs. The Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of the Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

Governing Law

The Indenture, the Notes and any Guarantee will be governed by and construed in accordance with the laws of the State of New York.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. For purposes of the Indenture, unless otherwise specifically indicated, the term “consolidated” with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

“Acquired Indebtedness” means, with respect to any specified Person,

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person, and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this Description of Notes,

“control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

“Applicable Premium” means, as calculated by the Company with respect to any Note on any Redemption Date, the greater of:

(1) 1.0% of the principal amount of such Note; and

(2) the excess, if any, of (a) the present value at such Redemption Date of (i) (A) in the case of the 2023 Dollar Notes, the redemption price of such 2023 Dollar Note at May 15, 2018 (such redemption price being set forth in the table appearing above under the heading “—Optional Redemption—2023 Dollar Notes”) and (B) in the case of the Euro Notes, the redemption price of such Euro Note at May 15, 2018 (such redemption price being set forth in the table appearing above under the heading “—Optional Redemption—Euro Notes”), plus (ii) all required interest payments due on such Note through (x) in the case of the 2023 Dollar Notes, May 15, 2018, and (y) in the case of the Euro Notes, May 15, 2018 (in each case excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to, in the case of the 2023 Dollar Notes, the Treasury Rate or, in the case of the Euro Notes, the Bund Rate, in each case, as of such Redemption Date plus 50 basis points; over (b) the principal amount of such Note.

“Asset Sale” means:

(1) the sale, conveyance, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale and Lease-Back Transaction) of the Company or any of its Restricted Subsidiaries (each referred to in this definition as a “disposition”); or

(2) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than Preferred Stock of Restricted Subsidiaries issued in compliance with the covenant described under “—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”), whether in a single transaction or a series of related transactions;

in each case, other than:

(a) any disposition of Cash Equivalents or Investment Grade Securities or surplus, obsolete or worn-out property or equipment in the ordinary course of business or any disposition of inventory or goods (or other assets) held for sale or no longer used in the ordinary course of business;

(b) the disposition of all or substantially all of the assets of the Company in a manner permitted pursuant to the provisions described above under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets” or any disposition that constitutes a Change of Control pursuant to the Indenture;

(c) the making of any Restricted Payment or Permitted Investment that is permitted to be made, and is made, under the covenant described above under “—Certain Covenants—Limitation on Restricted Payments”;

(d) any disposition of assets or issuance or sale of Equity Interests of any Restricted Subsidiary in any transaction or series of transactions with an aggregate fair market value of less than \$75.0 million;

(e) any disposition of property or assets or issuance of securities by a Restricted Subsidiary of the Company to the Company or by the Company or a Restricted Subsidiary of the Company to another Restricted Subsidiary of the Company;

(f) to the extent allowable under Section 1031 of the Internal Revenue Code of 1986, as amended, or comparable law or regulation, any exchange of like property (excluding any boot thereon) for use in a Similar Business;

(g) the lease, assignment or sub-lease of any real or personal property in the ordinary course of business or to the extent required by, or made pursuant to, customary buy/sell arrangements between joint venture parties set forth in any joint venture or similar binding agreement;

(h) any issuance or sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(i) foreclosures, condemnations or any similar action with respect to assets or the granting of Liens not prohibited by the Indenture;

(j) any financing transaction with respect to the acquisition or construction of property by the Company or any Restricted Subsidiary after the Issue Date, including Sale and Lease-Back Transactions, and asset securitizations permitted by the Indenture;

(k) the licensing and sub-licensing of intellectual property or other general intangibles in the ordinary course of business or consistent with past practice;

(l) the sale, discount or other disposition of inventory, accounts receivable or notes receivable in the ordinary course of business or the conversion of accounts receivable to notes receivable;

(m) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business;

(n) any transfer, sale or other disposition of Securitization Assets to a Securitization Special Purpose Entity in connection with a Qualified Securitization Transaction; and

(o) any disposition of assets effected pursuant to the Transactions.

“Asset Sale Offer” has the meaning set forth in the fourth paragraph under “—Repurchase at the Option of Holders—Asset Sales.”

“board of directors” means, with respect to a corporation, the board of directors of the corporation, and, with respect to any other Person, the board or committee of such Person, or board of directors of the general partner or general manager of such Person, serving a similar function.

“Bund Rate” means, as of any Redemption Date, the yield to maturity as of such Redemption Date of the most recently issued direct obligations of the Federal Republic of Germany (Bunds or Bundesanleihen) with a constant maturity (as compiled and published in the most recent financial statistics that have become publicly available at least two Business Days prior to the Redemption Date (or in connection with a discharge, two Business Days prior to the date of deposit with the Trustee or paying agent, as applicable) (or, if such financial statistics are no longer published or not available, any publicly available source of similar market data)) most nearly equal to the period from the Redemption Date to May 15, 2018; *provided, however*, that if the period from the redemption date to May 15, 2018 is not equal to the constant maturity of the direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from the redemption date to May 15, 2018 is less than a year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

“Business Day” means each day that is not a Legal Holiday.

“Calculation Date” means the date on which the event for which the calculation of the Consolidated Net Leverage Ratio or the Fixed Charge Coverage Ratio, as applicable, shall occur.

“Capital Stock” means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation (including, without limitation, quotas) that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Capitalized Lease Obligation” means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP; *provided* that any obligations of the Company or its Restricted Subsidiaries either existing on the Issue Date or created prior to any recharacterization described below (i) that were not included on the consolidated balance sheet of the Company as capital lease obligations and (ii) that are subsequently recharacterized as capital lease obligations due to a change in accounting treatment or otherwise, shall for all purposes under the Indenture (including, without limitation, the calculation of Consolidated Net Income and EBITDA) not be treated as capital lease obligations, Capitalized Lease Obligations or Indebtedness.

“Cash Equivalents” means:

(1) United States Dollars;

(2) (a) Canadian Dollars, pounds sterling, yen, Euros, Brazilian reais, Renminbi and the New Taiwan dollar; and

(b) such other currencies held by the Company or any Restricted Subsidiary from time to time in the ordinary course of business;

(3) securities issued or directly and fully and unconditionally guaranteed or insured by the U.S. government (or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of the U.S. government) and European Government Obligations, in each case with maturities of 24 months or less from the date of acquisition;

(4) certificates of deposit, time deposits and Eurodollar time deposits with maturities of 24 months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus of not less than \$500.0 million in the case of U.S. banks and \$100.0 million (or the U.S. Dollar equivalent as of the date of determination) in the case of non-U.S. banks;

(5) repurchase obligations for underlying securities of the types described in clauses (3) and (4) entered into with any financial institution meeting the qualifications specified in clause (4) above;

(6) commercial paper rated at least P-1 by Moody’s or at least A-1 by S&P (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency) and in each case maturing within 24 months after the date of creation thereof;

(7) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody’s or S&P, respectively (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency) and in each case maturing within 24 months after the date of creation thereof;

(8) investment funds investing at least 95% of their assets in securities of the types described in clauses (1) through (7) above;

(9) readily marketable direct obligations issued by any state, commonwealth or territory of the United States or any political subdivision thereof having an Investment Grade Rating from either Moody’s or S&P with maturities of 24 months or less from the date of acquisition;

(10) Indebtedness or Preferred Stock issued by Persons with a rating of “A” or higher from S&P or “A2” or higher from Moody’s with maturities of 24 months or less from the date of acquisition;

(11) Investments with average maturities of 24 months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody’s; and

(12) Investments in money market funds with average maturities of 24 months or less from the date of acquisition that are rated “Aaa3” by Moody’s and “AAA” by S&P (or reasonably equivalent ratings of another internationally recognized rating agency).

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clauses (1) and (2) above; *provided* that such amounts are converted into any currency listed in clauses (1) and (2) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

“Change of Control” means the occurrence of any one of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any person, other than to the Company or one of its Restricted Subsidiaries;

(2) the Company becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) of the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person becomes the beneficial owner, directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares; or

(3) the adoption of a plan relating to the liquidation or dissolution of the Company.

For the purposes of this definition, the term “person” shall be defined as that term is used in Section 13(d)(3) of the Exchange Act and the term “beneficial owner” shall be defined as that term is used in Rules 13d-3 and 13d-5 under the Exchange Act.

For the avoidance of doubt, the consummation of the Transactions shall not constitute a Change of Control.

“Consolidated Depreciation and Amortization Expense” means, with respect to any Person for any period, the total amount of depreciation and amortization expense and capitalized fees related to any Qualified Securitization Transaction or a Receivables Facility and amortization of intangible assets, debt issuance costs, commissions, fees and expenses, including the amortization of deferred financing fees of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP (excluding, in each case, amortization expense attributable to a prepaid cash item that was paid in a prior period).

“Consolidated Interest Expense” means, with respect to any Person for any period, without duplication, the sum of:

(1) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income (including (a) amortization of original issue discount resulting from the issuance of Indebtedness at less than par, (b) all commissions, discounts and other fees and charges owed with respect to letters of credit or bankers acceptances, (c) non-cash interest payments (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments pursuant to GAAP), (d) the interest component of Capitalized Lease Obligations and (e) net payments, if any, made (less net payments, if any, received) pursuant to interest rate Hedging Obligations with respect to

Indebtedness but excluding (u) penalties and interest relating to taxes; (v) accretion or accrual of discounted liabilities not constituting Indebtedness, (w) any expense resulting from the discounting of any outstanding Indebtedness in connection with the application of purchase accounting in connection with any acquisition, (x) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses, (y) any expensing of bridge, commitment and other financing fees and (z) commissions, discounts, yield and other fees and charges (including any interest expense) related to any Qualified Securitization Transaction or Receivables Facility); *plus*

(2) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued; *less*

(3) interest income for such period.

For purposes of this definition, interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by such Person to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

“Consolidated Net Income” means, with respect to any Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; *provided, however*, that, without duplication,

(1) the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies during such period shall be excluded,

(2) any after-tax effect of income (loss) from abandoned or discontinued operations and any net after-tax gains or losses on disposal of abandoned or discontinued operations shall be excluded,

(3) any net after-tax gains or losses (less all fees and expenses relating thereto) attributable to asset dispositions or the sale or other disposition of any Capital Stock of any Person other than in the ordinary course of business, as determined in good faith by the Company, shall be excluded,

(4) the Net Income for such period of any Person that is not a Subsidiary or is an Unrestricted Subsidiary or that is accounted for by the equity method of accounting shall be excluded; *provided* that Consolidated Net Income of the Company will be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) or Cash Equivalents to the referent Person or a Restricted Subsidiary thereof in respect of such period (other than any such proceeds that are used to make a JV Reinvestment),

(5) solely for the purpose of determining the amount available for Restricted Payments under clause (3)(a) of the first paragraph of “—Certain Covenants—Limitation on Restricted Payments,” the Net Income for such period of any Restricted Subsidiary (other than any Subsidiary Guarantor) shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of its Net Income is not at the date of determination permitted without any prior governmental approval (which has not been obtained) or, directly or indirectly, by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restriction with respect to the payment of dividends or similar distributions has been legally waived; *provided* that Consolidated Net Income of the Company will be increased by the amount of dividends or other distributions or other payments that are actually paid in cash (or to the extent converted into cash) or Cash Equivalents to the Company or a Restricted Subsidiary thereof in respect of such period, to the extent not already included therein,

(6) any after-tax effect of income (loss) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments shall be excluded,

(7) any impairment charge or asset write-off or write-down, including impairment charges or asset write-offs or write-downs related to intangible assets, physical assets (including commodities and

inventory), long-lived assets or investments in debt and equity securities or as a result of a change in law or regulation, in each case, pursuant to GAAP and the amortization of intangibles arising pursuant to GAAP shall be excluded,

(8) any non-cash compensation or similar charge or expense or reduction of revenue, including any such charge or amount arising from grants of stock appreciation or similar rights, stock options, restricted stock or other rights and any cash charges associated with the rollover, acceleration or payout of Equity Interests by management, other employees or business partners of the Company or any of its direct or indirect parent companies or subsidiaries shall be excluded,

(9) any fees, expenses or charges incurred during such period, or any amortization thereof for such period, in connection with the Transactions, any acquisition, disposition, recapitalization, Investment, Asset Sale, issuance, repayment or amendment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed), any non-cash expenses or charges recorded in accordance with GAAP relating to currency valuation of foreign denominated debt and any charges or non-recurring merger costs incurred during such period as a result of any such transaction including, without limitation, any non-cash expenses or charges recorded in accordance with GAAP relating to equity interests issued to non-employees in exchange for services provided in connection with any acquisition or business arrangement (in each case, including any such transaction consummated prior to the Issue Date and any such transaction undertaken but not completed) shall be excluded,

(10) all extraordinary, unusual or non-recurring charges, gains and losses (whether cash or non-cash) (including, without limitation, all restructuring costs, facilities relocation costs, acquisition integration costs and fees, including cash severance payments made in connection with acquisitions, and any expense or charge related to the repurchase of Capital Stock or warrants or options to purchase Capital Stock), and the related tax effects according to GAAP shall be excluded,

(11) inventory purchase accounting adjustments and amortization and impairment charges resulting from other purchase accounting adjustments in connection with acquisition transactions shall be excluded,

(12) the following items shall be excluded:

(a) any net unrealized gain or loss (after any offset) resulting in such period from Hedging Obligations and the application of ASC 815 Derivatives and Hedging; and

(b) foreign currency and other non-operating gain or loss and foreign currency gain (loss) included in other operating expenses including any net unrealized gain or loss (after any offset) resulting in such period from currency translation gains or losses related to currency remeasurements of Indebtedness (including any net loss or gain resulting from hedge agreements for currency exchange risk).

In addition, to the extent not already included in the Consolidated Net Income of such Person and its Restricted Subsidiaries, notwithstanding anything to the contrary in the foregoing, Consolidated Net Income shall include the amount of proceeds actually received from business interruption insurance and reimbursements of any expenses and charges that are covered by indemnification or other reimbursement provisions in connection with any Permitted Investment or any sale, conveyance, transfer or other disposition of assets permitted under the Indenture.

Notwithstanding the foregoing, for the purpose of the covenant described under “—Certain Covenants—Limitation on Restricted Payments” only (other than clause (3)(d) of the first paragraph thereof), there shall be excluded from Consolidated Net Income any income arising from any sale or other disposition of Restricted Investments made by the Company and its Restricted Subsidiaries, any repurchases and redemptions of Restricted Investments from the Company and its Restricted Subsidiaries, any repayments of loans and advances which constitute Restricted Investments by the Company or any of its Restricted Subsidiaries, any sale

of the stock of an Unrestricted Subsidiary or any distribution or dividend from an Unrestricted Subsidiary, in each case to the extent such amounts increase the amount of Restricted Payments permitted under such covenant pursuant to clause (3)(c) or (3)(d) of the first paragraph thereof.

“Consolidated Net Leverage Ratio” means, as of the date of determination, the ratio of (a) the Indebtedness of the Company and its Restricted Subsidiaries as of such date of determination less Unrestricted Cash of the Company and its Restricted Subsidiaries as of such date of determination (in each case, determined after giving *pro forma* effect to such incurrence of Indebtedness, and each other incurrence, assumption, guarantee, redemption, retirement and extinguishment of Indebtedness as of such date of determination) to (b) EBITDA of the Company and its Restricted Subsidiaries for the most recent four fiscal quarter period ending immediately prior to such determination date for which internal financial statements are available. For purposes of determining the “Consolidated Net Leverage Ratio,” “EBITDA” shall be subject to the adjustments applicable to “EBITDA” as provided for in the definition of “Fixed Charge Coverage Ratio.”

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness (“primary obligations”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent,

- (1) to purchase any such primary obligation or any property constituting direct or indirect security therefor,
- (2) to advance or supply funds
 - (a) for the purchase or payment of any such primary obligation, or
 - (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or
- (3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Credit Facilities” means, with respect to the Company or any of its Restricted Subsidiaries, one or more debt facilities, including the Senior Secured Credit Facilities, or other financing arrangements (including, without limitation, commercial paper facilities or indentures), providing for revolving credit loans, term loans or letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (*provided* that such increase in borrowings is permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”) or adds Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender, investor or group of lenders.

“Default” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

“Designated Non-cash Consideration” means the fair market value of non-cash consideration received by the Company or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an Officer’s Certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Company, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

“Designated Preferred Stock” means Preferred Stock of the Company or any parent corporation thereof (in each case other than Disqualified Stock) that is issued for cash (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Company or any of its Subsidiaries) and is so designated as Designated Preferred Stock pursuant to an Officer’s Certificate executed by the principal financial officer of the Company on the issuance date thereof, the cash proceeds of which are excluded from the calculation set forth in clause (3) of the first paragraph of the “—Certain Covenants—Limitation on Restricted Payments” covenant.

“Disqualified Stock” means, with respect to any Person, any Capital Stock of such Person that, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely as a result of a change of control or asset sale and other than redeemable for Capital Stock of such Person that is not itself Disqualified Stock) pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than solely as a result of a change of control or asset sale and other than redeemable for Capital Stock of such Person that is not itself Disqualified Stock), in whole or in part, in each case prior to the date that is 91 days after the maturity date of the Notes; *provided, however*, that if such Capital Stock is issued to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations.

“Distribution Date” means the date that the shares of the Company’s common stock are distributed to DuPont’s stockholders pursuant to the separation and distribution.

“Domestic Restricted Subsidiary” means any Restricted Subsidiary that is organized or existing under the laws of the United States, any state thereof, or the District of Columbia other than any such Restricted Subsidiary that is a Subsidiary of a Foreign Subsidiary that is a “controlled foreign corporation” within the meaning of Section 957 of the Internal Revenue Code of 1986, as amended.

“EBITDA” means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period:

(1) increased (without duplication) by the following, in each case (other than clause (g)) to the extent deducted (and not added back) in determining Consolidated Net Income for such period:

(a) provision for taxes based on income or profits or capital gains, including, without limitation, state, franchise and similar taxes, and foreign withholding taxes and penalties and interest relating to taxes of such Person paid or accrued during such period; *plus*

(b) Consolidated Interest Expense of such Person for such period, together with items excluded from the definition of “Consolidated Interest Expense” pursuant to clauses (1)(u) through (z) thereof to the extent the same were deducted (and not added back) in calculating Consolidated Net Income; *plus*

(c) Consolidated Depreciation and Amortization Expense of such Person for such period; *plus*

(d) the amount of any restructuring charges, integration, business optimization and acquisition, investment or disposal-related costs (whether incurred prior to, or after, the consummation of any such acquisition, investment or disposal), retention charges, stock option and any other equity-based compensation expenses deducted (and not added back) in such period in computing Consolidated Net Income, including any one-time costs incurred in connection with acquisitions, investments or disposals before or after the Issue Date and costs related to the closure and/or consolidation of facilities or headcount reductions or other similar actions (including severance charges in respect of employee terminations); *plus*

(e) any other non-cash charges, including any write-offs or write-downs, reducing Consolidated Net Income for such period (*provided* that if any such non-cash charges represent an accrual or reserve

for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period); *plus*

(f) income attributable to non-controlling interests in Subsidiaries to the extent deducted (and not added back) in such period in calculating Consolidated Net Income; *plus*

(g) the amount of net cost savings and operating expense reductions projected by the Company in good faith to be realized as a result of actions initiated or to be initiated or taken on or prior to the date that is 12 months after the Distribution Date or 12 months after the consummation of any acquisition, amalgamation, merger or operational change or other action, plan or transaction and prior to or during such period (calculated on a *pro forma* basis as though such cost savings had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; *provided* that (x) such cost savings are reasonably identifiable and quantifiable and (y) no cost savings shall be added pursuant to this clause (g) to the extent duplicative of any expenses or charges relating to such cost savings that are either excluded in computing Consolidated Net Income or included (i.e., added back) in computing EBITDA for such period; *provided, further*, that the adjustments pursuant to this clause (g) may be incremental to (but not duplicative of) *pro forma* adjustments made pursuant to the definition of “Fixed Charge Coverage Ratio”; *provided, further*, that the aggregate amount of add backs made pursuant to this clause (g) shall not exceed an amount equal to 15% of EBITDA for the period of four consecutive fiscal quarters most recently ended prior to the determination date (without giving effect to any adjustments pursuant to this clause (g)); *plus*

(h) any costs or expense incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Stock) solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (3) of the first paragraph under “—Certain Covenants—Limitation on Restricted Payments”; *plus*

(i) the amount of any earn-out payments, contingent consideration or deferred purchase price of any kind in conjunction with acquisitions; *plus*

(j) losses to the extent reimbursable by third parties in connection with any acquisition permitted hereunder, as determined in good faith by the Company; and

(2) decreased by (without duplication) non-cash gains increasing Consolidated Net Income of such Person for such period, excluding any non-cash gains to the extent they represent the reversal of an accrual or reserve for a potential cash item that reduced EBITDA in any prior period.

“Equity Interests” means Capital Stock and all warrants, options or other rights to acquire Capital Stock, but excluding any debt security that is convertible into, or exchangeable for, Capital Stock.

“Equity Offering” means any public or private sale of common stock or Preferred Stock of the Company (excluding Disqualified Stock), other than:

- (1) public offerings with respect to the Company’s common stock registered on Form S-8;
- (2) issuances to any Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company; and
- (3) any such public or private sale that constitutes an Excluded Contribution.

“European Government Obligations” means direct, non-callable and non-redeemable obligations denominated in Euros of any member state of the European Union that is a member of the European Union as of the date of the Indenture and that has a rating of “A” or higher from S&P or “A2” or higher from Moody’s at the time that the relevant obligation was acquired by the Company or a Restricted Subsidiary.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Excluded Contribution” means net cash proceeds, marketable securities or Qualified Proceeds received by the Company from

(1) contributions to its common equity capital, or

(2) the sale (other than to a Subsidiary of the Company or to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Company) of Capital Stock (other than Disqualified Stock and Designated Preferred Stock) of the Company,

in each case after the Issue Date and in each case designated as an Excluded Contribution pursuant to an Officer’s Certificate executed by the principal financial officer of the Company on the date such capital contribution is made or the date such Capital Stock is sold, as the case may be, which shall be excluded from the calculation set forth in clause (3) of the first paragraph under “—Certain Covenants—Limitation on Restricted Payments.”

“fair market value” means, with respect to any asset or liability, the fair market value of such asset or liability as determined by the Company in good faith.

“Fixed Charge Coverage Ratio” means, with respect to any Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the Company or any Restricted Subsidiary incurs, assumes, guarantees, redeems, retires or extinguishes any Indebtedness (other than Indebtedness incurred under any revolving credit facility unless such Indebtedness has been permanently repaid and has not been replaced) or issues or redeems Disqualified Stock or Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to or simultaneously with the event for which the calculation of the Fixed Charge Coverage Ratio is made, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect to such incurrence, assumption, guarantee, redemption, retirement or extinguishment of Indebtedness, or such issuance or redemption of Disqualified Stock or Preferred Stock, as if the same had occurred at the beginning of the applicable four-quarter period.

