RSPO PalmTrace - Book and Claim Terms and Conditions

1.   Introduction

1.1   The Roundtable on Sustainable Palm Oil ("RSPO"), a non-profit association registered in Switzerland under Swiss law, supports the following supply chain models for the uptake of certified oil palm products: Identity Preserved (IP), Segregated (SG), Mass Balance (MB) and Book and Claim (BC).

1.2   The Book and Claim supply chain model includes the possibility for RSPO members to buy and sell RSPO Credits through RSPO PalmTrace.

1.3   These Book and Claim Terms and Conditions ("Terms and Conditions") govern the relationship between RSPO and RSPO members that are active in the process of buying and selling RSPO Credits through RSPO PalmTrace.

1.4   RSPO has contracted Rainforest Alliance B.V., also known as UTZ ("UTZ"), a limited liability company registered in the Netherlands under Dutch law, to perform certain tasks on its behalf to enable the trade in RSPO Credits in accordance with the Terms and Conditions. Relevant provisions of the Terms and Conditions will equally apply in the relationship between UTZ and RSPO members.

1.5   RSPO members that wish to buy or sell RSPO Credits accept these Terms and Conditions when entering the Book and Claim online marketplace in RSPO PalmTrace.

1.6   The Terms and Conditions may be amended from time to time. Amended versions will be published in RSPO PalmTrace before taking effect. The most recent version of the Terms and Conditions is accessible through RSPO PalmTrace. Any buyer or seller who submits an offer to buy or sell RSPO credits, or who reports an off-market transaction agrees to accept the most recent version of the Terms and Conditions.

2.   Definitions

2.1   *RSPO Product* – Products which have been certified under the RSPO Certification Program:
- CSPO (Certified Sustainable Palm Oil)
- CSPKO (Certified Sustainable Palm Kernel Oil)
- CSPKE (Certified Sustainable Palm Kernel Expeller)
- IS-CSPO (Independent Smallholder Certified Sustainable Palm Oil)
- IS-CSPKO (Independent Smallholder Certified Sustainable Palm Kernel Oil)
- IS-CSPKE (Independent Smallholder Certified Sustainable Palm Kernel Expeller)

2.2   *One RSPO Credit* – the equivalence of one metric tonne of an RSPO Product.

2.3   *Match* – the moment that RSPO PalmTrace matches an offer to sell with a corresponding offer to buy.

3.   Selling

3.1   RSPO members with an account in RSPO PalmTrace can sell RSPO Credits in accordance with the type of products they produce:
- Mills can sell CSPO Credits,
- Crushers can sell CSPKO Credits and CSPKE Credits,
- Independent Smallholders can sell IS-CSPO Credits, IS-CSPKO Credits and IS-CSPKE Credits.

3.2   Sellers can allocate volumes of RSPO Products to be traded as RSPO Credits at any point during the licence validity. The allocated amount is deducted from the Seller's certified volume or stock of RSPO Products and added to the Seller's stock of RSPO Credits.

3.3   Sellers can reallocate RSPO Credits back to RSPO Products at any point during the licence validity.

3.4   Sellers can make an offer to sell a certain amount of RSPO Credits against a certain price in USD at any point during the licence validity. An offer to sell is an offer to sell at a price equal to or above specified in the offer to sell. The offered amount is deducted from the seller's certified volume or stock of RSPO Credits.

3.5   Offers to sell are visible to other buyers and sellers, in an anonymous and aggregated way.

3.6   Until a Match is made, Sellers can withdraw an offer at any point. If an offer is withdrawn, the amount of RSPO Credits of the offer is added to the Seller's stock of RSPO Credits.

4.   Buying

4.1   RSPO members with an account in RSPO PalmTrace can buy RSPO Credits.

4.2   Buyers can make an offer to buy a certain amount of RSPO Credits against a certain price in USD at any point in time. An offer to buy is an offer to buy at a price below or equal to the price specified in the offer to buy.

