

# **BELCO**

## **GENERAL TERMS OF SALE**

### **ARTICLE 1: APPLICATION AND ENFORCEABILITY OF THE GENERAL TERMS OF SALE**

The purpose of these general terms of sale is to govern the sale of products and services offered by BELCO to its professional customers, irrespective of the type of contract (standard spot orders or orders placed under a framework contract), the sales channel (physical or online sales) or the customer's location (France or export). These general terms of sale supersede any previous version of BELCO's general terms of sale and any previous agreement between the Parties with the same purpose.

BELCO (the “**supplier**” or “**BELCO**”) operates the merchant website [www.belco.fr](http://www.belco.fr) (the “**BELCO website**”), on which new BELCO customers must register prior to placing an order under the conditions of Article 2 and on which customers may, if they wish, place online orders for BELCO products and services.

Consequently, the fact of placing an order implies full and unreserved acceptance of these general terms of sale by the customer (the “**buyer**”), to the exclusion of all other documents such as prospectuses or catalogues issued by the supplier or any other party and which are indicative only.

BELCO reserves the right to change these general terms of sale at any time and without prior notice. In this case, the changes will apply only to orders placed after their implementation date.

In accordance with the applicable regulations, these general terms of sale constitute the sole basis for commercial negotiations between the supplier and the buyer. As part of these negotiations, the supplier and the buyer may agree on special terms of sale. Consequently, any other terms, whether general or specific, laid down by the buyer will not be binding on the supplier, unless it has expressly agreed to these terms, regardless of when such terms may have been brought to its attention.

Should the supplier not apply at any given moment any one of these general terms of sale, this cannot be interpreted as a waiver of the right to apply any of the said terms at a later date.

For the purposes of these general terms of sale, it is noted that, as an importer and seller of green coffee and cacao, BELCO is a wholesaler within the meaning of Article L.441-1-2 of the French Commercial Code.

Furthermore, for the purposes of the provisions of the French Commercial Code relating to benchmark indicators for relevant costs of production in agriculture and changes in these costs, it is hereby noted that the agricultural raw material in question is coffee or cacao, as applicable, the purchase price of which is based on futures market quotations (base price), to which is applied a premium, known as the “differential”, according to the requested quality, the preparation required and the prestige of the origin, plantation or producer.

### **ARTICLE 2: PRIOR REGISTRATION**

Before placing a first order, regardless of how this order is placed, the buyer must register on the BELCO website and answer fully and correctly the requests for information and questions on the BELCO website, pertaining in particular to identification (including the SIRET [business registration] number, VAT number, registered office, corporate form if the buyer is a legal entity) and the customer profile (including names of contacts within the buyer's organisation, e-mail addresses of people who may access the account and the invoices issued by BELCO, and the Fair Trade / Max Havelaar certification/licence number). Following registration, BELCO will create and allocate a customer account to the buyer. The buyer will not be able to place an order until they have been notified of the creation of their customer account, which they can then access using their registration e-mail address and password of their choice.

The buyer's attention is drawn to the need to accurately complete the identification and customer profile sections on the BELCO website and to provide accurate and up-to-date information. The buyer agrees that BELCO can legitimately rely on the declarations given and the information communicated by the buyer when opening the account, to the extent that BELCO will be held harmless by the buyer under all circumstances

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from any consequences resulting from their inaccuracy or incompleteness. The same applies to any information that subsequently becomes inaccurate, unless the inaccurate nature of this information has been expressly brought to BELCO's attention.

### **ARTICLE 3: ORDERS - PRICES**

The products and services offered for sale by BELCO are presented on the BELCO website. They are broken down by product category (coffee, cacao, equipment) and supported by more detailed descriptions in "product data sheets".

Forward and spot sales of coffee are governed by the European Standard Contract for Coffee ([ESCC](#)). In addition, the selling prices of green coffees are updated continuously based on two indicators: the market price in New York or London and the dollar/euro parity.