For purposes of making the computation referred to above, Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (as determined in accordance with GAAP) that have been made by the Company or any of its Restricted Subsidiaries during the four-quarter reference period or subsequent to such reference period and on or prior to or simultaneously with the Fixed Charge Coverage Ratio Calculation Date shall be calculated on a *pro forma* basis, assuming that all such Investments, acquisitions, dispositions, mergers, consolidations and disposed operations (and the change in any associated fixed charge obligations and the change in EBITDA resulting therefrom) had occurred on the first day of the four-quarter reference period. If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Company or any of its Restricted Subsidiaries since the beginning of such period shall have made any Investment, acquisition, disposition, merger, consolidation or disposed operation that would have required adjustment pursuant to this definition, then the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect thereto for such period as if such Investment, acquisition, disposition, merger, consolidation or disposed operation had occurred at the beginning of the applicable four-quarter period.

For purposes of this definition, whenever *pro forma* effect is to be given to an Investment, acquisition, disposition, merger, consolidation, disposed operation or any other transaction, the *pro forma* calculations shall be made in good faith by a responsible financial or accounting officer of the Company (and may include, for the avoidance of doubt and without duplication, cost savings and operating expense reduction resulting from such Investment, acquisition, disposition, merger, consolidation, disposed operation or other transaction, in each case calculated in the manner described in the definition of “EBITDA” herein). If any Indebtedness bears a floating

rate of interest and is being given *pro forma* effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the Fixed Charge Coverage Ratio Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness). Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. For purposes of making the computation referred to above, interest on any Indebtedness under a revolving credit facility computed on a *pro forma* basis shall be computed based upon the average daily balance of such Indebtedness during the applicable period except as set forth in the first paragraph of this definition. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Company may designate.

“Fixed Charges” means, with respect to any Person for any period, the sum of:

- (1) Consolidated Interest Expense of such Person for such period;
- (2) all cash dividends or other distributions paid (excluding items eliminated in consolidation) on any series of Preferred Stock during such period; and
- (3) all cash dividends or other distributions paid or accrued (excluding items eliminated in consolidation) on any series of Disqualified Stock during such period.

“Foreign Subsidiary” means, with respect to any Person, any Restricted Subsidiary of such Person that is not organized or existing under the laws of the United States, any state thereof, or the District of Columbia and any Restricted Subsidiary of such Foreign Subsidiary.

“Foreign Subsidiary Holding Company” means, with respect to any Person, (a) any Restricted Subsidiary of such Person that is a “controlled foreign corporation” for purposes of the Internal Revenue Code of 1986 (a “CFC”) and (b) any Restricted Subsidiary of such Person substantially all of whose assets consist of Equity Interests and/or Indebtedness of one or more CFCs and intellectual property relating to such CFCs and any other assets incidental thereto.

“Form 10” means the Information Statement on Form 10 filed by the Company with the SEC on December 18, 2014 (including all exhibits thereto), as amended or supplemented from time to time through to the date hereof, pursuant to which the Company will conduct the business described in this offering circular and in such Form 10.

“GAAP” means (1) generally accepted accounting principles in the United States of America which are in effect on the Issue Date or (2) if elected by the Company by written notice to the Trustee in connection with the delivery of financial statements and information, the accounting standards and interpretations (“IFRS”) adopted by the International Accounting Standard Board, as in effect on the first date of the period for which the Company is making such election; *provided*, that (a) any such election once made shall be irrevocable, (b) all financial statements and reports required to be provided after such election pursuant to the Indenture shall be prepared on the basis of IFRS, (c) from and after such election, all ratios, computations and other determinations based on GAAP contained in the Indenture shall be computed in conformity with IFRS, (d) in connection with the delivery of financial statements (x) for any of its first three financial quarters of any financial year, it shall restate its consolidated interim financial statements for such interim financial period and the comparable period in the prior year to the extent previously prepared in accordance with GAAP as in effect on the Issue Date and (y) for delivery of audited annual financial information, it shall provide consolidated historical financial statements prepared in accordance with IFRS for the prior most recent fiscal year to the extent previously prepared in accordance with GAAP as in effect on the Issue Date.

“Government Securities” means securities that are:

- (1) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged;

(2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which are not callable or redeemable at the option of the issuers thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such Government Securities or a specific payment of principal of or interest on any such Government Securities held by such custodian for the account of the holder of such depository receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Securities or the specific payment of principal of or interest on the Government Securities evidenced by such depository receipt; or

(3) AAA rated money market mutual funds, where 100% of the holdings are in securities described in clauses (1) or (2) of this definition of Government Securities or repurchase agreements that are fully collateralized by securities described in clauses (1) or (2) of this definition of Government Securities.

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“guarantee” means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness or other obligations.

“Guarantee” means the guarantee by any Guarantor of the Company’s Obligations under the Indenture and the Notes.

“Guarantor” means each Subsidiary Guarantor and any other Person that becomes a Guarantor in accordance with the terms of the Indenture.

“Hedging Obligations” means, with respect to any Person, the obligations of such Person under any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, foreign exchange contract, currency swap agreement, currency collar agreement or similar agreement providing for the transfer, modification or mitigation of interest rate, commodity or currency risks either generally or under specific contingencies.

“Holder” means the Person in whose name a Note is registered on the applicable registrar’s books.

“Indebtedness” means, with respect to any Person, without duplication:

(1) any indebtedness of such Person, whether or not contingent:

(a) in respect of borrowed money;

(b) evidenced by bonds, notes, debentures or similar instruments or letters of credit or bankers’ acceptances (or, without duplication, reimbursement agreements in respect thereof);

(c) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations), except (i) any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case accrued in the ordinary course of business and (ii) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP; or

(d) representing net payment obligations under any Hedging Obligations;

if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP;

(2) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise on, the obligations of the type referred to in clause (1) of a third Person (whether or not such items would appear upon the balance sheet of such obligor or guarantor), other than by endorsement of negotiable instruments for collection in the ordinary course of business; and

(3) to the extent not otherwise included, the obligations of the type referred to in clause (1) of a third Person secured by a Lien on any asset owned by such first Person, whether or not such Indebtedness is assumed by such first Person, the amount of such obligation being deemed to be the lesser of the value of such asset or the amount of the obligation so secured;

provided, however, that notwithstanding the foregoing, Indebtedness shall be deemed not to include (a) Contingent Obligations incurred in the ordinary course of business or (b) any obligations under or in respect of operating leases or Sale and Lease-back Transactions (except any resulting Capitalized Lease Obligations).

“Independent Financial Advisor” means an accounting, appraisal or investment banking firm of nationally recognized standing that is, in the good faith judgment of the Company, qualified to perform the task for which it has been engaged.

“Investment Grade Rating” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

“Investment Grade Securities” means:

(1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Company and its Subsidiaries;

(3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2) (which fund may also hold immaterial amounts of cash pending investment or distribution thereof); and

(4) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

“Investments” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of loans (including guarantees), advances or capital contributions (excluding accounts receivable, trade credit, advances to customers, commission, travel and similar advances to directors, officers, employees and consultants in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities issued by any other Person and investments that are required by GAAP to be classified on the balance sheet (excluding the footnotes) of the Company in the same manner as the other investments included in this definition to the extent such transactions involve the transfer of cash or other property. For purposes of the definition of “Unrestricted Subsidiary” and the covenant described under “—Certain Covenants—Limitation on Restricted Payments”:

(1) “Investments” shall include the portion (proportionate to the Company’s equity interest in such Subsidiary) of the fair market value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to:

(a) the Company’s “Investment” in such Subsidiary at the time of such redesignation; less

(b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash or Cash Equivalents by the Company or a Restricted Subsidiary in respect of such Investment.

"Issue Date" means May 12, 2015.

"JV Reinvestment" means any Investment by the Company or any Restricted Subsidiary in a joint venture to the extent funded with the proceeds of a cash dividend or other cash distribution made by such joint venture.

"Legal Holiday" means a Saturday, a Sunday or a day on which commercial banking institutions are required to be closed in the State of New York or a place of payment with respect to the Notes.

"Lien" means, with respect to any asset, any mortgage, lien (statutory or otherwise), pledge, hypothecation, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; *provided* that in no event shall an operating lease be deemed to constitute a Lien.

"Moody's" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends.

"Net Proceeds" means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale, including any cash and Cash Equivalents received upon the sale or other disposition of any Designated Non-cash Consideration received in any Asset Sale, net of the direct costs relating to such Asset Sale and the sale or disposition of such Designated Non-cash Consideration, including legal, accounting and investment banking fees, and brokerage and sales commissions, any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness secured by a Lien on such assets (other than required by clause (1) of the second paragraph of "—Repurchase at the Option of Holders—Asset Sales") and any deduction of appropriate amounts to be provided by the Company or any of its Restricted Subsidiaries as a reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such transaction and retained by the Company or any of its Restricted Subsidiaries after such sale or other disposition thereof, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction.

"Obligations" means any principal, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable state, federal or foreign law), premium, penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker's acceptances), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

“Officer” means the Chairman of the board of directors, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer or the Secretary of the Company or a Guarantor.

“Officer’s Certificate” means a certificate signed on behalf of the Company by an Officer of the Company or on behalf of a Guarantor by an Officer of such Guarantor (or if such Guarantor is a general partnership, one of the partners of the Guarantor).

“Opinion of Counsel” means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Company or a Subsidiary of the Company.

“Permitted Asset Swap” means the substantially concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets and cash or Cash Equivalents between the Company or any of its Restricted Subsidiaries and another Person; *provided*, that any cash or Cash Equivalents received must be applied in accordance with the “—Repurchase at the Option of Holders—Asset Sales” covenant.

“Permitted Investment” means:

(1) any Investment in the Company or any of its Restricted Subsidiaries or any Person that will become a Restricted Subsidiary as a result of such Investment;

(2) any Investment in cash or Cash Equivalents or Investment Grade Securities;

(3) any Investment acquired after the Issue Date as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by the provisions described under “—Certain Covenants—Merger, Consolidation or Sale of All or Substantially All Assets,” to the extent that such Investments were not made in anticipation or contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(4) any Investment in securities or other assets, including earn-outs, not constituting Cash Equivalents or Investment Grade Securities and received in connection with an Asset Sale made pursuant to the first paragraph under “—Repurchase at the Option of Holders—Asset Sales” or any other disposition of assets not constituting an Asset Sale;

(5) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date or an Investment consisting of any extension, modification or renewal of any such Investment or binding commitment existing on the Issue Date; *provided*, that the amount of any such Investment may be increased pursuant to such extension, modification or renewal only (a) as required by the terms of such Investment or binding commitment as in existence on the Issue Date (including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (b) as otherwise permitted under the Indenture;

(6) any Investment acquired by the Company or any of its Restricted Subsidiaries:

(a) consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;

(b) in exchange for any other Investment or accounts receivable, endorsements for collection or deposit held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable (including any trade counterparty or customer); or

(c) in satisfaction of judgments against other Persons; or

(d) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(7) Hedging Obligations permitted under clause (10) of the second paragraph under the covenant described in “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(8) Investments the payment for which consists of Equity Interests (other than Disqualified Stock) of the Company; *provided, however*, that such Equity Interests will not increase the amount available for Restricted Payments under clause (3) of the first paragraph under the covenant described in “—Certain Covenants—Limitations on Restricted Payments”;

(9) guarantees of Indebtedness of the Company and any Restricted Subsidiary permitted under the covenant described in “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(10) any transaction to the extent it constitutes an Investment that is permitted and made in accordance with the provisions of the second paragraph of the covenant described under “—Certain Covenants—Transactions with Affiliates” (except transactions described in clause (2), (4) or (6) of such paragraph);

(11) Investments consisting of purchases and acquisitions of inventory, supplies, material or equipment;

(12) additional Investments having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (12) that are at that time outstanding, not to exceed the greater of \$400.0 million and 6.50% of Total Assets (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(13) guarantees of Indebtedness of joint ventures of the Company or any Restricted Subsidiary permitted by clause (26) of the covenant described under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(14) Investments (including debt obligations and Equity Interests) received in connection with the bankruptcy or reorganization of suppliers and customers or in settlement of delinquent obligations of, or other disputes with, customers and suppliers arising in the ordinary course of business or upon the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;

(15) Investments in Unrestricted Subsidiaries or joint ventures of the Company or any of its Restricted Subsidiaries having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (15) that are at that time outstanding, not to exceed the greater of \$350.0 million and 5.50% of Total Assets (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(16) JV Reinvestments;

(17) any Investment in a Similar Business having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (17) that are at that time outstanding, not to exceed the greater of \$250.0 million and 4.00% of Total Assets (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(18) loans and advances to, or guarantees of Indebtedness of, officers, directors and employees not in excess of \$15.0 million outstanding at any one time, in the aggregate;

(19) advances, loans or extensions of trade credit in the ordinary course of business by the Company or any of its Restricted Subsidiaries;

(20) any Investment in any Subsidiary or any joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business;

(21) Investments consisting of purchases and acquisitions of assets or services in the ordinary course of business;

(22) Investments made in the ordinary course of business in connection with obtaining, maintaining or renewing client contacts;

(23) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers compensation, performance and similar deposits entered into as a result of the operations of the business in the ordinary course of business;

(24) repurchases of Notes;

(25) Investments in the ordinary course of business consisting of Uniform Commercial Code Article 3 endorsements for collection of deposit and Article 4 customary trade arrangements with customers;

(26) Investments in the ordinary course of business in connection with joint marketing arrangements with another Person (including the licensing or contribution of intellectual property in connection therewith);

(27) Investments by the Company or any Restricted Subsidiary in a Securitization Special Purpose Entity or any Investment by a Securitization Special Purpose Entity in any other Person, in each case, in connection with a Qualified Securitization Transaction, including Investments of funds held in accounts permitted or required by the arrangements governing such Qualified Securitization Transaction or any related Indebtedness; and

(28) Investments made as part of the Transactions in a manner consistent in all material respects with the disclosures set forth in the Form 10 and this offering circular.

“Permitted Liens” means, with respect to any Person:

(1) pledges or deposits by such Person under workmen’s compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or U.S. government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent, in each case incurred in the ordinary course of business;

(2) Liens imposed by law, such as carriers’, warehousemen’s and mechanics’ Liens, in each case for sums not yet overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP;

(3) Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or not yet payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person to the extent required by GAAP;

(4) Liens to secure the performance of statutory obligations or in favor of issuers of performance, surety, bid or appeal bonds or with respect to other regulatory requirements or letters of credit issued pursuant to the request of and for the account of such Person in the ordinary course of its business;

(5) survey exceptions, title defects, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties that, in all cases, were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(6) Liens securing Indebtedness permitted to be incurred pursuant to clause (4), (10), (18) or (23) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(7) Liens existing on the Issue Date;

(8) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; *provided, however*, such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such other Person becoming such a Subsidiary; *provided further, however*, that such Liens may not extend to any other property owned by the Company or any of its Restricted Subsidiaries;

(9) Liens on property at the time the Company or a Restricted Subsidiary acquired the property, including any acquisition by means of a merger or consolidation with or into the Company or any of its Restricted Subsidiaries; *provided, however*, that such Liens are not created or incurred in connection with, or in anticipation or contemplation of, such acquisition; *provided further, however*, that the Liens may not extend to any other property owned by the Company or any of its Restricted Subsidiaries;

(10) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Company or another Restricted Subsidiary permitted to be incurred in accordance with the covenant described under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(11) Liens on specific items of inventory of other goods and proceeds of any Person securing such Person’s obligations in respect of bankers’ acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(12) leases, subleases, licenses or sublicenses granted to others in the ordinary course of business that do not materially interfere with the ordinary conduct of the business of the Company or any of its Restricted Subsidiaries and that do not secure any Indebtedness;

(13) Liens arising from Uniform Commercial Code financing statement filings (or similar filings under applicable law) regarding operating leases, consignment of goods or similar arrangements entered into by the Company and its Restricted Subsidiaries in the ordinary course of business and Liens of a collecting bank arising in the ordinary course of business under Section 4-208 (or the applicable corresponding section) of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon;

(14) Liens in favor of the Company or any Subsidiary Guarantor;

(15) Liens on equipment of the Company or any of its Restricted Subsidiaries granted in the ordinary course of business to the Company’s clients;

(16) Liens to secure any refinancing, refunding, extension, renewal or replacement (or successive refinancing, refunding, extension, renewal or replacement) as a whole, or in part, of any Indebtedness secured by any Lien referred to in the foregoing clause (6), (7), (8) or (9) to the extent that the Indebtedness secured by such new Lien is an amount equal to the sum of (i) the outstanding principal amount or, if greater, committed amount of the Indebtedness described under clause (6), (7), (8) or (9) at the time the original Lien became a Permitted Lien under the Indenture, and (ii) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing, refunding, extension, renewal or replacement; *provided, however*, that in each case such new Lien shall be limited to all or part of the same property that secured the original Lien (plus improvements on such property);

(17) deposits made in the ordinary course of business to secure liability to insurance carriers;

(18) other Liens securing obligations not to exceed the greater of \$400.0 million and 6.25% of Total Assets at any one time outstanding (as adjusted to give *pro forma* effect to any assets purchased with the proceeds of the Indebtedness that is subject to such Lien, *provided* that such assets are acquired substantially concurrently with the incurrence of such Indebtedness);

(19) Liens securing Indebtedness of any non-Guarantor Restricted Subsidiary permitted to be incurred under the Indenture, to the extent such Liens relate only to the assets and properties of a non-Guarantor

Restricted Subsidiary (and for the avoidance of doubt, any Liens permitted by this clause (19) at the time of incurrence thereof shall continue to be permitted by this clause (19) if such non-Guarantor Restricted Subsidiary later provides a Guarantee of the Notes);

(20) Liens securing judgments for the payment of money not constituting an Event of Default under clause (5) under the heading “—Events of Default and Remedies” so long as such Liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(21) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;

(22) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code or any comparable or successor provision on items in the course of collection, (ii) attaching to commodity trading accounts or other commodity brokerage accounts incurred in the ordinary course of business, and (iii) in favor of banking institutions arising as a matter of law encumbering deposits (including the right of setoff) and which are within the general parameters customary in the banking industry;

(23) Liens deemed to exist in connection with Investments in repurchase agreements permitted under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; *provided* that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(24) Liens securing Indebtedness incurred in accordance with clause (25) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(25) Liens that are contractual rights of setoff (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts or other cash management arrangements of the Company or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(26) Liens securing Indebtedness and other obligations to the extent permitted to be incurred under Credit Facilities, including any letter of credit facility relating thereto, incurred pursuant to clause (1) of the second paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”;

(27) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(28) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(29) Liens solely on any cash earnest money deposits made by the Company or any of its Restricted Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(30) Liens securing the Notes (other than any Additional Note) or the Guarantees thereof;

(31) ground leases in respect of real property on which facilities owned or leased by the Company or any of its Subsidiaries are located;

(32) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(33) Liens on Capital Stock of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;

(34) Liens on cash advances in favor of the seller of any property to be acquired in an Investment permitted under the Indenture to be applied against the purchase price for such Investment;

(35) any interest or title of a lessor, sub-lessor, licensor or sub-licensor or secured by a lessor's, sub-lessor's, licensor's or sub-licensor's interest under leases or licenses entered into by the Company or any of the Restricted Subsidiaries in the ordinary course of business;

(36) deposits of cash with the owner or lessor of premises leased and operated by the Company or any of its Subsidiaries in the ordinary course of business of the Company and such Subsidiary to secure the performance of the Company's or such Subsidiary's obligations under the terms of the lease for such premises;

(37) prior to the date on which a Permitted Investment is consummated, Liens arising from any escrow arrangement pursuant to which the proceeds of any equity issuance or other funds used to finance all or a portion of such Permitted Investment are required to be held in escrow pending release to consummate such Permitted Investment;

(38) Liens in connection with contracts for the sale of assets, including customary provisions with respect to a Restricted Subsidiary of the Company pursuant to an agreement that has been entered into for the sale or disposition of any Capital Stock or assets of such Subsidiary;

(39) Liens on trusts, cash or Cash Equivalents or other funds in connection with the defeasance (whether by covenant or legal defeasance), discharge or redemption of Indebtedness pending consummation of a strategic transaction, or similar obligations; *provided* that such defeasance, discharge or redemption is otherwise permitted by the Indenture; and

(40) any Liens arising from the Transactions in a manner consistent in all material respects with the disclosures set forth in the Form 10 and this offering circular.

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of incurrence or at a later date), the Company in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with this definition and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of the definition of Permitted Lien to which such Permitted Lien has been classified or reclassified.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock" means any Equity Interest with preferential rights of payment of dividends or upon liquidation, dissolution, or winding up.

"Qualified Proceeds" means assets that are used or useful in, or Capital Stock of any Person engaged in, a Similar Business.

"Qualified Securitization Transaction" means any transaction or series of transactions entered into by the Company or any Restricted Subsidiary pursuant to which the Company or such Restricted Subsidiary sells, conveys, grants a security interest in or otherwise transfers to a Securitization Special Purpose Entity, and such Securitization Special Purpose Entity sells, conveys, grants a security interest in or otherwise transfers to one or more other Persons, any Securitization Assets (whether now existing or arising in the future).

"Rating Agencies" means Moody's and S&P or if Moody's or S&P or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for Moody's or S&P or both, as the case may be.

“Receivables Facility” means any receivables financing facilities or factoring (or reverse factoring) agreements or facilities, as amended, supplemented, modified, extended, renewed, restated or refunded from time to time, the obligations in respect of which are non-recourse (except for customary representations, warranties, covenants and indemnities made in connection with such facilities) to the Company or any of its Restricted Subsidiaries pursuant to which the Company or any of its Restricted Subsidiaries sells its accounts receivable to a Person that is not a Restricted Subsidiary.

“Redemption Date” means the 2023 Dollar Notes Redemption Date, 2025 Dollar Notes Redemption Date or the Euro Notes Redemption Date, as applicable.

“Registration Rights Agreement” means the Registration Rights Agreement to be dated the Issue Date, among the Company, Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC and J.P. Morgan Securities plc, as representatives of the initial purchasers.

“Related Business Assets” means assets (other than cash or Cash Equivalents) used or useful in a Similar Business, *provided* that any assets received by the Company or a Restricted Subsidiary in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person, unless upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

“Restricted Investment” means an Investment other than a Permitted Investment.

“Restricted Subsidiary” means, at any time, any direct or indirect Subsidiary of the Company (including any Foreign Subsidiary and Foreign Subsidiary Holding Company) that is not then an Unrestricted Subsidiary. Upon an Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be a Restricted Subsidiary.

“S&P” means Standard & Poor’s, a division of The McGraw-Hill Companies, Inc., and any successor to its rating agency business.

“Sale and Lease-Back Transaction” means any arrangement providing for the leasing by the Company or any of its Restricted Subsidiaries of any real or tangible personal property, which property has been or is to be sold or transferred by the Company or such Restricted Subsidiary to a third Person in contemplation of such leasing.

“SEC” means the U.S. Securities and Exchange Commission.

“Secured Indebtedness” means any Indebtedness of the Company or any of its Restricted Subsidiaries secured by a Lien.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“Securitization Fees” means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Qualified Securitization Transaction.