4.3   Offers to buy are visible to other buyers and sellers, in an anonymous and aggregated way.

4.4   Until a Match is made, buyers can withdraw an offer at any point.

5.   Match

5.1   As soon as an offer to sell corresponds with an offer to buy, in terms of price and amounts, RSPO PalmTrace establishes a Match.

5.2   If an offer to buy (or sell) matches more than one offer to sell (or buy) at the same price, the offer with the oldest date and time of submission will be given priority.

5.3   As soon as a Match is made, the respective offers to buy and sell will be removed from the marketplace. The respective buyer and seller will be informed about the Match.

6.   Payment

6.1   The establishment of a Match creates a legally binding agreement between Buyer and Seller, that is, an obligation for the Buyer to pay the matched price, including any applicable VAT, tax or RSPO Administration Fee (publicly available on the RSPO website), and for the Seller to deliver the matched RSPO Credits.

6.2   The Buyer receives an invoice for the matched price. If the matched transaction is subject to payment of an RSPO Administration Fee – in accordance with the RSPO Administration Fee structure as published on www.rspo.org - the applicable fee will simultaneously be invoiced.

6.3   RSPO nor UTZ is responsible or liable for collecting and/or accounting for any value added tax which may be payable to any authority by the Seller or the Buyer in respect of the purchase and sale of RSPO Credits. The Seller and the Buyer shall each indemnify and keep indemnified RSPO and UTZ against all liability, fines, costs and expenses suffered or incurred as a result of their respective failure to comply with any of their respective value added tax obligations.

6.4   The Buyer shall bear all taxes and other governmental charges relating to or arising under these Terms and Conditions ("Taxes"), including, without limitation, any state or federal income taxes, stamp or documentary taxes, turnover, sales or use taxes, Value Added Taxes, excise taxes, customs or any other charges relating to or on fees payable by the Buyer to RSPO/UTZ. The Buyer agrees that all fees paid hereunder are to be received in full by RSPO/UTZ without deduction of any Taxes. Should the Buyer be required by law to withhold any Taxes on the amounts payable to RSPO/UTZ, then such amounts shall

be grossed up so that the net amount received by RSPO/UTZ shall be equal to the fees prescribed herein. Any additional amount payable under this section must be paid to RSPO/UTZ at the same time as the original fees are paid.

6.5   The Buyer must pay the invoice within 14 days after the date of sending the invoice. Any applicable bank charges are covered by the Buyer. There is only full payment if the full amount stated on the invoice is received.

6.6   Only after full payment of the invoice matched price + RSPO Administration Fee (if applicable), the matched price will be transferred to the Seller, and the matched RSPO Credits will be transferred to the Buyer's stock of RSPO Credits. Any applicable bank charges levied by the Seller's own bank, are covered by the Seller.

6.7   If no full payment is received within 14 days after the date of sending the invoice, the Buyer may receive a first and second reminder.

6.8   If no full payment is received within two months after the date of sending the invoice, the following applies:
-    No more action will be taken to force the Buyer to pay the invoice.
-    The agreement between the Buyer and the Seller shall be cancelled.
-    RSPO blocks the Buyer in the RSPO PalmTrace system for a period of 3 months, during which period the Buyer will not be able to submit offers to buy RSPO Credits.

6.9   The cancellation of the agreement entails that the RSPO Credits will be added to the Seller's stock of RSPO Credits. Any partial payment received from the Buyer will be reimbursed to the Buyer, after deducting any administration or transactions costs involved.

6.10   RSPO nor UTZ shall have any obligation to the Seller to recover for the Seller any sums due and payable by the Buyer in accordance with the contract of sale or any liability to the Seller for the Buyer's performance or failure to perform any contract for the sale and purchase of RSPO Credits.

6.11   RSPO nor UTZ shall have any liability to the Buyer for the Seller's performance or failure to perform any contract for the sale and purchase of RSPO Credits.