Should one or several products become permanently unavailable, BELCO will inform the buyer and will propose a credible and suitable alternative. Permanent unavailability may result in order cancellation and reimbursement. If a product is temporarily unavailable, BELCO will inform the buyer of the new delivery times provided by the supplier(s) and/or manufacturer(s) concerned as soon as possible. If this unavailability is prolonged beyond a reasonable duration, BELCO will endeavour to propose an equivalent product to the buyer or, failing that, will cancel the order and reimburse the buyer.

#### **3.1 Orders for green coffee and cacao**

Orders are placed with BELCO either under a forward sales contract or as a spot sale:

- Forward sales contract: The contract defines the type of coffee or cacao, quantity, packaging, unit price, delivery period, terms of payment and transport and insurance arrangements.
- Spot sale: This sale is completed without a contract based on the availability of goods. The order placed by the buyer can be honoured only according to product availability and according to the delivery conditions defined by BELCO. BELCO cannot guarantee the availability of the goods at the moment when the buyer places the order.

#### **3.2 Orders for "BELCO Equipment" accessories**

Orders are placed with BELCO in accordance with these general terms of sale and, if applicable, with the provisions of a framework agreement concluded with the buyer.

#### **3.3 Online orders for products and services**

If the buyer decides to place their order online, they must complete the following steps on the BELCO website in the order indicated:

- The buyer logs in with their e-mail address and password to access their account and the BELCO selling prices;
- The buyer clicks on the "Order" button to add the product to the other products already selected but not yet ordered;
- Once all the products selected by the buyer are listed in the shopping basket panel brought up by clicking on the "My basket" button, the buyer clicks on the "Finalise my order" tab to move on to the next stage;
- The buyer confirms the products and quantities selected on the "Check my order" page;
- Finally, the buyer clicks on the "Check delivery" tab. The buyer can then select their delivery address and the delivery costs are added to the order total. The buyer is then asked to confirm the order by

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clicking on “Finalise my order”. Before validating their order, the buyer always has the option of ending the purchasing process and returning to their shopping basket without finalising the order.

### **3.4 Provisions common to all products sold by BELCO**

Sales are complete only after the express and written acceptance of the buyer’s order by the supplier, who will ensure, in particular, that the products are available before issuing an order confirmation. Where applicable, the online order will be confirmed to the buyer at the end of the procedure described in Article 3.3.

The buyer may make changes to or cancel the initial order before the deadline stipulated in the order confirmation received by e-mail. Any changes desired after this deadline will require the placing of a new order.

In all cases, the supplier retains the right to reduce or split any order involving unusually large quantities. A reduction in an order decided by the supplier will not subject the buyer to penalties.

The goods will be supplied at the supplier’s prices in force on the day of signing the forward sales contract, or of the spot sale or of the order for the products and, where applicable, in the specific sales proposal sent to the buyer. These prices are net and exclusive of VAT, ex warehouse of the supplier, packaging not included. They do not include transport, customs duties or insurance, which are the responsibility of the buyer.

Except in the case of a forward sales contract, BELCO reserves in particular the right, in accordance with Article 1164 paragraph 1 of the French Civil Code, to revise the prices fixed at the time of the order in the event of changes to the prices or to the contractual conditions of its own suppliers or service providers.

Any taxes, duties, fees or other charges to be paid in application of French or foreign regulations, insofar as they are applicable, will be borne by the buyer. Any change in customs duties or taxes, transport or handling costs, or freight or insurance rates subsequent to the date of the contract will be for the benefit of or borne by the buyer.

Should the buyer request exemption from taxes, duties or other charges, particularly with regard to its re-export operations, the buyer undertakes to provide all the supporting documents required by the competent authority, failing which, all taxes, duties and procedural costs will be borne by the buyer. No discounts are applicable to shipping costs, which are passed on unchanged in the services sold ex works.

### **ARTICLE 4: DELIVERY AND TRANSPORT**

Unless otherwise agreed between BELCO and the buyer, product delivery implies making said products available to the buyer at the supplier’s premises. Consequently, the buyer shall bear all costs and risks inherent in the loading and transport of said products until their arrival at destination.