“Securitization Assets” means (i) all receivables, inventory or royalty or other revenue streams transferred in connection with asset securitization transactions by the Company or any Restricted Subsidiary pursuant to documents relating to any Qualified Securitization Transaction, (ii) all rights arising under the documentation governing or related to receivables (including rights in respect of Liens securing such receivables and other credit support in respect of such receivables), any proceeds of such receivables and any lockboxes or accounts in which such proceeds are deposited, spread accounts and other similar accounts (and any amounts on deposit therein)

established in connection with a Qualified Securitization Transaction, any warranty, indemnity, dilution and other intercompany claim, arising out of the documents relating to such Qualified Securitization Transaction and other assets that are transferred or in respect of which security interests are granted in connection with asset securitizations involving accounts receivable, and (iii) all collections (including recoveries) and other proceeds of the assets described in the foregoing clauses (i) and (ii).

“Securitization Special Purpose Entity” means a Person (including, without limitation, a Restricted Subsidiary) created in connection with the transactions contemplated by a Qualified Securitization Transaction, which Person engages in no activities and holds no assets other than those incidental to such Qualified Securitization Transaction.

“Senior Indebtedness” means any Indebtedness of the Company or any Subsidiary Guarantor that ranks *pari passu* in right of payment with the Notes or the Guarantee of such Subsidiary Guarantor, as the case may be. For the avoidance of doubt, any Indebtedness of the Company or any Subsidiary Guarantor that is permitted to be incurred under the terms of the Indenture shall constitute Senior Indebtedness for the purposes of the Indenture unless the instrument under which such Indebtedness is incurred expressly provides that it is subordinate in right of payment to the Notes or any related Guarantee.

“Senior Secured Credit Facilities” means the Senior Credit Agreement dated as of May 12, 2015, by and among the Company, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other agents and lenders party thereto, including any guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof.

“separation and distribution” means (1) the series of internal transactions among DuPont and its Subsidiaries (including the Company and its Subsidiaries) pursuant to which the business of the Company and its Subsidiaries is separated from DuPont and its other Subsidiaries, as described in the Form 10 and this offering circular, and (2) DuPont’s distribution of the shares of the Company’s common stock to DuPont’s stockholders.

“Separation and Distribution Documents” means each of the following agreements between DuPont and the Company in connection with the separation and distribution to be dated as of or prior to the Distribution Date: the Separation Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement, the Intellectual Property Cross-License Agreement (each as referred to in the Form 10 and this offering circular) and any other instruments, assignments, documents and agreements executed in connection with the implementation of the Transactions.

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

“Similar Business” means any business conducted or proposed to be conducted by the Company and its Subsidiaries on the Issue Date or any business that is similar, reasonably related, incidental or ancillary thereto or a reasonable extension, development or expansion of such business.

“Standard Securitization Undertakings” means all representations, warranties, covenants, indemnities, performance guarantees and servicing obligations entered into by the Company or any Subsidiary (other than a Securitization Special Purpose Entity) that are customary in connection with any Qualified Securitization Transaction.

“Subordinated Indebtedness” means, with respect to the Notes,

(1) any Indebtedness of the Company that is by its terms subordinated in right of payment to the Notes, and

(2) any Indebtedness of any Subsidiary Guarantor that is by its terms subordinated in right of payment to the Guarantee of such entity of the Notes.

“Subsidiary” means, with respect to any Person:

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; and

(2) any partnership, joint venture, limited liability company or similar entity of which

(a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise, and

(b) such Person or any Restricted Subsidiary of such Person is a general partner or otherwise controls such entity.

“Subsidiary Guarantor” means each Subsidiary of the Company that Guarantees the Notes in accordance with the terms of the Indenture.

“Total Assets” means the total assets of the Company and the Restricted Subsidiaries on a consolidated basis, as shown on the most recent consolidated balance sheet of the Company or such other Person as may be expressly stated, as the case may be (giving *pro forma* effect to any acquisitions or dispositions of assets or properties that have been made by the Company or any of its Restricted Subsidiaries subsequent to the date of such balance sheet, including through mergers or consolidations).

“Transactions” means (1) (A) the separation and distribution, (B) any other transactions contemplated by, or pursuant to, the Separation and Distribution Documents or otherwise in connection with the separation and distribution (including, but not limited to, any cancellation or termination of Indebtedness, agreements, arrangements, dividends, true-ups, adjustments, commitments or understandings, including intercompany accounts payables, receivables or Indebtedness, between the Company or any of its Restricted Subsidiaries, on the one hand, and DuPont or any of its other Subsidiaries, on the other hand, and making certain intercompany contributions and dividend payments, including, without limitation, the dividend to be paid to DuPont that is financed from the net proceeds of the senior secured term loan and the Notes as described in the Form 10) and (C) any other transactions pursuant to agreements or arrangements in effect as of the Distribution Date, in each case on substantially the terms described in, or otherwise consistent in all material respects with, this offering circular, or, in the case of clauses (B) and (C), any amendment, modification, addition or supplement to any such agreement or arrangement or replacement thereof, as long as the terms of such agreement or arrangement, as so amended, modified, added, supplemented or replaced are not materially more disadvantageous to the Holders of Notes when taken as a whole compared to the applicable agreements or arrangements as described in this offering circular (as determined in good faith by the Company), (2) the payment of a cash dividend to DuPont in connection with the separation and distribution as described in this offering circular, (3) the issuance of the Notes, (4) entering into the Senior Secured Credit Facilities and the borrowing of the term loans thereunder and (5) the payment of fees and expenses in connection with the foregoing.

“Treasury Rate” means, as of any Redemption Date, the yield to maturity as of such Redemption Date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the Redemption Date (or in connection with a discharge, two Business Days prior to the date of deposit with the Trustee or paying agent, as applicable) (or, if such Statistical Release is no longer published, any publicly

available source of similar market data)) most nearly equal to the period from the Redemption Date to May 15, 2018; *provided, however*, that if the period from the Redemption Date to the stated maturity date of the Notes to be redeemed is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

“Unrestricted Cash” means, at any time, all cash and Cash Equivalents held by the Company and its Restricted Subsidiaries at such time; *provided* that such cash and Cash Equivalents (a) do not appear (and would not be required to appear) as “restricted” on a consolidated balance sheet of the Company prepared in conformity with GAAP (unless such classification results solely from any Lien referred to in clause (b) below) and (b) are not controlled by or subject to any Lien or other preferential arrangement in favor of any creditor, other than Liens created under a Credit Facility.

“Unrestricted Subsidiary” means:

- (1) any Subsidiary of the Company that at the time of determination is an Unrestricted Subsidiary (as designated by the Company, as provided below); and
- (2) any Subsidiary of an Unrestricted Subsidiary.

The Company may designate any Subsidiary of the Company (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Company or any Subsidiary of the Company (other than solely any Subsidiary of the Subsidiary to be so designated); *provided* that

- (1) such designation complies with the covenant described under “—Certain Covenants—Limitation on Restricted Payments”; and
- (2) each of the Subsidiary to be so designated and its Subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Company or any Restricted Subsidiary.

The Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that, immediately after giving effect to such designation, no Default shall have occurred and be continuing and either:

- (1) the Company could incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test described in the first paragraph under “—Certain Covenants—Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock”; or
- (2) the Fixed Charge Coverage Ratio of the Company and its Restricted Subsidiaries would be greater than such ratio of the Company and its Restricted Subsidiaries immediately prior to such designation, in each case on a *pro forma* basis taking into account such designation.

Any such designation by the Company shall be notified by the Company to the Trustee by promptly filing with the Trustee a copy of the resolution of the board of directors of the Company or any committee thereof giving effect to such designation and an Officer’s Certificate certifying that such designation complied with the foregoing provisions.

Actions taken by an Unrestricted Subsidiary will not be deemed to have been taken, directly or indirectly, by the Company or any Restricted Subsidiary.

“Voting Stock” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness or Disqualified Stock, as the case may be, at any date, the number of years obtained by dividing:

(1) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Disqualified Stock multiplied by the amount of such payment; by

(2) the sum of all such payments.

BOOK-ENTRY, DELIVERY AND FORM

Dollar Notes

The Dollar Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A (“Dollar Rule 144A Notes”). The Dollar Notes also may be offered and sold in offshore transactions in reliance on Regulation S (“Dollar Regulation S Notes”). Except as set forth below, the Dollar Notes will initially be issued in registered, global form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. Dollar Notes will be issued at the closing of this offering only against payment in immediately available funds.

Dollar Rule 144A Notes initially will be represented by one or more notes in registered, global form without interest coupons (collectively, the “Dollar Rule 144A Global Notes”). Dollar Regulation S Notes initially will be represented by one or more temporary notes in registered, global form without interest coupons (collectively, the “Dollar Regulation S Temporary Global Notes”). The Dollar Rule 144A Global Notes and the Dollar Regulation S Temporary Global Notes will be deposited upon issuance with the trustee as custodian for The Depository Trust Company (“DTC”), and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the “Restricted Period”), beneficial interests in the Dollar Regulation S Temporary Global Notes may be held only through Euroclear and Clearstream (as indirect participants in DTC), unless transferred to a person that takes delivery through a Dollar Rule 144A Global Note in accordance with the certification requirements described below. Within a reasonable time period after the expiration of the Restricted Period, the Dollar Regulation S Temporary Global Notes will be exchanged for one or more permanent notes in registered, global form without interest coupons (collectively, the “Dollar Regulation S Permanent Global Notes” and, together with the Dollar Regulation S Temporary Global Notes, the “Dollar Regulation S Global Notes;” the Dollar Regulation S Global Notes and the Dollar Rule 144A Global Notes collectively being the “Dollar Global Notes”) upon delivery to DTC of certification of compliance with the transfer restrictions applicable to the notes and pursuant to Regulation S as provided in the Indenture. Beneficial interests in the Dollar Rule 144A Global Notes may not be exchanged for beneficial interests in the Dollar Regulation S Global Notes or vice versa at any time except in the limited circumstances described below. See “—Exchanges Between Dollar Regulation S Notes and Dollar Rule 144A Notes.”

Except as set forth below, the Dollar Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Dollar Global Notes may not be exchanged for definitive notes in registered certificated form (“Dollar Certificated Notes”) except in the limited circumstances described below. See “—Exchange of Dollar Global Notes for Dollar Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Dollar Global Notes will not be entitled to receive physical delivery of notes in certificated form.

Dollar Rule 144A Notes (including beneficial interests in the Dollar Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under “Notice to Investors.” Dollar Regulation S Notes will also bear the legend as described under “Notice to Investors.” In addition, transfers of beneficial interests in the Dollar Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

Depository Procedures

The following description of the operations and procedures of DTC, Euroclear and Clearstream are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. The Company, the Trustee and the paying agents take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised the Company that DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the “Participants”) and to facilitate the clearance and settlement of transactions in those securities between the Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC’s system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the “Indirect Participants”). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

DTC has also advised the Company that, pursuant to procedures established by it:

- (1) upon deposit of the Dollar Global Notes, DTC will credit the accounts of the Participants designated by the initial purchasers with portions of the principal amount of the Dollar Global Notes; and
- (2) ownership of these interests in the Dollar Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interests in the Dollar Global Notes).

Investors in the Dollar Rule 144A Global Notes that are Participants may hold their interests therein directly through DTC. Investors in the Dollar Rule 144A Global Notes that are not Participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are Participants. Investors in the Dollar Regulation S Global Notes must initially hold their interests therein through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants.

After the expiration of the Restricted Period (but not earlier), investors may also hold interests in the Dollar Regulation S Global Notes through Participants in the DTC system other than Euroclear and Clearstream. Euroclear and Clearstream will hold interests in the Dollar Regulation S Global Notes on behalf of their participants through customers’ securities accounts in their respective names on the books of their respective depositaries, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Clearstream Banking, *société anonyme*, as operator of Clearstream. All interests in a Dollar Global Note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some jurisdictions may require that certain Persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a Dollar Global Note to such Persons will be limited to that extent. Because DTC can act only on behalf of the Participants, which in turn act on behalf of the Indirect Participants, the ability of a Person having beneficial interests in a Dollar Global Note to pledge such interests to Persons that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, beneficial owners of interests in the Dollar Global Notes will not have notes registered in their names, will not receive physical delivery of Dollar Certificated Notes and will not be considered the registered owners or “holders” thereof under the Indenture for any purpose.

Payments in respect of the principal of, and premium, if any, and interest, on, a Dollar Global Note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indenture. Under the terms of the Indenture, the Company, the Guarantors and the trustee will treat the

Persons in whose names the notes, including the Dollar Global Notes, are registered as the owners of the notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Company, the Guarantors, the trustee nor any agent of the Company, the Guarantors or the trustee has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interests in the Dollar Global Notes or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Dollar Global Notes; or

(2) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC has advised the Company that its current practice, upon receipt of any payment in respect of securities such as the notes (including principal and interest), is to credit the accounts of the relevant Participants with the payment on the payment date unless DTC has reason to believe that it will not receive payment on such payment date. Each relevant Participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the Participants and the Indirect Participants to the beneficial owners of notes will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the Trustee, the Company or the Guarantors. None of the Company, the Guarantors nor the trustee will be liable for any delay by DTC or any of the Participants or the Indirect Participants in identifying the beneficial owners of the notes, and the Company, the Guarantors and the trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under "Notice to Investors," transfers between the Participants will be effected in accordance with DTC's procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes described herein, cross-market transfers between the Participants, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by their respective depositories; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Dollar Global Note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised the Company that it will take any action permitted to be taken by a holder of notes only at the direction of one or more Participants to whose account DTC has credited the interests in the Dollar Global Notes and only in respect of such portion of the aggregate principal amount of the notes as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the notes, DTC reserves the right to exchange the Dollar Global Notes for legended Dollar Certificated Notes, and to distribute such notes to its Participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Dollar Rule 144A Global Notes and the Dollar Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. None of the Company, the Guarantors nor the

trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Dollar Global Notes for Dollar Certificated Notes

A Dollar Global Note is exchangeable for Dollar Certificated Notes if:

- (1) DTC (a) notifies the Company that it is unwilling or unable to continue as depository for the Dollar Global Notes or (b) has ceased to be a clearing agency registered under the Exchange Act and, in either case, the Company fails to appoint a successor depository;
- (2) the Company, at its option, notifies the trustee in writing that it elects to cause the issuance of the Dollar Certificated Notes; *provided* that in no event shall the Dollar Regulation S Temporary Global Note be exchanged for Dollar Certificated Notes prior to (a) the expiration of the Restricted Period and (b) the receipt of any certificates required under the provisions of Regulation S; or
- (3) there has occurred and is continuing an Event of Default with respect to the Dollar Notes and DTC notifies the trustee of its decision to exchange the Dollar Global Notes for Dollar Certificated Notes.

In addition, beneficial interests in a Dollar Global Note may be exchanged for Dollar Certificated Notes upon prior written notice given to the trustee by or on behalf of DTC in accordance with the Indenture. In all cases, Dollar Certificated Notes delivered in exchange for any Dollar Global Note or beneficial interests in Dollar Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depository (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in “Notice to Investors,” unless that legend is not required by applicable law.

Exchange of Dollar Certificated Notes for Dollar Global Notes

Dollar Certificated Notes may not be exchanged for beneficial interests in any Dollar Global Note unless the transferor first delivers to the trustee a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such notes. See “Notice to Investors.”

Exchanges Between Dollar Regulation S Notes and Dollar Rule 144A Notes

Prior to the expiration of the Restricted Period, beneficial interests in a Dollar Regulation S Global Note may be exchanged for beneficial interests in a Dollar Rule 144A Global Note only if:

- (1) such exchange occurs in connection with a transfer of the notes pursuant to Rule 144A; and
- (2) the transferor first delivers to the trustee a written certificate (in the form provided in the Indenture) to the effect that the notes are being transferred to a Person:
 - (a) that the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;
 - (b) purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and
 - (c) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in a Dollar Rule 144A Global Note may be transferred to a Person who takes delivery in the form of an interest in the Dollar Regulation S Global Note, whether before or after the expiration of the Restricted Period, only if the transferor first delivers to the trustee a written certificate (in the form provided in

the Indenture) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S or Rule 144 (if available) and that, if such transfer occurs prior to the expiration of the Restricted Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

Transfers involving exchanges of beneficial interests between a Dollar Regulation S Global Note and a Dollar Rule 144A Global Note will be effected by DTC by means of an instruction through the DTC Deposit/Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Dollar Regulation S Global Note and a corresponding increase in the principal amount of the Dollar Rule 144A Global Note or vice versa, as applicable. Any beneficial interest in one of the Dollar Global Notes that is transferred to a Person who takes delivery in the form of an interest in another Dollar Global Note will, upon transfer, cease to be an interest in such Dollar Global Note and will become an interest in the other Dollar Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Dollar Global Note for so long as it remains such an interest. The policies and practices of DTC may prohibit transfers of beneficial interests in the Dollar Regulation S Global Notes prior to the expiration of the Restricted Period.

Certifications by Holders of the Dollar Regulation S Temporary Global Notes

A holder of a beneficial interest in the Dollar Regulation S Temporary Global Notes must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Indenture certifying that the beneficial owner of the interest in the Dollar Regulation S Temporary Global Note is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act, and Euroclear or Clearstream, as the case may be, must provide to the trustee (or the paying agent if other than the trustee) a certificate in the form required by the Indenture, prior to any exchange of such beneficial interest for a beneficial interest in the Dollar Regulation S Permanent Global Notes.

Same Day Settlement and Payment

The Company will make payments in respect of the notes represented by the Dollar Global Notes (including principal, premium, if any, and interest) by wire transfer of immediately available funds to the accounts specified by DTC or its nominee. The Company will make all payments of principal, premium, if any, and interest, with respect to Dollar Certificated Notes in the manner described above. The Dollar Notes represented by the Dollar Global Notes are expected to trade in DTC's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. The Company expects that secondary trading in any Dollar Certificated Notes will also be settled in immediately available funds.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Dollar Global Note from a Participant will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. DTC has advised the Company that cash received in Euroclear or Clearstream as a result of sales of interests in a Dollar Global Note by or through a Euroclear or Clearstream participant to a Participant will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Euro Notes

The Euro Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A. The Euro Notes also may be offered and sold in offshore transactions in reliance on Regulation S. Except as set forth below, the Euro Notes will initially be issued in registered, global form (the "Euro Global Notes") in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Euro Notes will be issued at

the closing of this offering only against payment in immediately available funds. Upon issuance, the Euro Global Note will be deposited and held by, or on behalf of, a common depository for the accounts of Euroclear and Clearstream.

Beneficial interests in a Euro Global Note may not be exchanged for Euro Notes in physical, certificated form (“EUR Certificated Notes”) except in the limited circumstances described below. The Euro Global Note and beneficial interests in such Euro Global Note will be subject to restrictions on transfer as described under “Transfer Restrictions.”

Book-entry procedures for the Euro Global Notes

On the Issue Date, the Euro Global Notes will be deposited with, and registered in the name of, the common depository or its nominee. The Euro Notes will not be eligible for clearance with DTC.

Book-entry interests will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and/or Clearstream and their participants.

The book-entry interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant’s account with the book-entry interest beneficially owned by such participant. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests.

Except as described below, owners of an interest in the Euro Global Notes will not have Euro Notes registered in their names, will not receive physical delivery of Euro Notes in certificated form and will not be considered the registered owners or “holders” thereof under the Indenture for any purpose.

EUR Certificated Notes

Euro Notes in physical, certificated form will be issued and delivered to each person that either Euroclear or Clearstream, or their common depository, identifies as a beneficial owner of the related Euro Notes only if:

- Euroclear or Clearstream notifies the Company that it is unwilling or unable to continue as depository for the Euro Global Notes and a successor depository is not appointed;
- the Company, at its option, notifies the trustee and applicable paying agent in writing that it elects to cause the issuance of EUR Certificated Notes; or
- there has occurred and is continuing a Default with respect to the Euro Notes and Euroclear or Clearstream notifies the trustee and the applicable paying agent in writing that it elects to cause the issuance of EUR certificated notes.

Certifications by Holders of the Euro Regulation S Temporary Global Notes

A holder of a beneficial interest in a temporary Euro Global Note representing Euro Notes offered and sold in offshore transactions in reliance on Regulation S (“Euro Regulation S Temporary Global Notes”) must provide Euroclear or Clearstream, as the case may be, with a certificate in the form required by the Indenture certifying that the beneficial owner of the interest in the Euro Regulation S Temporary Global Note is either a non-U.S. person or a U.S. person that has purchased such interest in a transaction that is exempt from the registration requirements under the Securities Act, and Euroclear or Clearstream, as the case may be, must provide to the trustee (or the paying agent if other than the trustee) a certificate in the form required by the Indenture, prior to any exchange of such beneficial interest for a beneficial interest in a permanent Euro Regulation S Global Note.

Redemption of Euro Global Notes

In the event any of the Euro Global Notes, or any portion thereof, is redeemed, Euroclear and/or Clearstream, as applicable, will distribute the amount received by them in respect of the Euro Global Note so redeemed to the holders of the book-entry interests in such Euro Global Note from the amount received by it in respect of the redemption of such Euro Global Note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by Euroclear or Clearstream, as applicable, in connection with the redemption of such Euro Global Note (or any portion thereof). The Company understands that under existing practices of Euroclear and Clearstream, if fewer than all of the Euro Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate; provided, however, that no book-entry interest of less than €100,000 in principal amount may be redeemed in part.

Payments on Euro Global Notes; Paying Agent, Registrar and Transfer Agent for the Euro Notes

Payments of any amounts owing in respect of the Euro Global Notes will be made by the Company in Euros to the applicable paying agent, except in the circumstances described under "Description of Notes—Issuance of Euro Notes in Euros", in which case payment may be made in U.S. Dollars. The paying agent will, in turn, make such payments to the Depositary, which will distribute such payments to participants in accordance with their respective procedures.

Under the terms of the Indenture, the Company and the trustee will treat the registered holder of the Euro Global Notes (i.e., Euroclear or Clearstream (or their respective nominee)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, neither the Company, the trustee nor any of their respective agents has or will have any responsibility for the performance by Euroclear or Clearstream, or their respective participants or indirect participants, of their respective obligations under the rules and procedures governing their operations.

EXCHANGE OFFER; REGISTRATION RIGHTS

We have agreed pursuant to a registration rights agreement with the initial purchasers, for the benefit of the holders of the notes, to file, at our own expense, a registration statement (the “exchange offer registration statement”) with respect to a registered exchange offer (the “exchange offer”) to exchange each series of notes for new notes (which we refer to as the exchange notes) with terms identical in all material respects to those of the notes of such series (except that the new notes will not have transfer restrictions, registration rights or Additional Interest (as defined below)), and to file the exchange offer registration statement and use our commercially reasonable efforts to cause the exchange offer registration statement to be declared effective by the SEC under the Securities Act. Once the exchange offer registration statement has been declared effective, we will offer the exchange notes in exchange for surrender of the notes. We will keep the exchange offer registration statement effective for at least 30 days (or longer if required by applicable law) from the date that notice of the exchange offer is mailed to holders of the notes. For each note surrendered to us pursuant to the exchange offer, the holder who surrendered such note will receive an exchange note having a principal amount equal to that of the surrendered note. Interest on each exchange note will accrue from the last interest payment date on which interest was paid on the note surrendered in exchange therefor or, if no interest has been paid on such note, from the original issue date of such note.

