

## STANDARD OPERATING PROCEDURE LEGAL

### STANDARD TERMS AND CONDITIONS OF SALE ("STCS")

#### **1. Implementation STCS**

- The STCS have been translated in all applicable local EU languages and will be published on each local **CB** website (date of publication to be discussed on country level). The same STCS shall be applied for all countries.
- The STCS need to be attached to each CB invoice, irrespective if invoices are sent by email or by regular post: the STCS are printed on the backside of the invoice, either the STCS are added on a second page.
- The STCS need to be attached to price lists at the beginning of the season or attached to other offers sent out to customers to ensure applicability. Furthermore, the more and the sooner the STCS are communicated to customers, the harder it becomes for customers to contest the applicability of the STCS afterwards. Upon implementation in the new ERP system D365 the STCS will automatically be attached to each invoice.
- Each invoice needs to mention on the front side that the customer has received and accepted the STCS. The standard sentence in English is:  
*"The customer acknowledges the receipt of and accepts the applicability of Certis Belchim's Standard Terms and Conditions of Sale (version October 2022) attached to this invoice."*
- The STCS can be subject to changes due to changing policies or legislation, however it is expected that the majority of the STCS will not change over time. CB intends to execute adaptations maximum once a year. Each affiliate will be informed in due time in order to be able to implement the changes to the STCS.

#### **2. STCS and commercial agreements**

By implementing the STCS for all EU affiliates/branches, it is Certis Belchim's aim to provide each Certis Belchim affiliate/branch with extra coverage if ever something goes wrong (late payments, product liabilities, etc):

- For each sales which happens without formal contract (commercial agreement or otherwise), the STCS will apply automatically and entirely.
- If there is also a written commercial agreement in place, the STCS act as extra coverage if ever the commercial agreement does not cover all possible topics: if for instance no payment terms are mentioned in the commercial agreement, the payment term mentioned in the STCS will apply.

In order to avoid any contradictions or conflicts between commercial agreements and the STCS, Affiliates/Branches using written **commercial contracts** are to update their template Agreements in close cooperation with their local lawyer and Legal department CB HQ ("Legal dept"). The following principles will apply:

- The template needs to be at least also in English, hence in most cases the local template will need to be bilingual (English + local language). In case of any contradiction between the 2 versions, the English version will have priority.
- The commercial contract needs to mention a clear priority list (hierarchy): the terms of the commercial contract have priority over the STCS, possible standard terms of the customer are explicitly excluded. This means also that deviations from the STCS are perfectly possible to the extent deviations are in a written form: if an Affiliate desires for example to agree upon a different Incoterm, such Incoterm will need to be mentioned on the invoice or in a written agreement.
- Legal Dept will review the template commercial contract and will make sure that the most important topics (such as retention of title) are included in the template. Moreover, some negotiation principles will be discussed in close cooperation with the local lawyer and the Affiliate, eg: *"in all cases kindly try to impose Dutch law with competent courts of Amsterdam. If really not possible or unacceptable for the customer, a switch to neutral or local law can be granted."*
- Once a commercial contract template is in place, there is no need to include Legal dept when initiating a new contract negotiation.. Only if counterparties insist on real deviations on the template, Affiliates will need to discuss this with their local lawyer and Legal dept.

All useful documents in respect of the STCS will also be published on the legal Sharepoint in a thereto dedicated folder.

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Christophe Van Damme  
Bram Van Assche