However, in the case of forward sales for which the price is determined on a Le Havre FCA basis, the supplier may, at the time of ordering the product and at the express request of the buyer, agree to manage and organise transport of the goods to the place of destination, in which case BELCO will use the Incoterm corresponding to the conditions of sale granted to the buyer and the transport costs will be charged by the supplier in addition to the price of the products. In this case, the transfer of risk for said goods will take effect at the place of delivery according to the chosen Incoterm.

Delivery times are given by BELCO as an indication only and are not a binding condition of the order. Failure to comply with them will not under any circumstances give rise to damages.

Without prejudice to any measures that may be taken with regard to the carrier by the buyer, any reservations in the event of damage or loss must be expressed on the delivery note in the presence of the carrier upon receipt of the products and confirmed to the carrier by written notification within three (3) days

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of receipt of the products, and a copy of this notification must be sent to the supplier. After this period, the buyer will not be entitled to any compensation.

Concerning orders for "BELCO Equipment" accessories, in the event of an apparent defect or non-conformity with the order of any products delivered, duly noted upon receipt of said products and accepted by the supplier, the buyer may have the product repaired, if said repair is proposed by the supplier.

Unless the transport is organised by BELCO, the buyer cannot make a warranty claim against the supplier in case of either non-delivery of the ordered products or damage occurring during transport or unloading.

It is expressly agreed that the carrier is responsible for returning the pallets supplied by BELCO to the buyer at the time of delivery by either BELCO's carrier or by the buyer's carrier during collection.

BELCO will keep track of the pallets provided to the carrier and those returned by the carrier. At the end of each month, BELCO will count the number of pallets. In case of any missing pallets, BELCO will issue an invoice for the said missing pallets. This amount may be revised in due proportion in case of changes in the purchase cost of pallets. Payment of invoices for missing pallets is due thirty (30) days after they are issued.

### **ARTICLE 5: ORDERS BELOW A MINIMUM OR SUBJECT TO SPECIFIC PACKAGING**

BELCO's price lists are established in relation to the volume and packaging ordered. These price lists specify the volume below which BELCO does not deliver goods or reserves the right to increase its prices with application of a fixed administrative cost. Similarly, packaging other than in the original bag is subject to special pricing shown in the price lists in force at the time of the order.

The buyer may also acquire specific blends, but any remaining coffee in relation to the standard packaging will not be kept for the customer.

In accordance with the European Standard Contract for Coffee (ESCC), sale of green coffee is understood to be made at the weight and tare recognised by customs or the weights reweighed at the supplier's warehouse with an allowance of plus or minus 0.5%.

The minimum amount for a first order of "BELCO Equipment" products is €300. There is no minimum amount for any subsequent orders.

### **ARTICLE 6: PAYMENT CONDITIONS**

Unless stipulated to the contrary in the special conditions agreed between the supplier and the buyer, payments will be made at the supplier's registered office, without discount, by bank transfer to BELCO's account.

After three (3) orders have been duly fulfilled in accordance with the above conditions, payment can be made by bill of exchange, within thirty (30) days of the invoice date. Before completing this number of orders, and unless otherwise mutually agreed in writing, payment will be made before the goods are dispatched.

For all sales completed outside France, all goods will be paid for before the said goods are dispatched, unless otherwise agreed in writing and by mutual consent.

In the case of payment by bill of exchange, failure to return the bill of exchange will be considered non-acceptance, which will be regarded as failure to pay. The buyer shall reimburse all costs incurred by the debt collection process. Under no circumstances may payments be suspended or subject to any compensation without the prior written consent of the supplier. Any deterioration in the buyer's credit may justify requirement of guarantees or payment in cash or by sight draft before fulfilment of any orders received.

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BELCO reserves the right to limit the outstanding amounts, especially in case of non-payment or non-compliance with the payment conditions.

In the event of late payment beyond the set deadline, late payment penalties equal to three (3) times the legal interest rate applied to the amount inclusive of tax shown on the invoice will be due automatically and as of right to the supplier without formalities or formal notice.