Under existing interpretations of the Securities Act by the SEC staff contained in several no action letters to third parties, and subject to the immediately following sentence, we believe that the exchange notes would generally be freely transferable by holders thereof (other than our affiliates) after the exchange offer without further registration under the Securities Act. However, any purchaser of notes who is an “affiliate” (as defined in Rule 405 under the Securities Act) of us and any purchaser of notes who intends to participate in the exchange offer for the purpose of distributing the exchange notes (1) will not be able to rely on the interpretations of the staff of the SEC and (2) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the notes unless such sale or transfer is made pursuant to an exemption from such requirements.

In addition, in connection with any resales of exchange notes by any broker-dealer that acquired the exchange notes for its own account as a result of market making or other trading activities, which we refer to as a participating broker-dealer (a “Participating Broker-Dealer”), such Participating Broker-Dealer must deliver a prospectus meeting the requirements of the Securities Act. The SEC has taken the position that Participating Broker-Dealers may fulfill their prospectus delivery requirements with respect to the exchange notes (other than in connection with a resale of an unsold allotment from this offering) with the prospectus contained in the exchange offer registration statement. We have agreed in the registration rights agreement to use our commercially reasonable efforts to make available for a period of 180 days (or such shorter period during which Participating Broker-Dealers are required by law to deliver a prospectus) after effectiveness of the exchange offer registration statement a prospectus meeting the requirements of the Securities Act to any Participating Broker-Dealer and any other persons with similar prospectus delivery requirements for use in connection with any resale of exchange notes. A Participating Broker-Dealer or any other person that delivers such a prospectus to purchasers in connection with such resales will be subject to certain of the civil liability provisions under the Securities Act and will be bound by the provisions of the registration rights agreement (including certain indemnification rights and obligations thereunder).

Each holder of the notes (other than certain specified holders) who wishes to exchange notes for exchange notes in the exchange offer will be required to make certain representations, including representations that (1) it is not an “affiliate” (as defined in Rule 405 under the Securities Act) of ours or, if it is an affiliate, it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable, (2) it will have no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of the exchange notes, (3) any exchange notes to be received by it will be acquired in the ordinary course of its business, (4) if such holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the exchange notes and (5) if such holder is a broker-dealer, that it will

receive exchange notes for its own account in exchange for notes that were acquired as a result of market making or other trading activities and that it will be required to acknowledge that it will deliver a prospectus in connection with the resale of such exchange notes.

In the event that (1) any changes in law or the applicable interpretations of the staff of the SEC do not permit us to effect the exchange offer, (2) for any other reason the exchange offer is not consummated within the time period set forth in the registration rights agreement, (3) any purchaser so requests with respect to the notes not eligible to be exchanged for exchange notes in the registered exchange offer and held by it following consummation of the registered exchange offer or (4) any holder (other than an exchanging broker-dealer) is not eligible to participate in the registered exchange offer or, in the case of any holder (other than an exchanging broker-dealer) that participates in the registered exchange offer, such holder does not receive freely tradeable exchange notes on the date of the exchange, then, we will, upon written request, (a) file with the SEC a shelf registration statement covering resales of the notes, (b) use our commercially reasonable efforts to cause the shelf registration statement to be declared effective and (c) use our commercially reasonable efforts to keep the shelf registration statement continuously effective for a period of two years (or for such longer period if extended pursuant to the registration rights agreement) from the initial issue date of the notes or such shorter period that will terminate when all the securities covered by the shelf registration statement (i) have been sold pursuant thereto or (ii) have been distributed to the public pursuant to Rule 144 under the Securities Act (the period during which a shelf registration statement is required to remain continuously effective, the “shelf registration period”).

We will, in the event of the filing of such a shelf registration statement, provide to each holder of the applicable series of notes copies of the prospectus that is a part of the shelf registration statement, notify each such holder when the shelf registration statement has become effective and take certain other actions as are required to permit unrestricted resales of the notes. A holder of notes that sells its notes pursuant to the shelf registration statement generally (1) will be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, (2) will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and (3) will be bound by the provisions of the registration rights agreement that are applicable to such holder (including certain indemnification rights and obligations thereunder). In addition, holders of the notes will be required to deliver information to be used in connection with the shelf registration statement within the time periods set forth in the registration rights agreement to have their notes included in the shelf registration statement.

If (i) by the 465th day since the initial issue date of the notes, neither the registered exchange offer is consummated nor, if required in lieu thereof, the shelf registration statement is declared effective by the SEC or (ii) if after either the exchange offer registration statement or the shelf registration statement is declared (or becomes automatically) effective and prior to the consummation of the exchange offer or the end of the shelf registration period, respectively, (A) such registration statement thereafter ceases to be effective; or (B) such registration statement or the related prospectus ceases to be usable for its intended purpose at any time during the shelf registration period (each such event referred to in clauses (i) and (ii), a “registration default”), then, commencing immediately upon the occurrence of such registration default, additional interest shall accrue on the principal amount of the applicable series of notes at a rate of 0.25% per annum for the first 90-day period immediately following such registration default and by an additional 0.25% per annum with respect to each subsequent 90-day period, up to a maximum additional interest rate of 0.50% per annum, until all registration defaults have been cured.

The above summary of certain provisions of the registration rights agreement does not contain all of the information that may be important to you. You should review carefully all the provisions of the registration rights agreement, which will be available from us upon request.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the U.S. federal income tax considerations generally applicable to the ownership and disposition of the notes. This discussion does not address specific tax consequences that may be relevant to particular persons in light of their individual circumstances (including, for example, entities treated as partnerships for U.S. federal income tax purposes or partners or members therein, banks or other financial institutions, broker-dealers, insurance companies, regulated investment companies, tax-exempt entities, common trust funds, U.S. expatriates, controlled foreign corporations, dealers in securities or currencies and persons in special situations, such as those who hold the notes as part of a straddle, hedge, synthetic security, conversion transaction or other integrated investment comprised of the notes and one or more other investments). This discussion is limited to holders that purchase the notes in the initial offering at the issue price listed on the cover of this prospectus supplement and that hold such notes as capital assets (generally, property held for investment purposes) for U.S. federal income tax purposes. In addition, this discussion does not describe any tax consequences arising under U.S. federal gift and estate tax, Medicare contribution tax or other U.S. federal tax laws or under the tax laws of any state, local or foreign jurisdiction. This discussion also does not address tax consequences to U.S. Holders (as defined below) whose “functional currency” is not the U.S. dollar. This discussion is based upon the Code, the Treasury Regulations (the “Treasury Regulations”) promulgated thereunder and administrative and judicial interpretations thereof, all as of the date hereof and all of which are subject to change, possibly with retroactive effect. There can be no assurance that the IRS will not challenge one or more of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, a ruling from the IRS with respect to the U.S. federal income tax consequences of acquiring, owning or disposing of the notes.

Prospective purchasers of the notes are urged to consult their own tax advisors concerning the U.S. federal income tax consequences to them of acquiring, owning and disposing of the notes, as well as the application of other U.S. federal tax laws and state, local and foreign tax laws.

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of the notes who, for U.S. federal income tax purposes, is a citizen or individual resident of the United States, a corporation (or other entity that is treated as a corporation for U.S. federal income tax purposes) that is created or organized in or under the laws of the United States, or any state thereof or the District of Columbia, an estate whose income is subject to U.S. federal income tax regardless of its source or a trust (i) if a U.S. court can exercise primary supervision over the trust’s administration and one or more U.S. persons are authorized to control all substantial decisions of the trust, or (ii) that validly elects to be treated as a U.S. person for U.S. federal income tax purposes.

For purposes of this discussion, a “Non-U.S. Holder” is a beneficial owner of notes that is not a U.S. Holder and is not a partnership.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes is a beneficial owner of notes, the treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A holder of notes that is a partnership and partners in such a partnership are urged to consult their own tax advisors concerning the U.S. federal income tax consequences of acquiring, owning and disposing of notes.

Possible Treatment as Contingent Payment Debt Instruments

We may be obligated to pay amounts in excess of the stated interest or principal on the notes, including as described under “Description of Notes—Special Mandatory Redemption.” Our obligation to pay such excess amounts may implicate the provisions of the Treasury Regulations relating to “contingent payment debt instruments.” Under these regulations, however, one or more contingencies will not cause a debt instrument to be treated as a contingent payment debt instrument if, as of the issue date, each such contingency is “remote” or is considered to be “incidental.” We believe and intend to take the position that the foregoing contingencies should

be treated as remote and/or incidental. Our position is binding on a holder, unless the holder discloses in the proper manner to the IRS that it is taking a different position. However, this determination is inherently factual and we can give you no assurance that our position would be sustained if challenged by the IRS. A successful challenge of this position by the IRS could affect the timing and amount of a holder's income and could cause gain from the sale or other disposition of the notes to be treated as ordinary income, rather than capital gain. This disclosure assumes that the notes will not be considered contingent payment debt instruments. Investors are urged to consult their tax advisors regarding the potential application to the notes of the contingent payment debt regulations and the consequences thereof.

U.S. Holders

This discussion applies only to U.S. Holders of Euro Notes.

Payments of Interest

A U.S. Holder that uses the cash method of tax accounting will be required to include in income the U.S. dollar value of the euro-denominated interest payment on a note (including additional amounts) based on the spot rate of exchange on the date of receipt. No foreign currency exchange gain or loss will be recognized with respect to the receipt of such payment (other than foreign currency exchange gain or loss realized on the disposition of the euros so received, see “— Transactions in Euros,” below).

A U.S. Holder that uses the accrual method of tax accounting will accrue interest income on a note (including additional amounts) in euros and translate the amount accrued into U.S. dollars based on:

- the average exchange rate in effect during the interest accrual period, or portion thereof, within such U.S. Holder's taxable year; or
- at such U.S. Holder's election, at the spot rate of exchange on (1) the last day of the accrual period, or the last day of the taxable year within such accrual period if the accrual period spans more than one taxable year, or (2) the date of receipt, if such date is within five business days of the last day of the accrual period.

Such election must be applied consistently by the U.S. Holder to all debt instruments from year to year and can be changed only with the consent of the IRS. A U.S. Holder that uses the accrual method of tax accounting will recognize foreign currency exchange gain or loss on the receipt of an interest payment equal to the difference between (i) the value of the euros received as interest, as translated into U.S. dollars using the spot rate of exchange on the date of receipt and (ii) the U.S. dollar amount previously included in income with respect to such payment. Such foreign currency exchange gain or loss will be treated as ordinary income or loss but will generally not be treated as an adjustment to interest income received on the notes.

Disposition of the Notes

Upon the sale, exchange, retirement at maturity, redemption or other taxable disposition of a note (collectively, a “Disposition”), except as noted below with respect to foreign currency exchange gain or loss, a U.S. Holder will generally recognize capital gain or loss equal to the difference between the amount realized by such U.S. Holder (except to the extent such amount is attributable to accrued but unpaid interest, which will be treated as ordinary interest income if such interest has not been previously included in income) and such U.S. Holder's adjusted tax basis in the note.

Subject to the discussion below regarding notes that are traded on an established securities market, the adjusted tax basis of a note to a U.S. Holder will generally be the U.S. dollar value of the euro purchase price calculated at the spot rate of exchange on the date of purchase and the amount realized by a U.S. Holder upon the Disposition of a note will generally be the U.S. dollar value of the euros received calculated at the spot rate of exchange on the date of Disposition. If the notes are traded on an established securities market, a U.S. Holder that uses the cash method of tax accounting, and a U.S. Holder that uses the accrual method of tax accounting if it so

elects, will determine the U.S. dollar values of its adjusted tax basis in the note and the amount realized on the Disposition of a note by translating euro amounts at the spot rate of exchange on the settlement date of the purchase or the Disposition, respectively. The election available to accrual basis U.S. Holders discussed above must be applied consistently by the U.S. Holder to all debt instruments from year to year and can be changed only with the consent of the IRS.

Any capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period for the notes exceeds one year on the date of Disposition. Long-term capital gains recognized by non-corporate U.S. Holders are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Gain or loss recognized by a U.S. Holder on a Disposition of a note will generally be treated as ordinary income or loss to the extent that the gain or loss is attributable to changes in the euro-to-U.S.-dollar exchange rate during the period in which the U.S. Holder held such note. Such foreign currency exchange gain or loss will equal the difference between the U.S. dollar value of the euro purchase price calculated at the spot rate of exchange on the date (1) the note is disposed of (or the spot rate on the settlement date, if applicable) and (2) of purchase (or the spot rate on the settlement date, if applicable). A U.S. Holder that uses the accrual method of tax accounting (and has not elected to translate euro amounts at the spot rate of exchange on the settlement date of the purchase or the Disposition) will recognize foreign currency exchange gain or loss on the receipt of a payment upon Disposition equal to the difference between (i) the value of the euros received, as translated into U.S. dollars using the spot rate of exchange on the date of receipt and (ii) the U.S. dollar value of the euro purchase price calculated at the spot rate of exchange on the date the note was disposed of. The recognition of such foreign currency exchange gain or loss will be limited to the amount of overall gain or loss realized on the Disposition of a note.

Transactions in Euros

Euros received as interest on, or on a Disposition of, a note will have a tax basis equal to their U.S. dollar value determined using the spot rate of exchange on the date such interest or such proceeds from Disposition are received. The amount of gain or loss recognized on a sale or other disposition of such euros will be equal to the difference between (1) the amount of U.S. dollars, or the fair market value in U.S. dollars of the other property received in such sale or other disposition, and (2) the U.S. Holder's adjusted tax basis in such euros. As discussed above, if the notes are traded on an established securities market, a cash basis U.S. Holder (or an electing accrual basis U.S. Holder) will determine the U.S. dollar value of the euros by translating the euros received at the spot rate of exchange on the settlement date of the purchase or the Disposition. A U.S. Holder that purchases a note with previously owned euros will generally recognize gain or loss in an amount equal to the difference, if any, between such U.S. Holder's adjusted tax basis in such euros and the U.S. dollar fair market value of such note on the date of purchase.

Any such gain or loss will generally be ordinary income or loss and will not be treated as interest income or expense. The conversion of U.S. dollars to euros and the immediate use of such euros to purchase a note will generally not result in any exchange gain or loss for a U.S. Holder.

Reportable Transactions

Treasury Regulations that are intended to require the reporting of certain tax shelter transactions could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury Regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a disposition of a note or foreign currency received in respect of a note to the extent that such disposition results in a tax loss in excess of a threshold amount. Prospective investors should consult their own tax advisors to determine the tax reporting obligations, if any, with respect to an investment in the notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Non-U.S. Holders

Payments of Interest

Subject to the discussion of the Foreign Account Tax Compliance Act below, a Non-U.S. Holder will generally not be subject to U.S. federal income or withholding tax on payments of interest on the notes provided that both (i) such interest is not effectively connected with the conduct of a trade or business within the United States by the Non-U.S. Holder (or, if certain tax treaties apply, if such interest is not attributable to a permanent establishment or fixed base within the United States by the Non-U.S. Holder) and (ii) the Non-U.S. Holder (A) does not actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock, (B) is not a controlled foreign corporation related to us directly or constructively through stock ownership and (C) satisfies certain certification requirements. Such certification requirements will be met if the Non-U.S. Holder provides its name and address, and certifies on an IRS Form W-8BEN or IRS Form W-8BEN-E (or successor form), under penalties of perjury, that it is not a U.S. person.

If interest on the notes is not effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Holder but such Non-U.S. Holder cannot satisfy the other requirements outlined in the preceding paragraph, interest on the notes will generally be subject to U.S. federal withholding tax (currently imposed at a 30% rate, or a lower applicable treaty rate).

If interest on the notes is effectively connected with the conduct of a trade or business within the United States by a Non-U.S. Holder and, if certain tax treaties apply, is attributable to a permanent establishment or fixed base within the United States, then the Non-U.S. Holder will generally be subject to U.S. federal income tax on such interest in the same manner as if such holder were a U.S. person and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to the branch profits tax (currently imposed at a rate of 30%, or a lower applicable treaty rate). Any such interest will not also be subject to U.S. federal withholding tax, however, if the Non-U.S. Holder delivers to us a properly executed IRS Form W-8ECI (or appropriate substitute form) in order to claim an exemption from U.S. federal withholding tax.

Disposition of the Notes

Except with respect to accrued but unpaid interest, which will generally be taxed as described above under “Payments of Interest,” and subject to the discussions of backup withholding and the Foreign Account Tax Compliance Act below, a Non-U.S. Holder will generally not be subject to U.S. federal income tax (or any withholding thereof) with respect to gain, if any, recognized on the disposition of the notes unless (i) the gain is effectively connected with the conduct of a trade or business within the United States by the Non-U.S. Holder and, if certain tax treaties apply, is attributable to a permanent establishment or fixed base within the United States, or (ii) in the case of a Non-U.S. Holder that is a nonresident alien individual, such holder is present in the United States for 183 or more days in the taxable year and certain other conditions are satisfied.

In the case of (i) above, any gain or loss recognized by the Non-U.S. Holder on the disposition of the notes will generally be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a U.S. person and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to the branch profits tax discussed above. In the case of (ii) above, the Non-U.S. Holder will generally be subject to a 30% tax on any capital gain recognized on the disposition of the notes (after being offset by certain U.S. source capital losses). These holders are urged to consult their own tax advisers with respect to the U.S. tax consequences of the ownership and disposition of the notes.

Information Reporting and Backup Withholding

A Non-U.S. Holder will generally be required to comply with certain certification procedures to establish that such holder is not a U.S. person in order to avoid backup withholding with respect to payments of principal and interest on, or the proceeds of a disposition of, the Notes. In addition, we must report annually to the IRS and

to each Non-U.S. Holder the amount of any interest paid to such Non-U.S. Holder regardless of whether any tax was actually withheld. Copies of the information returns reporting such interest payments and the amount withheld may also be made available to the tax authorities in the country in which a Non-U.S. Holder resides under the provisions of an applicable tax treaty. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is correctly and timely provided to the IRS.

Additional Withholding Requirements Under the Foreign Account Tax Compliance Act

Withholding at a rate of 30% will generally be required in certain circumstances on interest payable on the notes, and, after December 31, 2016, gross proceeds from the disposition of the notes, held by or through certain financial institutions (including investment funds), unless such institution (i) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons or by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which the notes are held will affect the determination of whether such withholding is required. Similarly, interest payable on and, after December 31, 2016, gross proceeds from the disposition of the notes held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exemptions will generally be subject to withholding at a rate of 30%, unless such entity either (i) certifies that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which will in turn be provided to the U.S. Department of the Treasury. Prospective investors are urged to consult their own tax advisors regarding the possible implications of these rules on an investment in the notes.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase and holding of the notes by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (“Similar Laws”), and entities whose underlying assets are considered to include “plan assets” (within the meaning of Section 3(42) of ERISA or applicable Similar Laws) of any such plan, account or arrangement (each, a “Plan”).

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an “ERISA Plan”) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any applicable Similar Laws relating to a fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any applicable Similar Laws.

Plans that are “governmental plans” (as defined in Section 3(32) of ERISA), certain “church plans” (as defined in Section 3(33) of ERISA or Section 4975(g)(3) of the Code) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA and the Code, may nevertheless be subject to Similar Laws. Fiduciaries of such Plans, in consultation with their counsel, should consider the impact of their respective laws on investments in the notes and the considerations discussed herein, to the extent applicable.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are “parties in interest,” within the meaning of ERISA, or “disqualified persons,” within the meaning of Section 4975 of the Code, unless an exemption is available. Such transactions are referred to as “prohibited transactions” and include, without limitation, (1) a direct or indirect extension of credit to a party in interest or to a disqualified person, (2) the sale or exchange of any property between an ERISA Plan and a party in interest or a disqualified person, or (3) the transfer to, or use by or for the benefit of, a party in interest or a disqualified person, of any plan assets. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

The acquisition and/or holding of notes by an ERISA Plan with respect to which we, any of the initial purchasers, or any of the guarantors is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the United States Department of Labor (the “DOL”) has issued prohibited transaction class exemptions, or “PTCEs,” that may apply to the acquisition and holding of the notes.

These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting transactions involving insurance company pooled separate accounts, PTCE 91-38 respecting transactions involving bank collective investment funds, PTCE 95-60 respecting transactions involving life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, the statutory exemption under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provides relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions between an ERISA Plan and a person that is a party in interest or disqualified person, provided that such person is a party in interest or disqualified person solely by reason of providing services to the ERISA Plan or a relationship to such a service provider, neither such person nor any of its affiliates (directly or indirectly) has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of the ERISA Plan involved in the transaction and provided further that the ERISA Plan pays no more than and receives no less than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Because of the foregoing, the notes should not be purchased or held by any person investing “plan assets” of any Plan, unless such purchase and holding will not constitute or result in a non-exempt prohibited transaction under ERISA and/or the Code or a similar violation of any applicable Similar Laws. In considering an investment in the notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Laws relating to a fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws. No representation is made that the sale of any notes to a Plan meets the fiduciary requirements for investments by Plans generally or any particular Plan or that such an investment is appropriate for Plans generally. Neither we, the Guarantors nor any of the parties described in this offering circular, or their affiliates, is providing investment advice to any Plan, through this offering circular or otherwise, in connection with the sale of the notes.

Investor Representation

By its acceptance of a note, each purchaser and subsequent transferee of a note will be deemed to have represented and warranted that (a) either (i) no portion of the assets used by such purchaser or transferee to acquire and hold the notes (or any interest therein) constitutes assets of any Plan or (ii) the acquisition, holding and disposition of the notes (or any interest therein) by such purchaser or transferee will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws; and (b) it will not transfer the notes (or any interest therein) to any person or entity, unless such person or entity could itself truthfully make the foregoing representations and warranties.

The foregoing discussion is necessarily general in nature and does not address all issues that may arise under ERISA, the Code or other applicable Similar Laws, and should not be construed as legal advice or a legal opinion. Further, no assurance can be given that future legislation, administrative rulings, court decisions or regulatory action will not modify the conclusions set forth in this discussion. Any such changes may be retroactive and thereby apply to transactions entered into prior to the date of their enactment or release. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the notes.

NOTICE TO INVESTORS; TRANSFER RESTRICTIONS

The notes offered hereby have not been and will not be registered under the Securities Act or any other applicable securities laws and they may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the notes offered hereby are being offered and sold only (a) to persons that are reasonably believed to be Qualified Institutional Buyers in compliance with Rule 144A under the Securities Act and (b) pursuant to offers and sales that occur outside the United States to persons other than U.S. persons (“foreign purchasers”, which term includes dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners, other than an estate or trust) in offshore transactions meeting the requirements of Rule 903 of Regulation S under the Securities Act. As used herein, the terms “offshore transaction”, “United States” and “U.S. person” have the respective meanings given to them in Regulation S.

Each purchaser of notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the issuer, the selling securityholders and the initial purchasers as follows:

(1) It understands and acknowledges that the notes have not been registered under the Securities Act or any other applicable securities law, are being offered for resale in transactions not requiring registration under the Securities Act or any other securities laws, including sales pursuant to Rule 144A under the Securities Act, and may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom, or in a transaction not subject thereto, and in each case in compliance with the conditions for transfer set forth in paragraph (4) below.

(2) It is not an “affiliate”, as defined in Rule 144 under the Securities Act, of us, or acting on our behalf and it is either:

(a) a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act and is aware that any sale of notes to it will be made in reliance on Rule 144A, buying for its own account or for the account of another Qualified Institutional Buyer, or

(b) an institution that, at the time the buy order for the notes was originated, was outside the United States and was not a U.S. person (and was not purchasing for the account or benefit of a U.S. person) within the meaning of Regulation S under the Securities Act.

(3) It acknowledges that none of the issuer, the selling securityholders or the initial purchasers or any person representing the issuer, the selling securityholders or the initial purchasers has made any representation to it with respect to the issuer or the offering or sale of any notes, other than the information contained in this offering circular, which offering circular has been delivered to it and upon which it is relying in making its investment decision with respect to the notes. Accordingly, it acknowledges that no representation or warranty is made by the initial purchasers as to the accuracy or completeness of such materials. It has had access to such financial and other information concerning the issuer and the notes as it has deemed necessary in connection with its decision to purchase any of the notes, including an opportunity to ask questions of and request information from the issuer.

(4) It is purchasing the notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell notes pursuant to Rule 144A, Regulation S or any exemption from registration available under the Securities Act.

It agrees on its own behalf and on behalf of any investor account for which it is purchasing the notes, and each subsequent holder of the notes by its acceptance thereof will agree, to offer, sell or otherwise transfer such notes during the holding period then imposed by Rule 144, or its successor, after the later of

the date of the original issue and the last date on which we or any of our affiliates were the owner of such notes, or any predecessor thereto (the “Resale Restriction Termination Date”), only

- (a) to the issuer or any of its subsidiaries,
- (b) pursuant to a registration statement which has been declared effective under the Securities Act,
- (c) for so long as the notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a Qualified Institutional Buyer that purchases for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the transfer is being made in reliance on Rule 144A,
- (d) pursuant to offers and sales to non-U.S. persons that occur outside the United States within the meaning of Regulation S under the Securities Act, or
- (e) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws.

Each purchaser acknowledges that the issuer and the trustee reserve the right prior to any offer, sale or other transfer of the notes pursuant to clause (e) above prior to the Resale Restriction Termination Date to require delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the trustee. Each purchaser acknowledges that each security will contain a legend substantially to the following effect:

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”)), OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION, (2) AGREES TO OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER SUCH NOTE PRIOR TO THE EXPIRATION OF THE HOLDING PERIOD THEN IMPOSED BY RULE 144 UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION) ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) OUTSIDE THE UNITED STATES PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION PURSUANT TO REGULATION S UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

(5) It agrees that it will give to each person to whom it transfers notes notice of any restrictions on transfer of such security.

(6) (A) Either (i) no portion of the assets used by the purchaser to acquire and hold the notes (or any interest therein) constitutes assets of any Plan or (ii) the purchaser’s acquisition, holding and disposition of the notes (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws; and (B) the purchaser will not transfer the notes (or any interest therein) to any person or entity, unless such person or entity could itself truthfully make the foregoing representations and warranties.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions contained in the purchase agreement dated May 5, 2015, we and the selling securityholders have agreed to sell to the initial purchasers, and each of the initial purchasers has agreed, severally and not jointly, to purchase from us and the selling securityholders, the principal amounts of 2023 notes, 2025 notes and Euro Notes set forth opposite the name of such initial purchaser in the following table.

Initial Purchaser	Principal Amount of 2023 notes	Principal Amount of 2025 notes	Principal Amount of Euro Notes
Credit Suisse Securities (USA) LLC	\$ 252,855,000	\$225,812,000	€67,428,000
J.P. Morgan Securities LLC	252,855,000	225,812,000	—
J.P. Morgan Securities plc	—	—	67,428,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	123,660,000	45,325,000	—
Merrill Lynch International	—	—	32,976,000
Barclays Capital Inc.	123,660,000	45,325,000	—
Barclays Bank plc.	—	—	32,976,000
Citigroup Global Markets Inc.	123,660,000	45,325,000	32,976,000
Goldman, Sachs & Co.	148,500,000	52,077,000	39,600,000
HSBC Securities (USA) Inc.	82,215,000	29,247,000	21,924,000
RBC Capital Markets, LLC	82,215,000	29,247,000	21,924,000
Mizuho Securities USA Inc.	59,400,000	17,230,000	—
Mizuho International plc.	—	—	15,840,000
Santander Investment Securities Inc.	25,245,000	8,650,000	—
Banco Santander, S.A.	—	—	6,732,000
Mitsubishi UFJ Securities (USA), Inc.	25,245,000	8,650,000	—
Mitsubishi UFJ Securities International plc	—	—	6,732,000
BNP Paribas Securities Corp.	25,245,000	8,650,000	—
BNP Paribas	—	—	6,732,000
TD Securities (USA) LLC	25,245,000	8,650,000	6,732,000
Total	<u>\$1,350,000,000</u>	<u>\$750,000,000</u>	<u>€360,000,000</u>

The purchase agreement provides that the initial purchasers are obligated to purchase all of the notes if any are purchased. The purchase agreement also provides that if an initial purchaser defaults, the purchase commitments of non-defaulting initial purchasers may be increased or the offering may be terminated.

The initial purchasers propose to offer the notes in the United States and elsewhere initially at the offering price on the cover page of this offering circular and may also offer the notes to selling group members at the offering price less a selling concession. After the initial offering, the offering price may be changed.

The notes have not been and will not be registered under the Securities Act and are being offered and sold only (i) to persons that are reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A thereunder, and (ii) to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. Each of the initial purchasers has agreed that, except as permitted by the purchase agreement, it will not offer, sell or deliver the notes (a) as part of its distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each broker/dealer to which it sells notes in reliance on Regulation S during such 40-day period, a confirmation or other notice detailing the restrictions on offers and sales of the notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act. Resales of the notes are restricted as described under “Transfer Restrictions.”

In addition, until 40 days after the commencement of the offering, an offer or sale of the notes within the United States by a broker/dealer (whether or not it is participating in the offering), may violate the registration requirements of the Securities Act if such offer or sale is made other than pursuant to Rule 144A.

The notes are offered for sale in those jurisdictions in the United States and elsewhere where it is lawful to make such offers.

Each of the initial purchasers has agreed that it has not offered, sold or delivered and will not offer, sell or deliver any of the notes directly or indirectly, or distribute this offering circular or any other offering material relating to the notes, in or from any jurisdiction except under circumstances that will result in compliance with the applicable laws and regulations thereof and that will not impose any obligations on us except as set forth in the purchase agreement.

Settlement

We expect that delivery of the notes will be made against payment therefor on or about the settlement date specified in this offering circular, which will be the fifth business day following the date of pricing of the Notes (this settlement cycle being referred to as “T+5”). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the notes on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the notes will initially settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the notes who wish to trade notes on the date of pricing or the next succeeding business day should consult their own advisor.

Notice to Certain European and Asian Investors

United Kingdom

Each initial purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each initial purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”), it has not made and will not make an offering of the notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the notes which has been approved by the competent authority in the Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of the notes in the Relevant Member State at any time:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the

Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant initial purchaser or initial purchasers nominated by the Issuers for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the notes shall require the publication by the Issuers or any initial purchaser of a prospectus pursuant to Article 3 of the Prospectus Directive or a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive other than in reliance of Article 3(2)(b) of the Prospectus Directive.

This offering circular has been prepared on the basis that any offer of notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Relevant Member State of notes which are the subject of the offering contemplated in this offering circular may only do so in circumstances in which no obligation arises for the Company or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the initial purchasers have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for the Company or the initial purchasers to publish a prospectus for such offer.

For the purpose of the above provisions, the express “an offer to the public” in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

Germany

Each person who is in possession of this offering circular is aware of the fact that no German sales prospectus (Verkaufsprospekt) within the meaning of the Securities Sales Prospectus Act (Wertpapier-Verkaufsprospektgesetz, the “Act”) of the Federal Republic of Germany has been or will be published with respect to the notes. In particular, each initial purchaser has represented that it has not engaged and has agreed that it will not engage in a public offering in (öffentliches Angebot) within the meaning of the Act with respect to any of the notes otherwise than in accordance with the Act and all other applicable legal and regulatory requirements.

France

This offering circular has not been prepared in the context of a public offering in France within the meaning of Article L. 411-1 of the Code Monétaire et Financier and Title I of Book II of the Règlement Général of the Autorité des Marchés Financiers (the “AMF”) and therefore has not been submitted for clearance to the AMF. Consequently, the notes may not be, directly or indirectly, offered or sold to the public in France, and offers and sales of the notes will only be made in France to providers of investment services relating to portfolio management for the account of third parties (personnes fournissant le service d’investissement de gestion de portefeuille pour le compte de tiers) and/or to qualified investors (investisseurs qualifiés) and/or to a closed circle of investors (cercle restreint d’investisseurs) acting for their own accounts, as defined in and in accordance with L.411-2, D.411-1 to D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code Monétaire et Financier. Prospective investors are informed that (a) this offering circular has not been and will not be submitted for clearance to the AMF, (b) in compliance with Articles L.411-2 and D.411-1 through D.411-4 of the French Code Monétaire et Financier, any investors subscribing for the notes should be acting for their own account and (c) the direct and indirect distribution or sale to the public of the notes acquired by them may only be made in compliance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Code Monétaire et Financier. Neither this offering circular nor any other offering material may be distributed to the public in France.

Netherlands

Each initial purchaser has represented and agreed, that it will not make an offer of the notes to the public in The Netherlands and in reliance on Article 3(2) of the Prospectus Directive, unless: (i) such offer is made exclusively to legal entities which are qualified investors (as defined in the Prospectus Directive in The Netherlands); or (ii) such offer is otherwise made in circumstances in which article 5:20(5) of the FSA is not applicable, provided that, no such offer of the notes shall require the Company or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive. For the purposes of this provision, the expressions (i) an “offer of the notes to the public” in relation to any the notes in The Netherlands; and (ii) “Prospectus Directive” have the meaning given to them above.

Hong Kong

The initial purchasers and each of their affiliates have not (i) offered or sold, and will not offer or sell, in Hong Kong, by means of any document, the Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32 of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance or (ii) issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the notes that is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to our securities which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance any rules made under that Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Singapore

This offering circular or any other offering material relating to the notes has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the notes will be offered in Singapore pursuant to exemptions under Section 274 and Section 275 of the Securities and Futures Act, Chapter 289 of Singapore (the “Securities and Futures Act”). Accordingly, the notes may not be offered or sold, or be the subject of an invitation for subscription or purchase, nor may this offering circular or any other offering material relating to the notes be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than (a) to an institutional investor or other person specified in Section 274 of the Securities and Futures Act, (b) to a sophisticated investor, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

General

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the SEC a registration statement under the Securities Act relating to, any debt securities issued or guaranteed by us or any of the guarantors of the notes and having a maturity of more than one year from the date of issue, or publicly disclose our intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of the representatives of the initial purchasers, for a period of 30 days after the date of this offering circular.

We have agreed to indemnify the initial purchasers and selling securityholders against certain liabilities, including liabilities under the Securities Act, or to contribute to payments which they may be required to make in that respect.

The notes are new issues of securities for which there currently is no market. The initial purchasers have advised us that they intend to make a market in the notes as permitted by applicable law. They are not obligated, however, to make a market in the notes and any market-making may be discontinued at any time at their sole discretion. Accordingly, no assurance can be given as to the development or liquidity of any market for the notes.

The initial purchasers may engage in over-allotment, stabilizing transactions, covering transactions and penalty bids in accordance with Regulation M under the Exchange Act:

- over-allotment involves sales in excess of the offering size, which creates a short position for the initial purchasers.
- stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions.
- penalty bids permit the initial purchasers to reclaim a selling concession from a broker/dealer when the notes originally sold by such broker/dealer are purchased in a stabilizing or covering transaction to cover short positions.

These stabilizing transactions, covering transactions and penalty bids may cause the price of the notes to be higher than it would otherwise be in the absence of these transactions. These transactions, if commenced, may be discontinued at any time.

The initial purchasers and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the initial purchasers and their affiliates have provided, and/or may provide in the future, investment banking, commercial banking and other financial services for us and our affiliates in the ordinary course of business, for which they have received and will receive customary compensation. In particular, affiliates of each of the initial purchasers are lenders under our \$1.0 billion Senior Secured Revolving Credit Facility and our \$1.5 billion Senior Secured Term Loan. In addition, Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC will act as joint lead arrangers and joint bookrunners for the facilities referred above, while JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, is the sole administrative agent and collateral agent under the Term Loan Facility. Furthermore, in the ordinary course of their business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers, and such investment and securities activities may involve our securities and/or instruments. The initial purchasers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold (for their own account and for the accounts of their customers), or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

If any of the initial purchasers or their affiliates has a lending relationship with us, certain of those initial purchasers or their affiliates routinely hedge, and certain other of those initial purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions that consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby.

In addition, Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC are offering 2025 notes pursuant hereto, and each such selling securityholder or one or more of its affiliates is also acting as an initial purchaser in connection with the offering of the notes and as agents and lenders under the Senior Secured Credit Facilities.

LEGAL MATTERS

The validity of the notes and guarantees offered hereby and certain other legal matters will be passed upon by Skadden, Arps, Slate, Meagher & Flom LLP. Certain legal matters in connection with this offering will be passed upon for the initial purchasers by Cravath, Swaine & Moore LLP.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The combined financial statements as of December 31, 2014 and 2013 and for each of the three years in the period ended December 31, 2014 included in this offering circular, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report appearing herein.

FINANCIAL STATEMENTS
THE CHEMOURS COMPANY
(A Consolidated Subsidiary of E. I. du Pont de Nemours and Company)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of E. I. du Pont de Nemours and Company:

In our opinion, the accompanying combined balance sheets and the related combined statements of income, changes in DuPont company net investment and cash flows present fairly, in all material respects, the financial position of The Chemours Company at December 31, 2014 and 2013, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
April 21, 2015

THE CHEMOURS COMPANY
(A Consolidated Subsidiary of E. I. du Pont de Nemours and Company)
Combined Income Statements
(Dollars in millions)

	Year ended December 31,		
	2014	2013	2012
Net sales	\$6,432	\$6,859	\$7,365
Cost of goods sold	5,072	5,395	5,014
Gross profit	1,360	1,464	2,351
Selling, general and administrative expense	685	768	747
Research and development expense	143	164	145
Employee separation/asset related charges, net	21	2	36
Total expenses	849	934	928
Equity in earnings of affiliates	20	22	25
Other income, net	19	24	37
Income before income taxes	550	576	1,485
Provision for income taxes	149	152	427
Net income	401	424	1,058
Less: Net income attributable to noncontrolling interests	1	1	1
Net income attributable to Chemours	<u>\$ 400</u>	<u>\$ 423</u>	<u>\$1,057</u>

See accompanying Notes to the Combined Financial Statements.

THE CHEMOURS COMPANY
(A Consolidated Subsidiary of E. I. du Pont de Nemours and Company)
Combined Balance Sheets
(Dollars in millions)

	December 31,	
	2014	2013
Assets		
Current assets:		
Accounts and notes receivable — trade, net	\$ 846	\$ 841
Inventories	1,052	1,055
Prepaid expenses and other	43	40
Deferred income taxes	21	44
Total current assets	<u>1,962</u>	<u>1,980</u>
Property, plant and equipment	9,282	8,821
Less accumulated depreciation	<u>(5,974)</u>	<u>(5,849)</u>
Net property, plant and equipment	3,308	2,972
Goodwill	198	198
Other intangibles, net	11	17
Investments in affiliates	124	123
Other assets	375	331
Total assets	<u><u>\$ 5,978</u></u>	<u><u>\$ 5,621</u></u>
Liabilities and DuPont Company Net Investment		
Current liabilities:		
Accounts payable	\$ 1,046	\$ 1,057
Deferred income taxes	9	9
Other accrued liabilities	352	405
Total current liabilities	<u>1,407</u>	<u>1,471</u>
Other liabilities	464	456
Deferred income taxes	434	477
Total liabilities	<u>2,305</u>	<u>2,404</u>
Commitments and contingent liabilities (Note 17)		
DuPont Company Net Investment:		
DuPont Company Net Investment	3,650	3,195
Accumulated other comprehensive income	19	19
Total DuPont Company Net Investment	<u>3,669</u>	<u>3,214</u>
Noncontrolling interests	4	3
Total DuPont Company Net Investment and noncontrolling interests	<u>3,673</u>	<u>3,217</u>
Total liabilities, DuPont Company Net Investment and noncontrolling interests	<u><u>\$ 5,978</u></u>	<u><u>\$ 5,621</u></u>

See accompanying Notes to the Combined Financial Statements.

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(A Consolidated Subsidiary of E. I. du Pont de Nemours and Company)
Combined Statements of Changes in DuPont Company Net Investment
Years ended December 31, 2014, 2013 and 2012
(Dollars in millions)

	<u>DuPont Company Net Investment</u>	<u>Accumulated other comprehensive income (loss)</u>	<u>Non- controlling interests</u>	<u>Total</u>
Balance at January 1, 2012	\$3,048	\$ 19	\$ 2	<u>\$3,069</u>
Net income	1,057	—	1	1,058
Net transfers to DuPont	(959)	—	(1)	<u>(960)</u>
Balance at December 31, 2012	\$3,146	\$ 19	\$ 2	<u>\$3,167</u>
Net income	423	—	1	424
Net transfers to DuPont	(374)	—	—	<u>(374)</u>
Balance at December 31, 2013	\$3,195	\$ 19	\$ 3	<u>\$3,217</u>
Net income	400	—	1	401
Net transfers to DuPont	55	—	—	<u>55</u>
Balance at December 31, 2014	\$3,650	<u>\$ 19</u>	<u>\$ 4</u>	<u><u>\$3,673</u></u>

See accompanying Notes to the Combined Financial Statements.

THE CHEMOURS COMPANY
(A Consolidated Subsidiary of E. I. du Pont de Nemours and Company)
Combined Statements of Cash Flows
(Dollars in millions)

	Year ended December 31,		
	2014	2013	2012
Operating activities:			
Net income	\$ 401	\$ 424	\$1,058
Adjustments to reconcile net income to cash provided by operations			
Depreciation and amortization	257	261	266
Other operating charges and credits — net	18	13	47
Gain on sales of assets and businesses	(40)	(7)	—
Equity in losses (earnings) of affiliates, net of dividends received of \$19, \$19 and \$31.	1	(1)	6
Deferred tax (benefit) expense	(22)	(14)	15
(Increase) decrease in operating assets:			
Accounts and notes receivable — trade, net	4	(37)	137
Inventories and other operating assets	(29)	(75)	(94)
(Decrease) increase in operating liabilities:			
Accounts payable and other operating liabilities	(85)	234	(45)
Cash provided by operating activities	505	798	1,390
Investing activities:			
Purchases of property, plant and equipment	(604)	(438)	(432)
Proceeds from sales of assets and businesses — net	32	14	3
Investment in affiliates	(8)	—	—
Other investing activities	20	—	—
Cash used for investing activities	(560)	(424)	(429)
Financing activities:			
Payments on long-term capital lease obligations	—	—	(1)
Net transfers from (to) DuPont	55	(374)	(960)
Cash provided by (used for) financing activities	55	(374)	(961)
Increase (decrease) in cash and cash equivalents	—	—	—
Cash and cash equivalents at beginning of period	—	—	—
Cash and cash equivalents at end of period	\$ —	\$ —	\$ —
SUPPLEMENTAL DISCLOSURE OF SIGNIFICANT NON-CASH INVESTING ACTIVITIES:			
Change in property, plant and equipment included in accounts payable	\$ (11)	\$ —	\$ —

See accompanying Notes to the Combined Financial Statements.

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Note 1: Description of the Business

The accompanying Combined Financial Statements present, on a historical cost basis, the combined assets, liabilities, revenues and expenses related to The Chemours Company (Chemours) a wholly owned subsidiary of E. I. du Pont de Nemours and Company (DuPont). Chemours did not operate as a separate, stand-alone entity and comprises certain DuPont wholly owned legal entities for which Chemours is the sole business, components of legal entities in which Chemours operates in conjunction with other DuPont businesses, and a majority owned joint venture. Historically, Chemours operated as a part of DuPont, and Chemours' results of operations have been reported in DuPont's consolidated financial statements.

Chemours delivers customized solutions with a wide range of industrial and specialty chemical products for markets including plastics and coatings, refrigeration and air conditioning, general industrial, mining and oil refining. Principal products include titanium dioxide, refrigerants, industrial fluoropolymer resins, sodium cyanide, sulfuric acid and aniline. Chemours consists of three reportable segments including Titanium Technologies, Fluoroproducts and Chemical Solutions.

Chemours is globally operated with manufacturing facilities, sales centers, administrative offices, and warehouses located throughout the world. Chemours operations are primarily located in the United States, Canada, Mexico, Brazil, the Netherlands, Belgium, China, Taiwan, Japan, Switzerland, Singapore, Hong Kong, India, the United Kingdom, France and Sweden. As of December 31, 2014, Chemours consisted of 40 production facilities globally, six dedicated to Titanium Technologies, 20 dedicated to Fluoroproducts, 12 dedicated to Chemical Solutions and two that supported multiple Chemours segments. At three of these sites, currently shared with other DuPont businesses, DuPont will continue its own manufacturing operations after separation, as well as contract manufacture for Chemours for the products currently produced by the Fluoroproducts segment at these sites.

Note 2: Basis of Presentation

Throughout the period covered by the Combined Financial Statements, Chemours operated as a part of DuPont. Consequently, stand-alone financial statements have not been historically prepared for Chemours. The accompanying Combined Financial Statements have been prepared from DuPont's historical accounting records and are presented on a stand-alone basis as if the operations had been conducted independently from DuPont. The operations comprising Chemours are in various legal entities which have no direct ownership relationship. The entity conducting operations for Chemours in Japan is a dual resident for U.S. income tax purposes. Accordingly, DuPont and its subsidiaries' net investment in these operations is shown in lieu of Stockholder's Equity in the Combined Financial Statements. The Combined Financial Statements include the historical operations, assets, and liabilities of the legal entities that are considered to comprise the Chemours business, including certain environmental remediation and litigation obligations for which Chemours will indemnify DuPont.

Discrete financial information was not available for Chemours within certain legal entities that include the operations of Chemours and other DuPont businesses (shared entities), as DuPont does not record every transaction at the Chemours level, but rather at the legal entity level. Chemours also comprises certain stand-alone legal entities for which discrete financial information is available. For the shared entities for which discrete financial information was not available, allocation methodologies were applied to certain accounts to allocate amounts to Chemours as discussed further in Note 4.

The Combined Income Statements include all revenues and costs directly attributable to Chemours, including costs for facilities, functions, and services used by Chemours. Costs for certain functions and services performed

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by centralized DuPont organizations are directly charged to Chemours based on usage or other allocation methods. The results of operations also include allocations of (i) costs for administrative functions and services performed on behalf of Chemours by centralized staff groups within DuPont; (ii) DuPont's general corporate expenses; and (iii) certain pension and other retirement benefit costs (see Note 4 for a description of the allocation methodologies employed). As more fully described in Note 3 and Note 8, current and deferred income taxes and related tax expense have been determined based on the stand-alone results of Chemours by applying Accounting Standards Codification 740, *Income Taxes* (ASC 740), issued by the Financial Accounting Standards Board (FASB), to Chemours operations in each country as if it were a separate taxpayer (i.e. following the separate return methodology).