In addition, in the event of late payment, a fixed compensation for collection costs of 40 euros will be due as of right and without prior notification from the supplier. The supplier reserves the right to request additional compensation from the buyer if the collection costs actually incurred exceed this amount, upon presentation of proof.

Any delay in payment will result in a demand for immediate payment of all sums due, without prejudice to any other action that the supplier may be entitled to take against the buyer in this respect.

In the event of non-compliance with the above payment conditions, the supplier also reserves the right to suspend or cancel delivery of any outstanding orders placed by the buyer.

### **ARTICLE 7: NON-FULFILMENT OF THE ORDER BY THE BUYER IN A FORWARD SALE**

In the case of a green coffee forward sales contract, if the initial contractual order deadline is exceeded, BELCO is entitled to claim a late penalty from the buyer, taking into consideration the number of months the order is overdue and the storage and financing costs.

The amount of this penalty is indicated in the general price list and in the special conditions proposed to the buyer.

BELCO reserves the right to update the amount of this penalty in the event of changes to the prices or the contractual conditions of its own suppliers or service providers.

In case of partial cancellation, BELCO is entitled to convert any advance payments received into value of goods.

The buyer may obtain a replacement of the undelivered goods by other goods, but on the condition that the price is updated according to two indicators: the New York or London market price and the dollar/euro parity.

In the event of definitive cancellation of the order by the buyer, the supplier will be entitled to claim from the buyer a penalty of 50% of the price excluding VAT of the undelivered goods.

The Parties will not be held liable if non-fulfilment or delay in the performance of any of their obligations as described herein is due to force majeure, as defined in Article 1218 of the French Civil Code.

### **ARTICLE 8: PRODUCT WARRANTY**

#### **8.1 Green coffee and cacao**

Coffee and cacao quality can be defined in one of two ways:

- \* By a description of the purchase in the contract.

The contract may specify several criteria according to the coffee or cacao ordered (number of defects, production region, size of bean, harvest year, etc.).

In this case, it is expressly agreed that, because it is a natural product, the coffee or cacao may be nuanced.

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- \* Against a sample

In this case, quality is understood to be consistent on average with the submitted sample.

### 8.2 “BELCO Equipment” accessories

The warranties for products sold by BELCO are those given by the manufacturers of these products, to the exclusion of any other warranty. These warranties are valid subject to the products being installed correctly and normally and to the manufacturer’s recommendations being followed.

BELCO cannot be held responsible for the installation of the ordered products or in case of abnormal use or damage resulting from non-compliance with the standards, rules and/or methods of installation or use of said products. The buyer and their customers shall take note of the manufacturers’ instructions and of any other information attached to or on the product or its packaging. Installation of the products is the sole responsibility of the buyer; the buyer should contact qualified professionals, if necessary, to carry out the installation.

In case of non-conformity of the product or a hidden defect, the supplier’s only obligation is to replace the non-conforming or defective product free of charge, subject to the said product being returned at BELCO’s expense, or to repair it. All other warranties of any kind are excluded. If the defective product no longer exists, the supplier may offer a substitute product with equivalent characteristics and in equivalent quantities as part of its replacement obligation and the buyer will be presumed to have accepted this offer from the supplier in the absence of any objections within seven (7) days. If the buyer refuses the proposed substitute product, the buyer is entitled to a refund from BELCO of the price excluding VAT of the invoiced product.

“BELCO Equipment” products offered for sale by BELCO comply with the standards applicable in France. The buyer is the sole judge of the compatibility of the products ordered with the materials and equipment in their possession and is responsible for any consequences resulting from any incompatibility. Partial or total impossibility to use the materials ordered by the buyer will in no case entitle the buyer to any refund or compensation by BELCO.

### 8.3 Provisions common to all products sold by BELCO

The supplier may in no case be held liable for any direct or indirect monetary or other damage resulting in particular from the storage conditions of the products after their delivery to the buyer. In order to benefit from the above-mentioned warranties, all products must first be submitted to the supplier’s quality department, which must approve any replacements.