All charges and allocations of cost for facilities, functions, and services performed by DuPont organizations have been deemed paid by Chemours to DuPont in the period in which the cost was recorded in the Combined Income Statements. Chemours' portion of current income taxes payable is deemed to have been remitted to DuPont in the period the related tax expense was recorded. Chemours' portion of current income taxes receivable is deemed to have been remitted to Chemours by DuPont in the period to which the receivable applies only to the extent that a refund of such taxes could have been recognized by Chemours on a stand-alone basis under the law of the relevant taxing jurisdiction.

DuPont uses a centralized approach to cash management and financing its operations. Accordingly cash, cash equivalents, debt, or related interest expense have not been allocated to Chemours in the Combined Financial Statements. Transactions between DuPont and Chemours are accounted for through DuPont Company Net Investment (see Note 4 for additional information). Chemours purchased materials and services from, and sold materials and services to other businesses of DuPont. Transactions between DuPont and Chemours are deemed to have been settled immediately through DuPont Company Net Investment. DuPont's short and long-term debt has not been pushed down to the Chemours' Combined Financial Statements because it is not specifically identifiable to Chemours.

All of the allocations and estimates in the Combined Financial Statements are based on assumptions that management of DuPont and Chemours believes are reasonable. However, the Combined Financial Statements included herein may not be indicative of the financial position, results of operations, and cash flows of Chemours in the future or if Chemours had been a separate, stand-alone entity during the periods presented.

Actual costs that would have been incurred if Chemours had been a stand-alone company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, such as the division of shared services in human resources, corporate stewardship, legal, finance, sourcing, information systems and marketing, among others.

Note 3: Summary of Significant Accounting Policies

These Combined Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). The significant accounting policies described below, together with the other notes that follow, are an integral part of the Combined Financial Statements.

Preparation of Financial Statements

The preparation of the Combined Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

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assets and liabilities at the date of the Combined Financial Statements and the reported amounts of revenues and expenses, including allocations of costs as discussed above, during the reporting period. Management's estimates are based on historical experience, facts and circumstances available at the time and various other assumptions that are believed to be reasonable. Actual results could differ from those estimates.

Basis of Combination

All significant intercompany accounts and transactions within Chemours have been eliminated in the preparation of the accompanying Combined Financial Statements. All significant intercompany transactions with DuPont are deemed to have been paid in the period the cost was incurred.

Revenue Recognition

Revenue is recognized when the earnings process is complete. Revenue for product sales is recognized when products are shipped to the customer in accordance with the terms of the agreement, when title and risk of loss have been transferred, collectability is reasonably assured and pricing is fixed or determinable. Accruals are made for sales returns and other allowances based on historical experience. Cash sales incentives are accounted for as a reduction in sales and noncash sales incentives are recorded as a charge to cost of goods sold at the time the revenue or selling expense, depending on the nature of the incentive, is recorded. Amounts billed to customers for shipping and handling fees are included in net sales and costs incurred by Chemours for the delivery of goods are classified as cost of goods sold in the Combined Income Statements. Taxes on revenue-producing transactions are excluded from net sales. Licensing and royalty income is recognized in accordance with agreed upon terms, when performance obligations are satisfied, the amount is fixed or determinable and collectability is reasonably assured.

Cash and Cash Equivalents

Chemours participates in DuPont's centralized cash management and financing programs (see Note 4 for additional information).

Fair Value Measurements

Under the accounting for fair value measurements and disclosures, a fair value hierarchy was established that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Chemours uses the following valuation techniques to measure fair value for its assets and liabilities:

- (a) Level 1 – Quoted market prices in active markets for identical assets or liabilities;
- (b) Level 2 – Significant other observable inputs (e.g. quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable, such as interest rate and yield curves, and market-corroborated inputs); and
- (c) Level 3 – Unobservable inputs for the asset or liability, which are valued based on management's estimates of assumptions that market participants would use in pricing the asset or liability.

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Receivables and Allowance for Doubtful Accounts

Receivables are recognized net of an allowance for doubtful accounts. The allowance for doubtful accounts reflects the best estimate of losses inherent in Chemours' accounts receivable portfolio determined on the basis of historical experience, specific allowances for known troubled accounts and other available evidence. Accounts receivable are written off when management determines that they are uncollectible.

Inventories

Chemours' inventories are valued at the lower of cost or market. Inventories held at substantially all U.S. locations are valued using the last-in, first-out (LIFO) method. Inventories held outside the U.S. are determined by the average cost method. Elements of cost in inventories include raw materials, direct labor, and manufacturing overhead. Stores and supplies are valued at cost or market, whichever is lower; cost is generally determined by the average cost method. Approximately 52% and 53% of inventory is on a LIFO basis as of December 31, 2014 and 2013, respectively. The remainder is accounted for using the average cost method.

Property, Plant and Equipment

Property, plant and equipment is carried at cost and is depreciated using the straight-line method. Property, plant and equipment placed in service prior to 1995 is depreciated under the sum-of-the-years' digits method or other substantially similar methods. Substantially all equipment and buildings are depreciated over useful lives ranging from 15 to 25 years. Capitalizable costs associated with computer software for internal use are amortized on a straight-line basis over five to seven years. When assets are surrendered, retired, sold or otherwise disposed of, their gross carrying values and related accumulated depreciation are removed from the balance sheet and included in determining gain or loss on such disposals.

Repair and maintenance costs that materially add to the value of the asset or prolong its useful life are capitalized and depreciated based on the extension to the useful life. Capitalized repair and maintenance costs are recorded on the Combined Balance Sheets in other assets.

Direct Financing Type Leases

Certain of Chemours' facilities are located on land owned by third parties. The plant and equipment built on this land is constructed by, owned, and operated by Chemours for the exclusive benefit of the third party landlord. The useful lives of the equipment are generally shorter than the lease term, or there exists a purchase option for the third party to acquire the equipment at the end of the lease term. Based on an analysis of the underlying agreements, management has determined that these agreements and property represent a direct financing type lease, whereby Chemours is the lessor of its equipment to the third party landlords. As such, the related plant and equipment are reported as leases receivable. The current portion is included in accounts and notes receivable — trade, net (see Note 9) and the non-current portion is included in other assets (see Note 13). The equipment balances have zero net book value within property, plant and equipment.

Goodwill and Other Intangible Assets

The excess of the purchase price over the estimated fair value of the net assets acquired, including identified intangibles, is recorded as goodwill. Goodwill is tested for impairment annually on October 1; however, these tests are performed more frequently when events or changes in circumstances indicate that the asset may be impaired. Impairment exists when carrying value exceeds fair value. Goodwill is evaluated for impairment at the reporting unit level, which is the level of our operating segments.

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Evaluating goodwill for impairment is a two-step process. In the first step, Chemours compares the carrying value of net assets to the fair value of the related operations. Chemours' methodology for estimating the fair value of its reporting units is using the income approach based on the present value of future cash flows. The factors considered in determining the cash flows include: 1) macroeconomic conditions; 2) industry and market considerations; 3) costs of raw materials, labor or other costs having a negative effect on earnings and cash flows; 4) overall financial performance; and 5) other relevant entity-specific events. If the fair value is determined to be less than the carrying value, a second step is performed to compute the amount of the impairment.

Definite-lived intangible assets, such as purchased and licensed technology, patents, trademarks, and customer lists are amortized over their estimated useful lives, generally for periods ranging from five to 20 years. The reasonableness of the useful lives of these assets is continually evaluated.

Impairment of Long-Lived Assets

Chemours evaluates the carrying value of long-lived assets to be held and used when events or changes in circumstances indicate the carrying value may not be recoverable. For purposes of recognition and measurement of an impairment loss, the assessment is performed at the lowest level for which independent cash flows can be identified, which varies, but can range from the reporting unit level to the individual plant level. To determine the level at which the assessment is performed, Chemours considers factors such as revenue dependency, shared costs and the extent of vertical integration.

The carrying value of a long-lived asset is considered impaired when the total projected undiscounted cash flows from the asset are separately identifiable and are less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset. The fair value methodology used is an estimate of fair market value which is made based on prices of similar assets or other valuation methodologies including present value techniques. Long-lived assets to be disposed of other than by sale are classified as held for use until their disposal. Long-lived assets to be disposed of by sale are classified as held for sale and are reported at the lower of carrying amount or fair market value less cost to sell. Depreciation is discontinued for long-lived assets classified as held for sale.

Research and Development

Research and development costs are expensed as incurred. Research and development expenses include costs (primarily consisting of employee costs, materials, contract services, research agreements, and other external spend) relating to the discovery and development of new products, enhancement of existing products and regulatory approval of new and existing products.

Environmental Liabilities and Expenditures

Environmental liabilities and expenditures included in the Combined Financial Statements represent claims for matters that will be indemnified by Chemours after the separation. Accruals for environmental matters are recorded in cost of goods sold when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Accrued liabilities do not include claims against third parties and are not discounted.

Costs related to environmental remediation are charged to expense in the period incurred. Other environmental costs are also charged to expense in the period incurred, unless they increase the value of the property or reduce or prevent contamination from future operations, in which case they are capitalized and amortized.

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Asset Retirement Obligations

Chemours records asset retirement obligations at fair value at the time the liability is incurred. Fair value is measured using expected future cash outflows discounted at Chemours' credit-adjusted risk-free interest rate, which are considered level 3 inputs. Accretion expense is recognized as an operating expense classified within cost of goods sold on the Combined Income Statements using the credit-adjusted risk-free interest rate in effect when the liability was recognized. The associated asset retirement obligations are capitalized as part of the carrying amount of the long-lived asset and depreciated over the estimated remaining useful life of the asset, generally for periods ranging from one to 25 years.

Litigation

Litigation liabilities and expenditures included in the Combined Financial Statements represent litigation matters for which Chemours will indemnify DuPont. Accruals for litigation are made when the information available indicates that it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Legal costs such as outside counsel fees and expenses are charged to expense in the period services are received.

Insurance/Self-Insurance

Chemours incurred \$10, \$8 and \$7 of cost related to DuPont's general insured risks for the years ended December 31, 2014, 2013 and 2012, respectively. Chemours is a participant in DuPont's self-insurance program where permitted by law or regulation, including workers' compensation, vehicle liability and employee related benefits. Liabilities associated with these risks are estimated in part by considering historical claims experience, demographic factors, and other actuarial assumptions. For other risks, a combination of insurance and self-insurance is used, reflecting comprehensive reviews of relevant risks. The annual cost is allocated to all of the participating businesses using methodologies deemed reasonable by management. All obligations pursuant to these plans have historically been obligations of DuPont. As such, these obligations are not included in the Combined Balance Sheets, with the exception of self-insurance liabilities related to workers compensation, vehicle liability and employee related benefits.

Income Taxes

Income taxes as presented herein attribute current and deferred income taxes of DuPont to Chemours' stand-alone financial statements in a manner that is systematic, rational, and consistent with the asset and liability method prescribed by ASC 740. Accordingly, Chemours' income tax provision was prepared following the separate return method. The separate return method applies ASC 740 to the stand-alone financial statements of each member of the consolidated group as if the group member were a separate taxpayer and a stand-alone enterprise. As a result, actual tax transactions included in the consolidated financial statements of DuPont may not be included in the separate Combined Financial Statements of Chemours. Similarly, the tax treatment of certain items reflected in the separate Combined Financial Statements of Chemours may not be reflected in the consolidated financial statements and tax returns of DuPont; therefore, such items as net operating losses, credit carryforwards, and valuation allowances may exist in the stand-alone financial statements that may or may not exist in DuPont's consolidated financial statements.

The breadth of Chemours' operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating the taxes that Chemours will ultimately pay. The final taxes paid are

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dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation and resolution of disputes arising from federal, state and international tax audits in the normal course of business.

The provision for income taxes is determined using the asset and liability approach of accounting for income taxes. Under this approach, deferred taxes represent the future tax consequences expected to occur when the reported amounts of assets and liabilities are recovered or paid. The provision for income taxes represents income taxes paid or payable for the current year plus the change in deferred taxes during the year. Deferred taxes result from differences between the financial and tax basis of Chemours' assets and liabilities and are adjusted for changes in tax rates and tax laws when changes are enacted. Valuation allowances are recorded to reduce deferred tax assets when it is more likely than not that a tax benefit will not be realized. It is Chemours' policy to include accrued interest related to unrecognized tax benefits in miscellaneous income and expenses, net, under other income, net. It is Chemours' policy to include income tax related penalties in the provision for income taxes.

In general, the taxable income (loss) of various Chemours entities was included in DuPont's consolidated tax returns, where applicable, in jurisdictions around the world. As such, separate income tax returns were not prepared for many Chemours entities. Consequently, income taxes currently payable are deemed to have been remitted to DuPont, in cash, in the period the liability arose and income taxes currently receivable are deemed to have been received from DuPont in the period that a refund could have been recognized by Chemours had Chemours been a separate taxpayer.

As stated above in Note 2, the operations comprising Chemours are in various legal entities which have no direct ownership relationship. Consequently, no provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates.

Foreign Currency Translation

DuPont identifies its separate and distinct foreign entities and groups them into two categories: 1) extension of the parent (U.S. dollar (USD)) functional currency) and 2) self-contained (local functional currency). If a foreign entity does not align with either category, factors are evaluated and a judgment is made to determine the functional currency. DuPont changes the functional currency of its separate and distinct foreign entities only when significant changes in economic facts and circumstances indicate clearly that the functional currency has changed.

During the periods covered by these financial statements, the Chemours business operated within foreign entities. For foreign entities where USD is the functional currency, all foreign currency-denominated asset and liability amounts are remeasured into USD at end-of-period exchange rates, except for inventories, prepaid expenses, property, plant and equipment, goodwill and other intangible assets, which are remeasured at historical rates. Foreign currency-denominated income and expenses are remeasured at average exchange rates in effect during the year, except for expenses related to balance sheet amounts remeasured at historical exchange rates. Exchange gains and losses arising from remeasurement of foreign currency-denominated monetary assets and liabilities are included in income in the period in which they occur.

For foreign entities where the local currency is the functional currency, assets and liabilities denominated in local currencies are translated into USD at end-of-period exchange rates and the resulting translation adjustments are reported, net of their related tax effects, as a component of accumulated other comprehensive income (loss) in

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equity. Assets and liabilities denominated in other than the functional currency are remeasured into the functional currency prior to translation into USD and the resultant exchange gains or losses are included in income in the period in which they occur. Income and expenses are translated into USD at average exchange rates in effect during the period.

Commencing in 2015, when the Performance Chemicals operations are legally and operationally separated within DuPont in anticipation of the spin, some of the resulting newly created Chemours foreign entities will have their local currency as the functional currency. The company changes the functional currency of its separate and distinct foreign entities only when significant changes in economic facts and circumstances indicate clearly that the functional currency has changed.

DuPont Company Net Investment

Chemours' equity on the Combined Balance Sheets represents DuPont's net investment in the Chemours business and is presented as "DuPont Company Net Investment" in lieu of stockholders' equity. The Statements of Changes in DuPont Company Net Investment include net cash transfers and other property transfers between DuPont and Chemours as well as intercompany receivables and payables between Chemours and other DuPont affiliates that were settled on a current basis. DuPont performs cash management and other treasury-related functions on a centralized basis for nearly all of its legal entities, which includes Chemours. DuPont Company Net Investment account includes assets and liabilities incurred by DuPont on behalf of Chemours such as accrued liabilities related to corporate allocations including administrative expenses for legal, accounting, treasury, information technology, human resources and other services. Other assets and liabilities recorded by DuPont, whose related income and expenses have been pushed down to Chemours, are also included in DuPont Company Net Investment.

All transactions reflected in DuPont Company Net Investment in the accompanying Combined Balance Sheets have been considered cash receipts and payments for purposes of the Combined Statements of Cash Flows and are reflected in financing activities in the accompanying Combined Statements of Cash Flows.

Earnings per share data has not been presented in the accompanying Combined Financial Statements because Chemours does not operate as a separate legal entity with its own capital structure.

Employee Benefits

Certain of Chemours' employees participate in defined benefit pension and other post-employment benefit plans (the Plans) sponsored by DuPont and accounted for by DuPont in accordance with accounting guidance for defined benefit pension and other post-employment benefit plans. Significantly all expense was allocated in shared entities and reported within costs of goods sold, selling, general and administrative expenses and research and development expenses in the Combined Income Statements. Chemours has considered the Plans to be part of a multiemployer plan with DuPont. The expense related to the current employees of Chemours as well as the expense related to retirees of Chemours are included in these Combined Financial Statements (see Note 18 for further information).

Derivatives

Chemours participates in DuPont's foreign currency hedging program to reduce earnings and cash flow volatility associated with foreign currency exchange rate changes.

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DuPont formally documents the hedge relationships, including identification of the hedging instruments and the hedged items, the risk management objectives and strategies for undertaking the hedge transactions, and the methodologies used to assess effectiveness and measure ineffectiveness. Realized gains and losses on derivative instruments of DuPont are allocated by DuPont to Chemours based on projected exposure. Chemours recognizes its allocable share of the gains and losses on DuPont's derivative financial instruments in earnings when the forecasted sales occur for foreign currency hedges. The foreign currency hedges qualify as cash flow hedges, and the realized gains recognized in earnings were \$4, \$0 and \$6 for the years ended December 31, 2014, 2013 and 2012, respectively.

DuPont does not hold any derivative instruments specifically for the benefit of Chemours' operations and no derivative instruments of DuPont will be attributable to Chemours after the separation. Chemours does not hold or issue financial instruments for speculative or trading purposes.

New Accounting Guidance

Recent Accounting Pronouncements

In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "Interest — Imputation of Interest (Subtopic 835-30)", which requires debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of the debt, consistent with debt discounts. The ASU is effective for public business entities for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. Chemours intends to adopt this guidance for the quarter ending June 30, 2015. The adoption of this standard will have no impact on Chemours' results of operations or cash flows. Due to the accounting change described above, Chemours will record these costs as a reduction of the liability on the balance sheet.

In February 2015, the FASB issued ASU No. 2015-02 "Consolidation (Topic 810): Amendments to the Consolidation Analysis." The amendments under the new guidance modify the evaluation of whether limited partnerships and similar legal entities are variable interest entities (VIEs) or voting interest entities and eliminate the presumption that a general partner should consolidate a limited partnership. The ASU is effective for public business entities for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. A reporting entity also may apply the amendments retrospectively. Chemours is currently evaluating the impact of adopting this guidance on its financial position and results of operations.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers", which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective. The new standard is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Early application is not permitted. The standard permits the use of either the retrospective or cumulative effect transition method. Chemours is evaluating the effect that ASU 2014-09 will have on the Combined Financial Statements. Chemours has not yet selected a transition method nor has it determined the effect of the standard on its ongoing financial reporting.

In April 2014, the FASB issued authoritative guidance, ASU No. 2014-08, "Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity", amending existing requirements for reporting discontinued operations. Under the new guidance, discontinued operations reporting will be limited to disposal

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transactions that represent strategic shifts having a major effect on operations and financial results. The amended guidance also enhances disclosures and requires assets and liabilities of a discontinued operation to be classified as such for all periods presented in the financial statements. Public entities will apply the amended guidance prospectively to all disposals occurring within annual periods beginning on or after December 15, 2014 and interim periods within those years. Chemours will adopt this standard on January 1, 2015. Due to the change in requirements for reporting discontinued operations described above, presentation and disclosures of future disposal transactions after adoption may be different than under current standards.

Note 4: Relationship with DuPont and Related Entities

Historically, Chemours has been managed and operated in the normal course of business with other affiliates of DuPont. Accordingly, certain shared costs have been allocated to Chemours and reflected as expenses in the stand-alone Combined Financial Statements. Management of DuPont and Chemours consider the allocation methodologies used to be reasonable and appropriate reflections of the historical DuPont expenses attributable to Chemours for purposes of the stand-alone financial statements. The expenses reflected in the Combined Financial Statements may not be indicative of expenses that will be incurred by Chemours in the future. All related party transactions approximate market prices.

(a) Related Party Purchases and Sales

Throughout the period covered by the Combined Financial Statements, Chemours sold finished goods to DuPont.

Related party sales to other DuPont businesses include the following amounts:

Selling Segment	Year ended December 31,		
	2014	2013	2012
Titanium Technologies	\$—	\$ 6	\$ 68
Fluoroproducts	45	37	31
Chemical Solutions	65	78	67
Total	<u>\$110</u>	<u>\$121</u>	<u>\$166</u>

Sales to DuPont's Performance Coatings business decreased significantly in 2013, as DuPont sold the business in February of 2013. Upon the date of the sale, transactions with DuPont Performance Coatings were no longer accounted for as related party transactions.

Chemours purchased byproducts from other DuPont businesses in the following amounts:

Purchasing Segment	Year ended December 31,		
	2014	2013	2012
Titanium Technologies	\$1	\$ 1	\$ 1
Chemical Solutions	8	14	21
Total	<u>\$9</u>	<u>\$15</u>	<u>\$22</u>

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(b) Leveraged Services and Corporate Costs

DuPont incurs significant corporate costs for services provided to Chemours as well as other DuPont businesses. These costs include expenses for information systems, accounting, other financial services such as treasury and audit, purchasing, human resources, legal, facilities, engineering, corporate research and development, corporate stewardship, marketing and business analysis support.

A portion of these costs benefit multiple or all DuPont businesses, including Chemours, and are allocated to Chemours and its reportable segments using methods based on proportionate formulas involving total costs or other various allocation methods that management believes are consistent and reasonable. Other Chemours corporate costs are not allocated to the reportable segments and are reported in Corporate and Other.

The allocated leveraged functional service expenses and general corporate expenses included in the Combined Income Statements were \$492, \$519 and \$500 for the years ended December 31, 2014, 2013 and 2012, respectively. Allocated leveraged functional service expenses and general corporate expenses were recorded in the Combined Income Statements within the following captions:

	Year ended December 31,		
	2014	2013	2012
Selling, general and administrative expense	\$411	\$436	\$412
Research and development expense	49	50	50
Cost of goods sold	32	33	38
Total	<u>\$492</u>	<u>\$519</u>	<u>\$500</u>

(c) Shared Sites

Chemours has manufacturing operations at 40 production facilities globally. Chemours shares 14 of these production facilities with DuPont's other non-Chemours manufacturing operations. Additionally, Chemours shares warehouse, sales centers, office space, and research and development facilities with other DuPont businesses. The property, plant and equipment primarily or exclusively used by Chemours for these shared locations are included in the Combined Balance Sheets.

The full historical cost, accumulated depreciation and depreciation expense for assets at shared manufacturing plant sites and other facilities where Chemours is the primary or exclusive user of the assets have been included in the Combined Balance Sheets and Combined Income Statements. Accordingly, when the use of a Chemours primary asset has been shared with another DuPont business (manufacturing or otherwise), the cost for the non-Chemours usage has been deemed to have been charged to DuPont's non-Chemours business. The amounts are credited primarily to cost of goods sold in the Combined Income Statements and were \$17, \$12 and \$13 for the years ended December 31, 2014, 2013 and 2012, respectively.

At shared manufacturing plant sites and other facilities where Chemours is not the primary or exclusive user of the assets; the shared assets have been excluded from the Combined Balance Sheets. Accordingly, where Chemours has used these shared assets, a charge to cost of goods sold has been recorded for its usage of these shared assets. The amounts are charged primarily to cost of goods sold in the Combined Income Statements and were \$4, \$3 and \$3 the years ended December 31, 2014, 2013 and 2012, respectively.

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(d) ***Cash Management and Financing***

Chemours participates in DuPont's centralized cash management and financing programs. Disbursements are made through centralized accounts payable systems which are operated by DuPont. Cash receipts are transferred to centralized accounts, also maintained by DuPont. As cash is disbursed and received by DuPont, it is accounted for by Chemours through DuPont Company Net Investment. All short and long-term debt is financed by DuPont and financing decisions for wholly and majority owned subsidiaries is determined by central DuPont treasury operations.

(e) ***Accounts Receivable and Payable***

Receivables and payables between Chemours and DuPont and its non-Chemours businesses are settled on a current basis and have been accounted for through the DuPont Company Net Investment account in the Combined Financial Statements.

Note 5: Research and Development Expense

Research and development expense directly incurred by Chemours resources was \$94, \$114 and \$95 for the years ended December 31, 2014, 2013 and 2012, respectively. Research and development expense also includes \$49, \$50 and \$50 for the years ended December 31, 2014, 2013 and 2012, respectively, representing an assignment of costs associated primarily with DuPont's Corporate Central Research and Development long-term research activities. This assignment was based on the cost of research projects for which Chemours was determined to be the sponsor or co-sponsor. All research services provided by DuPont's central research and development to Chemours are specifically requested by Chemours, covered by service-level agreements and billed based on usage.

Note 6: Employee Separation/Asset Related Charges, Net

2014 Restructuring Program

During 2014, Chemours implemented a restructuring plan to increase productivity and recorded a pre-tax charge of \$19 in employee separation/asset related charges, net in the Combined Statements of Income related to this initiative. The charge consisted of \$16 related to employee separation costs and \$3 for asset shut-down costs. The actions associated with this charge and all related payments are expected to be substantially complete by December 31, 2015.

The year-to-date 2014 charge impacted segment earnings as follows:

Titanium Technologies	\$ 3
Fluoroproducts	16
	\$19

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Account balances and activity for the 2014 restructuring program are summarized below:

	Employee Separation Costs	Asset Shut Down Costs	Total
Charges to income for the year ending December 31, 2014	\$ 16	\$ 3	\$19
Charges to accounts:			
Payments	(2)	—	(2)
Net translation adjustment	(2)	—	(2)
Asset write-offs and adjustments	—	(3)	(3)
Balance as of December 31, 2014	<u>\$ 12</u>	<u>\$—</u>	<u>\$12</u>

Asset Impairment

During 2012, as a result of strategic decisions related to deteriorating conditions within a specific industrial chemicals market, Chemours determined that an impairment triggering event had occurred and that an assessment of the asset group related to this industrial chemical was warranted. This assessment determined that the carrying value of the asset group exceeded its fair value. As a result of the impairment test, a \$33 pre-tax impairment charge was recorded within employee separation/asset related charges, net by the Chemical Solutions segment. In calculating the impairment charge, fair value was determined by utilizing a discounted cash flow approach which included assumptions concerning future operating performance and economic conditions that may differ from actual cash flows. In connection with this matter, as of December 31, 2012, Chemours had long-lived assets with a remaining net book value of approximately \$6, accounted for at fair value on a nonrecurring basis after initial recognition. These nonrecurring fair value measurements were determined using level 3 inputs within the fair value hierarchy, as described in Note 3 to the Combined Financial Statements.

Note 7: Other Income, Net

	Year ended December 31,		
	2014	2013	2012
Leasing, contract services and miscellaneous income ⁽¹⁾	\$ 17	\$ 24	\$ 18
Royalty income ⁽²⁾	28	24	24
Gain on purchase of equity investment ⁽³⁾	—	7	—
Gain on sales of assets and businesses ⁽⁴⁾	40	—	—
Exchange losses ⁽⁵⁾	(66)	(31)	(5)
	<u>\$ 19</u>	<u>\$ 24</u>	<u>\$ 37</u>

⁽¹⁾ Leasing, contract services and miscellaneous income includes accrued interest related to unrecognized tax benefits. Refer to Note 8 for further discussion of unrecognized tax benefits.

⁽²⁾ Royalty income is primarily for technology and trademark licensing.

⁽³⁾ Gain on purchase of equity investment consists of a gain on the remeasurement of Chemours' equity investment and a gain on the bargain purchase of the remainder of the DESCO C.V. joint venture for \$4 and \$3, respectively, recognized in the third quarter of 2013. Prior to purchasing the remaining interest in DESCO C.V. in the third quarter of 2013, Chemours accounted for the joint venture as an equity method investment.

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- (4) Gain on sale of assets and businesses comprises \$30 and \$4 relating to gain on sale of businesses in the Fluoroproducts and Titanium Technologies segments, respectively, and the remaining \$6 relating to gain on sale of assets.
- (5) Exchange losses primarily driven by the strengthening of the U.S. Dollar versus the Swiss Franc and the Euro in 2014, a strengthening of the U.S. Dollar versus the Venezuelan Bolivar and the Brazilian Real in 2013 and a strengthening of the U.S. Dollar versus the Brazilian Real in 2012.

Note 8: Income Taxes

As previously discussed in Note 3, although Chemours was historically included in consolidated income tax returns of DuPont, Chemours' income taxes are computed and reported herein under the "separate return method." Use of the separate return method may result in differences when the sum of the amounts allocated to stand-alone tax provisions are compared with amounts presented in consolidated financial statements. In that event, the related deferred tax assets and liabilities could be significantly different from those presented herein. Certain tax attributes, e.g. net operating loss carryforwards, which were actually reflected in DuPont's consolidated financial statements may or may not exist at the stand-alone Chemours level.

Chemours' Combined Financial Statements do not reflect any amounts due to DuPont for income tax related matters as it is assumed that all such amounts due DuPont were settled on December 31st of each year.

Combined income before income taxes for U.S. and international operations was:

	Year ended December 31,		
	2014	2013	2012
U.S. (including exports)	\$244	\$224	\$ 898
International	306	352	587
Total pre-tax income	<u>\$550</u>	<u>\$576</u>	<u>\$1,485</u>

Income before taxes, as shown above, is based on the location of the entity to which such earnings are attributable.

The components of the provision for income taxes were:

	Year ended December 31,		
	2014	2013	2012
Current tax expense:			
U.S. federal	\$ 85	\$ 67	\$256
U.S. state and local	13	11	44
International	73	88	112
Total current tax expense	171	166	412
Deferred tax (benefit) expense:			
U.S. federal	(20)	(4)	15
U.S. state and local	(3)	(2)	2
International	1	(8)	(2)
Total deferred tax (benefit) expense	(22)	(14)	15
Total provision for income taxes	<u>\$149</u>	<u>\$152</u>	<u>\$427</u>

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An analysis of Chemours' effective income tax rate follows:

	Year ended December 31,		
	2014	2013	2012
Statutory U.S. federal income tax rate	35.0%	35.0%	35.0%
State income taxes, net of federal benefit	1.0	1.0	2.0
Lower effective tax rate on international operations — net	(9.6)	(10.2)	(6.6)
Valuation allowance	2.0	1.2	0.4
Exchange (gains) losses	2.7	2.3	0.2
Section 199 deduction	(0.7)	(0.8)	(1.6)
Other, net	(3.3)	(2.1)	(0.6)
Total effective tax rate	27.1%	<u>26.4%</u>	<u>28.8%</u>

Exchange (gains) losses principally reflect the impact of non-taxable gains and losses resulting from remeasurement of foreign currency — denominated monetary assets and liabilities. The lower effective tax rate on international operations is primarily driven by the Titanium Technologies segment. Titanium Technologies has five manufacturing facilities with three in the U.S., one in Taiwan and one in Mexico. The lower benefit related to international operations in 2012 vs. 2013 and 2014 was primarily driven by lower capacity utilization in Taiwan resulting in a larger percentage of income attributable to the U.S. The valuation allowance was increased by \$10, \$7 and \$7 in 2014, 2013 and 2012, respectively, relating to assets for which Chemours determined it was more likely than not the assets would not be realized. In addition, Chemours is entitled to a domestic manufacturing deduction relating to income from certain qualifying domestic production activities pursuant to section 199 of the Internal Revenue Code, as well as a one-time tax benefit recognized in 2014 relating to a tax accounting method change. Consistent with the discussion in Note 2, the effective tax rate stated herein may not be indicative of the future effective tax rate of Chemours as a result of the separation from DuPont.

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The significant components of deferred tax assets and liabilities are as follows:

	<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>
Deferred tax assets — current:		
Accounts receivable and other assets	\$ 4	\$ 5
Other accrued liabilities	46	64
Total deferred tax assets — current	\$ 50	<u>\$ 69</u>
Deferred tax assets — noncurrent:		
Other accrued liabilities	138	134
Tax loss carryforwards	36	26
Total deferred tax assets — noncurrent	\$ 174	<u>\$ 160</u>
Valuation allowance	(36)	(26)
Total deferred tax assets, net	\$ 188	<u>\$ 203</u>
Deferred tax liabilities — current:		
Accrued expenses and other liabilities	(5)	(4)
Inventories and other current assets	(33)	(29)
Total deferred tax liabilities — current	\$ (38)	<u>\$ (33)</u>
Deferred tax liabilities — noncurrent:		
Goodwill and other intangibles	(2)	(2)
Accrued expenses and other liabilities	(28)	(53)
Property, plant and equipment ⁽¹⁾	(533)	(547)
Total deferred tax liabilities — noncurrent	\$(563)	<u>\$(602)</u>
Total deferred tax liabilities	\$(601)	<u>\$(635)</u>
Net deferred tax liability	\$(413)	<u>\$(432)</u>

- ⁽¹⁾ Chemours property, plant and equipment deferred tax liabilities at December 31, 2013 have been revised to correct an error identified during the preparation of the 2014 financial statements. The revision resulted in an increase in deferred tax liabilities of \$62 with a corresponding reduction in the DuPont Company Net Investment at December 31, 2013. The error was not considered material to Chemours previously reported financial statements.

Under the tax laws of various jurisdictions in which Chemours operates, deductions or credits that cannot be fully utilized for tax purposes during the current year may be carried forward or back, subject to statutory limitations, to reduce taxable income or taxes payable in future or prior years. At December 31, 2014, the tax effect of carryforwards was \$0, after taking into consideration the valuation allowance. If certain substantial changes in the entity's ownership occur, there may be a limitation on the amount of the carryforwards that can be utilized.

As described above in Note 2, the Combined Financial Statements, the operations comprising Chemours are in various legal entities which have no direct ownership relationship. Consequently, no provision has been made for income taxes on unremitted earnings of subsidiaries and affiliates.

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Upon audit, taxing authorities may challenge all or part of an uncertain income tax position. While Chemours has no history of tax audits on a stand-alone basis, DuPont is routinely audited by U.S. federal, state and local, and non-U.S. taxing authorities. Accordingly, DuPont (and Chemours) regularly assesses the outcome of potential examinations in each of the taxing jurisdictions when determining the adequacy of the amount of unrecognized tax benefit recorded. The reserves are adjusted, from time to time, based upon changing facts and circumstances, such as the progress of a tax audit. It is reasonably possible that changes to Chemours' global unrecognized tax benefits could be significant, however, due to the uncertainty regarding the timing of completion of audits and possible outcomes, a current estimate of the range of increases or decreases that may occur within the next 12 months cannot be made. If recognized, \$39 of liabilities for unrecognized tax benefits would affect the effective tax rate.

DuPont, and / or its subsidiaries, files income tax returns in the U.S. federal jurisdiction, and various states and non-U.S. jurisdictions. With few exceptions, Chemours is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2004. Chemours' most significant tax jurisdiction is the U.S. federal tax jurisdiction. The Internal Revenue Service is currently examining DuPont's consolidated U.S. tax returns for 2004 through 2011. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the combined financial position, liquidity or results of operations of the business. See the reconciliation of the total amounts of unrecognized tax benefits below excluding interest and penalties:

	Year ended December 31,		
	2014	2013	2012
Total unrecognized tax benefits as of January 1	\$26	\$24	\$23
Gross amounts of decreases in unrecognized tax benefits as a result of adjustments to tax provisions taken during the prior period	(1)	(1)	(1)
Gross amounts of increases in unrecognized tax benefits as a result of tax positions taken during the current period	15	5	4
Reduction to unrecognized tax benefits as a result of a lapse of the applicable statute of limitations	(1)	(2)	(2)
Total unrecognized tax benefits as of December 31	\$39	\$26	\$24

Interest and penalties have been accrued related to unrecognized tax benefits. The liabilities for interest and penalties related to unrecognized tax benefits were \$8, \$6 and \$4 as of December 31, 2014, 2013 and 2012, respectively. Expense for interest and penalties was \$2, \$2 and \$1 for the years ended December 31, 2014, 2013 and 2012, respectively.

The following reflects a rollforward of the deferred tax asset valuation allowance for the years ended December 31, 2014, 2013 and 2012:

	Year ended December 31,		
	2014	2013	2012
Balance at beginning of period	\$26	\$19	\$12
Net charges to income tax expense	10	7	7
Balance at end of period	<u>\$36</u>	<u>\$26</u>	<u>\$19</u>

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Note 9: Accounts and Notes Receivable—Trade, Net

	<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>
Accounts receivable, net ⁽¹⁾	\$746	\$762
VAT, GST, and other taxes ⁽²⁾	62	53
Advances and deposits	15	12
Leases receivable — current	12	12
Notes receivable — trade ⁽³⁾	11	2
	<u>\$846</u>	<u>\$841</u>

- (1) Accounts receivable, are net of allowances of \$4 and \$7 as of December 31, 2014, and 2013, respectively. Allowances are equal to the estimated uncollectible amounts.
- (2) VAT receivables are generally recorded at the legal entity level and allocated to Chemours within shared legal entities.
- (3) Notes receivable as of December 31, 2014 includes loan receivables with terms of one year or less primarily concentrated in China. As of December 31, 2014, there were no past due notes receivable, nor were there any impairments related to current loan agreements.

Accounts and notes receivable are carried at amounts that approximate fair value. Chemours performs credit evaluations of its customers' financial condition and limits the amount of credit extended when deemed necessary. Generally, no collateral from customers is required. Bad debt expense was \$1, \$2 and \$0 for the years ended December 31, 2014, 2013 and 2012, respectively. Chemours primarily estimates reserves for losses on receivables by specific identification based on an assessment of the customers' ability to make required payments.

Direct Financing Leases

At two of its facilities in the U.S. (Borderland and Morses Mill), Chemours has constructed fixed assets on land that it leases from third parties. Management has analyzed these arrangements and determined these assets represent a direct financing lease, whereby Chemours is the lessor of this equipment. Chemours has recorded leases receivable of \$149 and \$160 at December 31, 2014 and 2013, respectively, which represent the balance of the minimum future lease payments receivable.

The current portion of leases receivable is included in accounts and notes receivable, as shown above. The long term portion of leases receivable is included in other assets, as shown in Note 13. Management has evaluated the realizable value of these leased assets and determined no impairment existed at December 31, 2014 or 2013. There is no estimated future residual value of these leased assets. Future minimum lease receipts are \$12 for each of the years ended December 31, 2015, 2016, 2017, 2018 and 2019, and \$77 for the years thereafter.

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Note 10: Inventories

	<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>
Finished products	\$ 611	\$ 583
Semi-finished products	173	194
Raw materials and supplies	521	568
	<u>1,305</u>	<u>1,345</u>
Adjustment of inventories to a LIFO basis	(253)	(290)
	<u>\$1,052</u>	<u>\$1,055</u>

Inventory values, before LIFO adjustment, are generally determined by the average cost method, which approximates current cost. Inventories are valued under the LIFO method at substantially all of the U.S. locations which comprised \$684 and \$717 or 52% and 53% of inventories before the LIFO adjustments at December 31, 2014 and 2013, respectively. The remainder of inventory held in international locations and certain U.S. locations is valued under the average cost method.

Note 11: Property, Plant and Equipment

Chemours' property, plant and equipment consisted of:

	<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>
Equipment	\$ 7,500	\$ 7,365
Buildings	778	765
Construction in progress	852	532
Land	116	128
Mineral rights	36	31
Total	9,282	8,821
Accumulated depreciation	(5,974)	(5,849)
Net property, plant and equipment	<u>\$ 3,308</u>	<u>\$ 2,972</u>

Depreciation expense amounted to \$254, \$255 and \$260 for the years ended December 31, 2014, 2013, and 2012, respectively. Property, plant and equipment include gross assets acquired under capital leases of \$6 and \$4 at December 31, 2014 and 2013, respectively.

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Note 12: Goodwill and Other Intangible Assets

(a) Goodwill

The following table summarizes changes in the carrying amount of goodwill by reportable segment for the years ended December 31, 2014 and 2013.

	Balance as of December 31, 2013	Goodwill adjustments	Balance as of December 31, 2014
Titanium Technologies	\$ 13	\$—	\$ 13
Fluoroproducts	85	—	85
Chemical Solutions	100	—	100
Goodwill, net	<u>\$198</u>	<u>\$—</u>	<u>\$198</u>

Chemours has three reportable segments, Titanium Technologies, Fluoroproducts and Chemical Solutions (see further discussion of reportable segments in Note 20). These reportable segments comprise four operating segments, Titanium Technologies, Fluorochemicals, Fluoropolymer Solutions and Chemical Solutions. Fluorochemicals and Fluoropolymer Solutions are aggregated into the Fluoroproducts reportable segment. Chemours defines its reporting units as its four operating segments, and has assigned its goodwill balance to these reporting units based primarily on specific identification of goodwill acquired by the reporting unit. In 2014 and 2013, Chemours performed impairment tests for goodwill and determined that no goodwill impairment existed and the fair value of each reporting unit substantially exceeded its carrying value.

(b) Other Intangible Assets

The following table summarizes the gross carrying amounts and accumulated amortization of other intangible assets by major class:

	December 31, 2014		
	Gross	Accumulated Amortization	Net
Customer agreements	\$19	\$(16)	\$ 3
Patents	20	(16)	4
Purchased trademarks	18	(14)	4
Purchased and licensed technology	17	(17)	—
Total other intangible assets	<u>\$74</u>	<u>\$(63)</u>	<u>\$ 11</u>

	December 31, 2013		
	Gross	Accumulated Amortization	Net
Customer agreements	\$23	\$(17)	\$ 6
Patents	22	(17)	5
Purchased trademarks	20	(15)	5
Purchased and licensed technology	17	(16)	1
Total other intangible assets	<u>\$82</u>	<u>\$(65)</u>	<u>\$17</u>

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The aggregate pre-tax amortization expense for definite-lived intangible assets was \$3, \$6 and \$6 during the years ended December 31, 2014, 2013 and 2012, respectively. The estimated aggregate pre-tax amortization expense for 2015, 2016, 2017, 2018 and 2019 is \$3, \$2, \$1, \$1 and \$1 respectively. There are no indefinite-lived intangible assets.

Note 13: Other Assets

	December 31,	
	2014	2013
Leases receivable — non-current ⁽¹⁾	\$137	\$148
Capitalized repair and maintenance costs	185	134
Advances and deposits	17	11
Deferred income taxes — non-current	9	9
Miscellaneous ⁽²⁾	27	29
	<u>\$375</u>	<u>\$331</u>

- (1) Leases receivable includes direct financing type leases of property at two locations (see Note 9).
(2) Miscellaneous includes prepaid expenses for royalty fees, vendor supply agreements, and taxes other than income taxes. Also included in miscellaneous other assets are cost method investments and capitalized expenses for the preparation of the future landfill cells at Titanium Technologies' New Johnsonville plant site.

Note 14: Accounts Payable

	December 31,	
	2014	2013
Trade payables	\$1,004	\$1,026
VAT and other taxes ⁽¹⁾	42	31
	<u>\$1,046</u>	<u>\$1,057</u>

- (1) VAT payables are generally recorded at the legal entity level and allocated to Chemours within shared legal entities.

Note 15: Other Accrued Liabilities

	December 31,	
	2014	2013
Compensation and other employee-related costs	\$109	\$132
Accrued litigation ⁽¹⁾	7	86
Customer rebates	59	62
Environmental remediation ⁽²⁾	69	47
Property taxes	25	27
Contract services	10	18
Deferred revenue	28	14
Miscellaneous ⁽³⁾	45	19
	<u>\$352</u>	<u>\$405</u>

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- (1) Accrued litigation at December 31, 2013 included a \$72 charge relating to the Titanium Dioxide antitrust litigation, settlement of which was paid in January 2014.
- (2) See further discussion of environmental remediation in Note 17.
- (3) Miscellaneous primarily includes cylinder deposits, accrued utilities, and restructuring accruals.

Note 16: Other Liabilities

	December 31,	
	2014	2013
Environmental remediation	\$226	\$227
Employee-related benefits	100	104
Accrued litigation	52	49
Asset retirement obligations	43	40
Deferred revenue	13	11
Contract termination fee	9	9
Miscellaneous	21	16
	<u>\$464</u>	<u>\$456</u>

See Note 17 for discussion of environmental remediation, asset retirement obligations and accrued litigation.

Note 17: Commitments and Contingent Liabilities

(a) Guarantees

Obligations for Equity Affiliates & Others

Chemours, through DuPont, has directly guaranteed various debt obligations under agreements with third parties related to equity affiliates, customers, suppliers and other affiliated companies. At December 31, 2014 and 2013, Chemours had directly guaranteed \$41 and \$46 of such obligations, respectively. This amount represents the maximum potential amount of future (undiscounted) payments that Chemours could be required to make under the guarantees. Chemours would be required to perform on these guarantees in the event of default by the guaranteed party. No amounts were accrued at December 31, 2014 and 2013.

Chemours assesses the payment/performance risk by assigning default rates based on the duration of the guarantees. These default rates are assigned based on the external credit rating of the counterparty or through internal credit analysis and historical default history for counterparties that do not have published credit ratings. For counterparties without an external rating or available credit history, a cumulative average default rate is used.

Operating Leases

Chemours uses various leased facilities and equipment in its operations. The terms for these leased assets vary depending on the lease agreement. Future minimum lease payments (including residual value guarantee amounts) under noncancelable operating leases are, \$68, \$55, \$41, \$36 and \$26 for the years ended December 31, 2015, 2016, 2017, 2018 and 2019, respectively, and \$52 for the years thereafter. Net rental expense under operating leases was \$75, \$62 and \$53 during the years ended December 31, 2014, 2013 and 2012, respectively.

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(b) Asset Retirement Obligations

Chemours has recorded asset retirement obligations primarily associated with closure, reclamation and removal costs for mining operations related to the production of titanium dioxide in the Titanium Technologies segment. Chemours' asset retirement obligation liabilities were \$43 and \$42 at December 31, 2014 and 2013, respectively. A summary of the changes in asset retirement obligations during 2014 and 2013 is as follows:

	Year ended December 31,	
	2014	2013
Beginning balance	\$ 42	\$ 43
Accretion expense	2	3
Additional liabilities incurred	1	—
Changes in estimated cash flows	—	—
Settlements/payments	(2)	(4)
Ending balance	\$ 43	\$ 42
Current portion	\$—	\$ 2
Noncurrent portion	\$ 43	\$ 40

(c) Litigation

In addition to the matters discussed below, Chemours, by virtue of its status as a subsidiary of DuPont prior to the distribution, is subject to various pending legal proceedings arising out of the normal course of the Chemours business including product liability, intellectual property, commercial, environmental and antitrust lawsuits. It is not possible to predict the outcome of these various proceedings. While management believes it is reasonably possible that Chemours could incur losses in excess of the amounts accrued, if any, for the aforementioned proceedings, it does not believe any such loss would have a material impact on Chemours' combined financial position, results of operations or liquidity. With respect to litigation matters discussed below, management's estimate of the probability of loss in excess of the amounts accrued, if any, is addressed individually for each matter.