Concerning the conformity of the order, the buyer has a period of thirty (30) days from reception of the order to check it and to express any reservations to BELCO, so that BELCO may check the reported product non-conformity and/or hidden defects.

The buyer shall give the supplier every opportunity to identify the said defect and find a solution. The buyer will not intervene or have a third party intervene for this purpose. Goods may be returned only upon prior formal agreement between the supplier and the buyer. Any product returned without said agreement will be held at the disposal of the buyer for eight (8) calendar days from its receipt (following which it will be disposed of), and a credit note will not be issued for the said product.

### 8.4 Management of product returns

For any complaints concerning an order, please contact:

- Equipment: [sav@belco.fr](mailto:sav@belco.fr)
- Coffee and Cacao: [logistique@belco.fr](mailto:logistique@belco.fr)

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For all other enquiries, please contact your usual sales representative.

### ARTICLE 9: PERSONAL DATA

As part of their contractual relationship, BELCO and the buyer may be required to process personal data.

The Parties undertake, when collecting and processing personal data, to comply with the provisions of French Act No. 78-17 of 6 January 1978 on Data Processing, Files and Freedoms amended by Act No. 2018-1125 of 12 December 2018, and of Regulation 2016/679/EU of 27 April 2016 "on the protection of natural persons with regard to the processing of personal data and on the free movement of such data" ("GDPR") and all "the Applicable Regulations").

Personal data will be collected and processed in a manner chosen by each Party in their capacity as independent data controllers and for the following purposes:

- Management and maintenance of contractual relations with the other Party and for the conservation of documents and contact data;
- Delivery of products;
- Performance of administrative operations relating to the management of contracts, orders, invoices and payments;
- Management of disputes.

The data collected (i.e. surnames, first names, e-mail addresses and telephone numbers of employees and collaborators) is essential and is collected by each of the Parties in order to be able to perform their contractual obligations.

The data collected by BELCO from the buyer can be communicated to all BELCO companies for the purpose of carrying out its contractual obligations.

No personal data collected by one or other of the Parties will be disclosed externally, except if necessary to comply with legal or regulatory obligations at the request of a judicial authority or an administration and for the purposes set out above. It is kept for the entire duration of the commercial relationship, plus five (5) years from the end of the relationship.

The buyer has the right to access, rectify and delete their personal data, the right to withdraw their consent, the right to limit processing, the right to object to data processing on legitimate grounds, the right to data portability and the right to issue advance post-mortem directives. These rights can be exercised by sending an e-mail to BELCO at the following address [client@belco.fr](mailto:client@belco.fr). Data subjects also have the right to lodge a complaint with the CNIL.

It is also important to respect:

- The security of personal data:

The Parties are informed of the high importance and strictly confidential nature of personal data. Each Party shall take all appropriate measures, in particular with regard to the physical security of their premises and the logistical security of their equipment and processing media, to: (i) prevent personal data from being distorted, damaged or destroyed; (ii) ensure the confidentiality and security of files stored on their premises or on their equipment containing personal data; and (iii) prevent unauthorised third parties from accessing files, programmes and documents stored in the aforementioned infrastructures.

- The destruction of personal data:

The Parties undertake to keep personal data for no longer than is necessary for the purposes for which it was collected. They undertake to use the means necessary to guarantee that personal data

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is definitively deleted from any media on which it may have been stored, in particular with respect to computer files used for backup and operational purposes.

- Transfers of personal data:

The Parties undertake to comply with the Applicable Regulations, in particular with regard to the transfer of personal data outside the European Economic Area. In the event that such transfers should take place, the Parties undertake to employ all appropriate measures as described in Articles 44 et seq. of the GDPR to ensure an adequate level of protection.

### **ARTICLE 10: INTELLECTUAL PROPERTY**

The buyer undertakes to respect all intellectual property rights concerning the products, whatever their nature (patents, trademarks, drawings and models, copyrights in particular), in accordance with the legal provisions in force, and undertakes to inform BELCO as soon as they are made aware of a violation of these rights.

In addition, the buyer acknowledges that only BELCO owns the copyrights relating to the creation of the marketing content published and provided by BELCO on the [www.belco.fr](http://www.belco.fr) website for use as sales aids by its own customers and undertakes not to do anything that could jeopardise the supplier's copyrights.

### **ARTICLE 11: TRAINING**

The buyer is awarded "education points" based on its orders of green coffee, which the buyer can then use to take part in training courses offered by BELCO.

Training can also be offered to all of the buyer's customers for a fee if they do not have enough points.

It may be given either face-to-face or online (e-learning), depending on the type of training offered.

These courses are paid for in full by bank transfer.

### **ARTICLE 12: DESCRIPTIONS, CHARACTERISTICS AND SPECIFICATIONS**

The descriptions, characteristics and specifications given by the supplier, as well as the published photos, are provided for information purposes only. The supplier therefore reserves the right to make changes to them even after an order has been received. Only the information provided in the contracts and sales documents (order form, delivery form, invoice) will be binding on the supplier.

### **ARTICLE 13: CUSTOMS DUTIES AND TAXES**

In the case where goods are delivered after payment, any duties and taxes advanced by the supplier on behalf of the buyer, plus any payment expenses, will be reimbursed in cash in accordance with the fee schedule in effect on the day of delivery.

### **ARTICLE 14: ENVIRONMENT - WASTE DISPOSAL**

The provisions of this Article apply to "BELCO Equipment" products.

BELCO, as a producer under the Extended Producer Responsibility (EPR) scheme, is required to register with the French Environment and Energy Management Agency (ADEME). Its unique identifier is FR029396.



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BELCO currently has a customer contract with CITEO for packaging EPR and a customer contract with ECOSYSTEM for extended marketer responsibility for household and professional electrical and electronic equipment.

BELCO hereby informs the buyer that electrical and electronic equipment that has reached the end of its life cycle, is obsolete, or no longer functions (refrigeration equipment, large household appliances other than refrigeration equipment, screens, small household appliances, lamps, etc.) must not be disposed of in a rubbish bin or in the selective sorting bins of its local authority in accordance with European regulations on waste electrical and electronic equipment (WEEE) (in particular Directive 2012/19/EU of 4 July 2012) and the national provisions adopted for its application. One of the aims of these regulations is to reduce waste of raw materials and to protect the environment and human health by preventing substances contained in certain appliances from being released into the environment. The unique identifier FR029396 attests to registration in the ECOSYSTEM register of EEE producers in application of Article L.541-10-13 of the French Environmental Code.

Therefore, customers can:

- leave their old appliance at an ECOSYSTEM collection point using the Find a Collection Point service on the [www.ecosystem.eco](http://www.ecosystem.eco) website;
- leave their old appliance at a waste collection centre or at a local collection point set up by the local authorities;
- donate it to a non-profit organisation.

### **ARTICLE 15: FORCE MAJEURE**

The supplier will be temporarily or, depending on the circumstances, permanently released from the obligation to provide ordered products if the supplier is unable to fulfil its obligations due to force majeure, such as total or partial strike, fire, natural disaster, failure of one of its own suppliers or failure of its own computer or communication system. The same will apply in the event of war, lockout, significant production shortage, import or export restriction or prohibition, or in general any new circumstances hindering the completion of the sale, all of which will authorise the supplier either to postpone the execution of the contract or the delivery from month to month, or to terminate it, in whole or in part, without compensation to the buyer.

### **ARTICLE 16: RETENTION OF TITLE CLAUSE**

The supplier retains, until full payment of the price by the buyer, the right of ownership of any products sold, whereby the supplier may regain possession of the said products as they stand. In this case, any advance payment made by the buyer will remain the property of the supplier by way of lump-sum compensation, without prejudice to any other actions that the supplier may be entitled to take against the buyer as a result.

However, risk in and to the goods will pass to the buyer upon delivery of the ordered products.