Asbestos

At December 31, 2014, there were about 2,500 lawsuits pending against DuPont alleging personal injury from exposure to asbestos. These cases are pending in state and federal court in numerous jurisdictions in the United States and are individually set for trial. Most of the actions were brought by contractors who worked at sites at some point between 1950 and the 1990s. A small number of cases involve similar allegations by DuPont employees. A limited number of the cases were brought by household members of contractors and DuPont employees. Finally, certain lawsuits allege personal injury as a result of exposure to DuPont products. At December 31, 2014 and 2013, Chemours had an accrual of \$38 and \$40, respectively, related to this matter. Management believes it is remote that Chemours would incur losses in excess of the amounts accrued in connection with this matter.

Cogeneration Lawsuit

Chemours' Chambers Works facility in New Jersey has an agreement to purchase electricity from the Chambers Cogeneration Limited Partnership, (CCLP). The contract requires periodic price adjustment by a formula that

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uses the value from a specific line item on a Federal Energy Regulatory Commission reporting form as a proxy for market price. CCLP filed a lawsuit against DuPont in 2008 claiming about \$30 for recalculated past charges, adjustment to future billing and attorneys' fees. In 2011, the court granted CCLP's motion for summary judgment on the issue of liability. In the second quarter 2012, the court assessed total damages of \$26. At June 30, 2012, Chemours had recorded net charges of \$17, reflecting total charges of \$26 and a payment of \$9 to CCLP within the second quarter 2012.

In the fourth quarter of 2012, the parties agreed to settle the matter for \$15 exclusive of the \$9 paid in 2012 thereby recognizing a gain of \$2. In the first quarter 2013, DuPont paid on behalf of Chemours \$10 to CCLP completing the settlement payment.

PFOA

Chemours used PFOA (collectively, perfluorooctanoic acids and its salts, including the ammonium salt), as a processing aid to manufacture some fluoropolymer resins at various sites around the world including its Washington Works plant in West Virginia. Chemours had accruals of \$14 and \$15 related to the PFOA matters discussed below at December 31, 2014 and 2013 respectively.

The accrual includes charges related to DuPont's obligations under agreements with the U. S. Environmental Protection Agency and voluntary commitments to the New Jersey Department of Environmental Protection. These obligations and voluntary commitments include surveying, sampling and testing drinking water in and around certain company sites and offering treatment or an alternative supply of drinking water if tests indicate the presence of PFOA in drinking water at or greater than the national Provisional Health Advisory.

Drinking Water Actions

In August 2001, a class action, captioned Leach v. DuPont, was filed in West Virginia state court alleging that residents living near the Washington Works facility had suffered, or may suffer, deleterious health effects from exposure to PFOA in drinking water.

DuPont and attorneys for the class reached a settlement in 2004 that binds about 80,000 residents. In 2005, DuPont paid the plaintiffs' attorneys' fees and expenses of \$23 and made a payment of \$70, which class counsel designated to fund a community health project. Chemours, through DuPont, funded a series of health studies which were completed in October 2012 by an independent science panel of experts (the C8 Science Panel). The studies were conducted in communities exposed to PFOA to evaluate available scientific evidence on whether any probable link exists, as defined in the settlement agreement, between exposure to PFOA and human disease.

The C8 Science Panel found probable links, as defined in the settlement agreement, between exposure to PFOA and pregnancy-induced hypertension, including preeclampsia; kidney cancer; testicular cancer; thyroid disease; ulcerative colitis; and diagnosed high cholesterol.

In May 2013, a panel of three independent medical doctors released its initial recommendations for screening and diagnostic testing of eligible class members. In September 2014, the medical panel recommended follow-up screening and diagnostic testing three years after initial testing, based on individual results. The medical panel has not communicated its anticipated schedule for completion of its protocol. Through DuPont, Chemours is obligated to fund up to \$235 for a medical monitoring program for eligible class members and, in addition, administrative cost associated with the program, including class counsel fees. In January 2012, Chemours,

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through DuPont, put \$1 in an escrow account to fund medical monitoring as required by the settlement agreement. The court appointed Director of Medical Monitoring has established the program to implement the medical panel's recommendations and the registration process, as well as eligibility screening, is ongoing. Diagnostic screening and testing has begun and associated payments to service providers are being disbursed from the escrow account.

In addition, under the settlement agreement, DuPont must continue to provide water treatment designed to reduce the level of PFOA in water to six area water districts, including the Little Hocking Water Association (LHWA), and private well users.

Class members may pursue personal injury claims against DuPont only for those human diseases for which the C8 Science Panel determined a probable link exists. At December 31, 2014, there were approximately 2,900 lawsuits filed in various federal and state courts in Ohio and West Virginia, an increase of about 2,800 over year end 2013. In accordance with a stipulation reached in the third quarter 2014 and other court procedures, these lawsuits have been or will be served and consolidated in multi-district litigation in Ohio federal court (MDL). Based on information currently available to the company the majority of the lawsuits allege personal injury claims associated with high cholesterol and thyroid disease from exposure to PFOA in drinking water. At December 31, 2014, there were 27 lawsuits alleging wrongful death. In 2014, six plaintiffs from the MDL were selected for individual trial. The first trial is scheduled to begin in September 2015, and the second in November 2015. Chemours, through DuPont, denies the allegations in these lawsuits and is defending itself vigorously.

Additional Actions

An Ohio action brought by the LHWA is ongoing. In addition to general claims of PFOA contamination of drinking water, the action claims "imminent and substantial endangerment to health and or the environment" under the Resource Conservation and Recovery Act (RCRA). In the second quarter 2014, DuPont filed a motion for summary judgment and LHWA moved for partial summary judgment. In the first quarter of 2015, the court granted in part and denied in part both parties' motions. As a result, the litigation process will continue with respect to certain of the plaintiff's claims.

While it is probable that Chemours will incur costs related to the medical monitoring program discussed above, such costs cannot be reasonably estimated due to uncertainties surrounding the level of participation by eligible class members and the scope of testing. Chemours believes that it is reasonably possible that it could incur losses that could be material in the period recognized with respect to the other PFOA matters discussed above. However, a range of such losses, if any, cannot be reasonably estimated at this time due to the uniqueness of the individual MDL plaintiff's claims and Chemours' defenses to those claims both as to potential liability and damages on an individual claim basis, among other factors. Although considerable uncertainty exists, management does not currently believe that the ultimate disposition of these matters would have a material adverse effect on Chemours combined results of operations, financial position or liquidity.

Titanium Dioxide Antitrust Litigation

In February 2010, two suits were filed in Maryland federal district court alleging conspiracy among DuPont, of which Chemours, prior to the distribution, is a subsidiary, Huntsman International LLC (Huntsman), Kronos Worldwide Inc. (Kronos), Millennium Inorganics Chemicals Inc. (Millennium) and others to fix prices of titanium dioxide sold in the U.S. between March 2002 and the present. The cases were subsequently consolidated and in August 2012, the court certified a class consisting of U.S. customers that have directly purchased titanium dioxide since February 1, 2003.

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During the third quarter 2013, DuPont and plaintiffs agreed to settle this matter, subject to court approval. In connection therewith, Chemours recorded charges of \$72, within cost of goods sold, for the year ended December 31, 2013. The settlement explicitly acknowledges that DuPont denies all allegations and does not admit liability. The court entered the order granting final approval to the settlement on December 13, 2013. The settlement was paid in January 2014.

In November 2013, Valspar, which opted out of the class action settlement described above, filed suit in federal court in Minnesota against DuPont, Huntsman, Kronos and Millennium making substantially similar claims to those made in the class action. The lawsuit was moved to Delaware federal court on DuPont's motion.

In March 2013, a purported class action was filed against DuPont, Huntsman, Kronos and Millennium in the U.S. District Court for the Northern District of California on behalf of "indirect purchasers" from more than 30 states that purchased products containing titanium dioxide. The settlement discussed above cannot be used to establish liability in the indirect purchaser case. In September 2014, the Court dismissed most of the claims in the original complaint. The plaintiffs have filed an Amended Complaint, limiting the purported class to indirect purchasers of architectural coating products containing titanium dioxide from 21 states. DuPont denies all allegations and will again seek dismissal of the Amended Complaint.

Chemours, through DuPont, denies these allegations and is defending itself vigorously against the Valspar and indirect purchaser claims. While management believes a loss related to either matter is reasonably possible, any such loss would be immaterial.

(d) Environmental

DuPont, of which Chemours, prior to the distribution, is a subsidiary, is also subject to contingencies pursuant to environmental laws and regulations that in the future may require further action to correct the effects on the environment of prior disposal practices or releases of chemical substances by Chemours or other parties. Chemours accrues for environmental remediation activities consistent with the policy set forth in Note 3. Much of this liability results from the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, often referred to as Superfund), RCRA and similar state and global laws. These laws require DuPont, of which Chemours, prior to the distribution, is a subsidiary, to undertake certain investigative, remediation and restoration activities at sites where Chemours conducts or once conducted operations or at sites where Chemours-generated waste was disposed. The accrual also includes estimated costs related to a number of sites identified for which it is probable that environmental remediation will be required, but which are not currently the subject of enforcement activities.

Remediation activities vary substantially in duration and cost from site to site. These activities, and their associated costs, depend on the mix of unique site characteristics, evolving remediation technologies, diverse regulatory agencies and enforcement policies, as well as the presence or absence of potentially responsible parties. At December 31, 2014, the Combined Balance Sheets included a liability of \$295, relating to these matters and, in management's opinion, is appropriate based on existing facts and circumstances. The average time frame, over which the accrued or presently unrecognized amounts may be paid, based on past history, is estimated to be 15 to 20 years. Therefore, considerable uncertainty exists with respect to environmental remediation costs and, under adverse changes in circumstances, the potential liability may range up to approximately \$650 above the amount accrued at December 31, 2014. Except for Pompton Lakes, which is discussed further below, based on existing facts and circumstances, management does not believe that any loss, in excess of amounts accrued, related to remediation activities at any individual site will have a material impact on the financial position, liquidity or results of operations of Chemours.

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Pompton Lakes

The environmental remediation accrual at December 31, 2014 includes \$86 related to activities at Chemours' site in Pompton Lakes, New Jersey. Management believes that it is reasonably possible that potential liability for remediation activities at this site could range up to \$116 including previously accrued amounts. This could have a material impact on the liquidity of Chemours in the period recognized. However, management does not believe that this would have a material adverse effect on Chemours' combined financial position, liquidity and results of operations. During the twentieth century, DuPont manufactured blasting caps, fuses and related materials at Pompton Lakes. Operating activities at the site were ceased in the mid 1990's. Primary contaminants in the soil and sediments are lead and mercury. Ground water contaminants include volatile organic compounds.

Under the authority of the EPA and the New Jersey Department of Environmental Protection, remedial actions at the site are focused on investigating and cleaning up the area. Ground water monitoring at the site is ongoing and Chemours, through DuPont, has installed and continues to install vapor mitigation systems at residences within the ground water plume. In addition, Chemours, through DuPont, is further assessing ground water plume/vapor intrusion delineation. In November 2014, the EPA announced a proposed remediation plan that would require Chemours to dredge mercury contamination from a 36 acre area of the lake and remove sediment from 2 other areas of the lake near the shoreline. The plan is subject to notice and comment. Chemours expects to spend approximately \$60 over the next three years, which is included in the remediation accrual at December 31, 2014, in connection with remediation activities at Pompton Lakes, including activities related to the EPA's proposed plan.

Note 18: Long-Term Employee Benefits

DuPont offers various long-term benefits to its employees. Where permitted by applicable law, DuPont reserves the right to change, modify or discontinue the Plans.

DuPont offers plans that are shared amongst its businesses, including Chemours. In these cases, the participation of employees in these plans is reflected in these financial statements as though Chemours participates in a multiemployer plan with DuPont. A proportionate share of the cost is reflected in these Combined Financial Statements. Assets and liabilities of such plans are retained by DuPont. Further information on the DuPont plan is discussed in DuPont's Annual Report on Form 10-K for the year ended December 31, 2014 (DuPont's Annual Report).

(a) Defined Benefit Pensions

DuPont Pension and Retirement Plan

DuPont has both funded and unfunded noncontributory defined benefit pension plans covering a majority of the U.S. employees, hired before January 1, 2007. The benefits under these plans are based primarily on years of service and employees' pay near retirement. DuPont's funding policy is consistent with the funding requirements of federal laws and regulations.

Non-U.S. Pension Plans

Pension coverage for employees of DuPont's non-U.S. subsidiaries, is provided, to the extent deemed appropriate, through separate plans. Obligations under such plans are funded by depositing funds with trustees, covered by insurance contracts, or remain unfunded.

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(b) Other Long-Term Employee Benefits

DuPont provides medical, dental and life insurance benefits to pensioners and survivors, and disability and life insurance protection to employees. The associated plans for retiree benefits are unfunded and the cost of approved claims are paid from DuPont funds. Essentially all of the cost for these retiree benefit plans is attributable to DuPont's U.S. plans. The retiree medical plan is contributory with pensioners and survivors' contributions adjusted annually to achieve a 50/50 target sharing of cost increases between DuPont and pensioners and survivors. In addition, limits are applied to DuPont's portion of the retiree medical cost coverage. U.S. employees hired on or after January 1, 2007 are not eligible to participate in the post-retirement medical, dental and life insurance plans. DuPont also provides disability benefits to employees. Employee disability benefit plans are insured in many countries. However, in the U.S., such plans are generally self-insured. Expenses for self-insured plans are reflected in the Combined Financial Statements.

(c) Defined Contribution Plan

DuPont sponsors several defined contribution plans, which cover substantially all U.S. employees. The most significant is DuPont's U.S. Retirement Savings Plan (the Plan), which reflects the 2009 merger of DuPont's Retirement Savings Plan and DuPont's Savings and Investment Plan. This Plan includes a non-leveraged Employee Stock Ownership Plan (ESOP). Employees are not required to participate in the ESOP and those who do are free to diversify out of the ESOP. The purpose of the Plan is to provide retirement savings benefits for employees and to provide employees an opportunity to become stockholders of DuPont. The Plan is a tax qualified contributory profit sharing plan, with cash or deferred arrangement, and any eligible employee of DuPont may participate. DuPont contributes 100 percent of the first 6 percent of the employee's contribution election and also contributes 3 percent of each eligible employee's eligible compensation regardless of the employee's contribution.

Participation in the Plans

Chemours participates in DuPont's U.S. and non-U.S. plans as though they are participants in a multiemployer plan with the other businesses of DuPont. More information on the financial status of DuPont's significant plans can be found in DuPont's Annual Report. The following table presents information for DuPont's significant plans in which Chemours participates.

Plan name	<u>EIN / Pension number</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
DuPont Pension and Retirement Plan (U.S.)	51-0014090 / 001	\$51	\$126	\$118
All Other U.S. and non-U.S. Plans		17	38	51

For purposes of these financial statements, the figures in this table represent the allocation of cost to Chemours, which was allocated based on active employee headcount. These figures do not represent cash payments to DuPont, or DuPont's plans.

Cash Flow

Defined Benefit Plan

No contributions were made to the principal U.S. pension plan trust fund in 2014 or 2013. In 2012, DuPont made a contribution to the principal U.S. pension plan of which Chemours' portion was approximately \$110. In 2015, DuPont's contributions on behalf of Chemours to its principal U.S. pension plan are expected to be less than \$12.

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DuPont contributed on behalf of Chemours \$35, \$34 and \$34 to its pension plans other than the principal U.S. pension plan in 2014, 2013 and 2012, respectively. DuPont contributed on behalf of Chemours \$66, \$58 and \$66 to its other long-term employee benefit plans, respectively, in 2014, 2013 and 2012. DuPont expects to contribute on behalf of Chemours approximately the same amount as contributed in 2014 to its pension plans other than the principal U.S. pension plan and its other long-term employee benefit plans, respectively, in 2015.

Defined Contribution Plan

DuPont's contributions to the Plan on behalf of Chemours were allocated in the amounts of \$52, \$50 and \$49 for the years ended December 31, 2014, 2013 and 2012, respectively. The Plan's matching contributions vest immediately upon contribution. The three percent non-matching contribution vests for employees with at least three years of service. In addition, DuPont expects to contribute on behalf of Chemours about \$53 to its defined contribution plans for the year ended December 31, 2015.

The contribution made by DuPont on behalf of Chemours is an allocation of the total contribution based on the headcount of the participants in the plan which are part of the Chemours business.

Note 19: Geographic Information

	December 31, 2014		December 31, 2013		December 31, 2012	
	Net Sales ⁽¹⁾	Net Property, Plant and Equipment ⁽²⁾	Net Sales ⁽¹⁾	Net Property, Plant and Equipment ⁽²⁾	Net Sales ⁽¹⁾	Net Property, Plant and Equipment ⁽²⁾
North America ⁽³⁾	\$2,759	\$2,273	\$3,138	\$2,183	\$3,284	\$2,193
Asia Pacific	1,548	140	1,519	138	1,654	139
EMEA ⁽⁴⁾	1,190	372	1,237	321	1,318	251
Latin America ⁽⁵⁾	935	523	965	330	1,109	210
Total	<u>\$6,432</u>	<u>\$3,308</u>	<u>\$6,859</u>	<u>\$2,972</u>	<u>\$7,365</u>	<u>\$2,793</u>

(1) Net sales are attributed to countries based on the location of customer.

(2) Includes property, plant and equipment less accumulated depreciation.

(3) Includes net sales and net property in Canada of \$147 and \$14 in 2014, \$145 and \$13 in 2013, and \$137 and \$10 in 2012.

(4) Europe, Middle East and Africa.

(5) Latin America includes Mexico.

Note 20: Segment Information

Chemours' operations are classified into three reportable segments based on similar economic characteristics, the nature of products and production processes, end-use markets, channels of distribution and regulatory environment. Chemours' reportable segments are Titanium Technologies, Fluoroproducts and Chemical Solutions. Corporate costs and certain legal and environmental expenses that are not aligned with the reportable segments are reflected in Corporate and Other.

Major products by segment include: Titanium Technologies (titanium dioxide); Fluoroproducts (fluorochemicals and fluoropolymers); and Chemical Solutions (cyanides, sulfur products and performance chemicals and

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intermediates). Chemours operates globally in substantially all of its product lines. Segment sales include transfers to another reportable segment. As Chemours' management continues to prepare for the separation from DuPont, the Chief Operating Decision Maker (CODM) reporting package has been updated to include segment adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA). Adjusted EBITDA is the primary measure of segment profitability used by the CODM. Adjusted EBITDA is defined as income (loss) before income taxes, depreciation and amortization excluding non-operating pension and other post-retirement employee benefit costs and exchange gains (losses). Adjusted EBITDA includes service cost component of net periodic benefit cost. All other components of net periodic benefit cost are considered non-operating and are excluded from adjusted EBITDA. Segment net assets include net working capital, net property, plant and equipment and other non-current operating assets and liabilities of the segment. This is the measure of segment assets reviewed by the CODM.

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Non-operating pension and other post-retirement employee benefit costs include interest cost, expected return on plan assets, amortization of loss (gain), and amortization of prior service cost (benefit). These costs for both the pension benefits and other post-retirement benefits are excluded from segment adjusted EBITDA.

	Titanium Technologies	Fluoroproducts	Chemical Solutions	Corporate and Other	Total
December 31, 2014					
Sales	\$2,944	\$2,327	\$1,168	\$ —	\$6,439
Less: transfers	7	—	—	—	7
Net sales	2,937	2,327	1,168	—	6,432
Adjusted EBITDA	759	330	29	(223)	895
Depreciation and amortization	125	83	48	1	257
Equity in earnings from affiliates	—	20	—	—	20
Segment net assets	1,748	1,480	782	(337)	3,673
Affiliate net assets	—	124	—	—	124
Purchases of plant, property and equipment ⁽¹⁾	376	133	106	—	615
December 31, 2013					
Sales	\$3,026	\$2,379	\$1,462	\$ —	\$6,867
Less: transfers	7	—	1	—	8
Net sales	3,019	2,379	1,461	—	6,859
Adjusted EBITDA	722	377	96	(213)	982
Depreciation and amortization	117	90	53	1	261
Equity in earnings from affiliates	—	22	—	—	22
Segment net assets	1,390	1,387	734	(294)	3,217
Affiliate net assets	—	123	—	—	123
Purchases of plant, property and equipment	290	96	52	—	438
December 31, 2012					
Sales	\$3,295	\$2,559	\$1,515	\$ —	\$7,369
Less: transfers	4	—	—	—	4
Net sales	3,291	2,559	1,515	—	7,365
Adjusted EBITDA	1,454	539	116	(226)	1,883
Depreciation and amortization	115	95	55	1	266
Equity in earnings from affiliates	—	25	—	—	25
Segment net assets	1,333	1,359	751	(276)	3,167
Affiliate net assets	—	130	—	—	130
Purchases of plant, property and equipment	270	105	57	—	432

⁽¹⁾ Purchases of property, plant and equipment includes \$11 in accounts payable, which is excluded from the Combined Statements of Cash Flows.

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Total segment adjusted EBITDA reconciles to total combined income before income taxes on the Combined Statements of Income as follows:

	Year ended December 31,		
	2014	2013	2012
Total segment adjusted EBITDA	\$ 895	\$ 982	\$1,883
Depreciation and amortization	(257)	(261)	(266)
Non-operating pension and other postretirement employee benefit costs	(22)	(114)	(127)
Exchange losses	(66)	(31)	(5)
Income before income taxes	<u>\$ 550</u>	<u>\$ 576</u>	<u>\$1,485</u>

Net sales by product group were as follows:

	Year ended December 31,		
	2014	2013	2012
Titanium dioxide	\$2,937	\$3,019	\$3,291
Fluoropolymers	1,326	1,324	1,428
Fluorochemicals	1,001	1,055	1,131
Performance chemicals and intermediates	624	913	939
Cyanides	314	320	336
Sulfur products	230	228	240
Net Sales	<u>\$6,432</u>	<u>\$6,859</u>	<u>\$7,365</u>

Note 21: Subsequent Events

In connection with the preparation of the consolidated financial statements and in accordance with GAAP, Chemours evaluated subsequent events after the balance sheet date of December 31, 2014 through the date these financial statements were issued on April 21, 2015.



The Chemours Company

\$1,350,000,000 6.625% Senior Notes due 2023
\$750,000,000 7.000% Senior Notes due 2025
€360,000,000 6.125% Senior Notes due 2023

OFFERING CIRCULAR

May 5, 2015

Joint Book-Running Managers

Credit Suisse

J.P. Morgan

BofA Merrill Lynch

Barclays

Citigroup

Goldman, Sachs & Co.

Senior Co-Managers

HSBC

RBC Capital Markets

Co-Managers

Mizuho Securities

Santander

MUFG

BNP PARIBAS

TD Securities