The buyer therefore undertakes, at its own expense, to insure the ordered products in favour of the supplier, with an ad-hoc insurance policy, until complete transfer of ownership and to show proof of this to the supplier at the time of delivery. Failing this, the supplier will be entitled to delay delivery until such time as this proof is presented.

Delivery of bills of exchange or any other instrument that may create an obligation to pay will not constitute payment within the meaning of this provision. The buyer may not pledge, sell or transfer the goods by way of security. In the event of seizure, the buyer undertakes to notify the supplier without delay. In the event of non-payment by the buyer on any due date, any sale and, where applicable, any framework agreement will be terminated as of right and without formalities, as the supplier deems fit.

Should such an eventuality occur, the buyer unconditionally authorises the supplier to take back the said

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goods.

For the purposes of identifying the products delivered to the buyer, it is expressly agreed that the customary practice within the profession will apply, whereby the products that have been in the buyer's warehouses for the longest time will be the first to be removed, in such a way that the products in the buyer's warehouses deemed to be delivered by the supplier will be, against equivalent, those delivered most recently to the buyer.

If the buyer resells or processes the said products in the normal course of its business, with or without the supplier's consent, the buyer shall assign to BELCO all receivables arising from the resale to the third-party buyer.

### **ARTICLE 17: TERMINATION OF THE SALE**

In the event of non-compliance by either Party with any of its obligations, in particular non-compliance with the terms of payment, any order in progress may be terminated at the discretion of the injured Party and, where applicable, any framework agreement may be terminated by the injured Party.

It is expressly understood that this termination for failure of a Party to fulfil its obligations will take place as of right, without legal formalities, after a formal notice resulting from the sole fact of the non-fulfilment of the obligation.

In addition to the hypotheses already provided for in these general terms of sale, the sale will be cancelled as of right, or the delivery delayed, or the products withheld, at the supplier's discretion, in the following cases in particular: dissolution of the buyer, failure to pay all sums due on the agreed due date, failure to comply with the stipulations of the aforementioned retention of title clause.

The sale will be deemed to be terminated eight (8) days after a simple formal notice to perform, notified to the buyer by means of a registered letter with request for acknowledgement of receipt, has proved unsuccessful. Payment of all sums outstanding will then be immediately due. Unpaid products may be taken back by the supplier at the buyer's expense.

Should the buyer default on payment or be put into receivership, the sale will also be cancelled as of right, at the discretion of the supplier, if, after formal notice sent under the same conditions to the receiver enjoining the buyer to respond, the buyer waives the continuation of the sales contract, either expressly or tacitly due to its failure to respond within one month of the formal notice sent to it (in accordance with Article L.622-13 of the French Commercial Code). Pursuant to Article L.622-7 of the French Commercial Code, it is agreed that in the event of the buyer being placed under safeguard or put into receivership or liquidation, any sums owed by the buyer to the supplier may be offset against the sums owed by the supplier to the buyer.

### **ARTICLE 18: DISPUTES**

Any dispute that may arise between the Parties concerning the interpretation or execution of these general terms of sale must be subject to an attempt at amicable settlement prior to any legal action.

After a period of thirty (30) days following receipt by the notified Party of a registered letter with acknowledgement of receipt requesting that the said settlement be sought, that has proved unsuccessful, either Party may implement the following arbitration procedure, to which both Parties will submit.

Each Party will appoint an arbitrator, who will appoint by mutual agreement a third arbitrator, who will be the Presiding Judge of the Court of Arbitration.

If they are unable to do so, the third arbitrator will be appointed by the Presiding Judge of the Commercial Court of Bordeaux in summary proceedings at the request of the most diligent Party.

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The arbitrators will rule, de jure, in the first and last instance. They will determine in their sentence which Party will bear the cost of their fees.

**ARTICLE 19: APPLICABLE LAW**

These general terms of sale and the purchase and sale operations arising therefrom are governed by French law.

They are written in French.

If they are translated into one or more languages, only the French text will be deemed authentic in the event of a dispute.