7.   Validity

7.1   The validity of RSPO Credits in the Seller's stock of RSPO Credits is dependent on the validity of the RSPO PalmTrace Licence. Once the RSPO PalmTrace Licence expires and/or is renewed, any unsold RSPO Product and RSPO Credit will be removed from the Seller's stock of RSPO Products and RSPO Credits and go back to their certified volume or stock. Also, any pending offers to sell RSPO Credits will be removed from the marketplace. In case of an RSPO PalmTrace licence renewal the Seller can again allocate volumes to the Seller's stock of RSPO Credits.

7.2   If during an RSPO audit it turns out that a Seller has sold more RSPO Credits than were actually produced, the Seller will be required to apply the buy-back-option, to compensate for the oversold RSPO Credits, in accordance with the instructions given by, or on behalf of RSPO.

7.3   The validity of the RSPO Credits purchased by the Buyer is one year from the date of the Match. RSPO Products that have not been claimed by the Buyer within one year after the date of the Match will be removed from the Buyer's stock of RSPO Credits.

8.   Claiming

8.1   The Buyer can at any time during the one-year validity term of his RSPO Credits use the RSPO Credits to make a claim (please see the RSPO Rules on Market Communication and Claims). The Buyer can select in RSPO PalmTrace the amount of RSPO Credits to be claimed. After this, the Buyer will receive

a Claim Document including the attributed amount of claimed RSPO Credits. The claimed amount is deducted from the Buyer's stock of RSPO Credits.

9. Off Market Deals

9.1 Off market RSPO Credits deals need to be reported in RSPO PalmTrace, either by the Buyer or the Seller. Once the deal is accepted by the other party in RSPO Palm Trace, the agreed price is the matched price as meant in Clause 6 of these Terms and Conditions.

10. Data Protection

10.1 The Seller and Buyer each acknowledge that in the credit trade process, information may be collected from them, which may include information relating to their personnel.

10.2 Any data processing will comply with applicable Data Protection provisions to the extent that such information shall constitute personal data as defined by law.

10.3 Data will be processed for the purpose of providing the credit trade services. Data may be disclosed to RSPO, to the other party to a contract for the sale or purchase of RSPO Credits. It is acknowledged that data may be transmitted via or to a country outside the European Economic Area where the legal standards for the protection of personal information may be different than they are in the European Economic Area.

10.4 The Seller and the Buyer each consent to the processing of information in accordance with this Clause.

10.5 The Seller and Buyer agree that data on RSPO Credit trade may be published in an aggregated and anonymized way.

10.6 The Seller and Buyer agree that upon registration in RSPO PalmTrace, the following information can be made publicly available on the RSPO website: company name, contact person, contact details, the total number of claimed credits per company.

11. Suspension of Services

11.1 RSPO may by written notice to the Seller or the Buyer at any time suspend access to the Book and Claim marketplace without liability if:
- the Seller or the Buyer, as applicable, is in breach of the Terms and Conditions; or
- the Buyer fails to pay the Buyer's Payment on the due date or commits any other breach of any contract with a Seller for the purchase of RSPO Credits and, in the case of a breach which is capable of remedy, fails to remedy the same within 14 days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied; or
- the Seller commits any breach of any contract with a Buyer for the purchase of RSPO Credits and, in the case of such a breach which is capable or remedy, fails to remedy the same within 14 days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied;
- the Seller's or the Buyer's, as applicable, membership of the RSPO Program is suspended or terminated in accordance with the Membership Rules.

11.2 Following suspension of access to the Book and Claim marketplace to the Seller:
- any pending offers to sell shall be deemed withdrawn;
- any contract relating to the sale and purchase of RSPO Credits for which an offer has been matched shall not be affected provided that the Buyer pays the Buyer's Payment in accordance with the Terms and Conditions;
- any Off Market Deal which has been entered into at the time of the suspension in accordance with these Terms and Conditions shall not be affected provided the Buyer pays the Buyer's Payment in accordance with these Terms and Conditions;

11.3   Following suspension of access to the Book and Claim marketplace to the Buyer:
- any pending offers to buy shall be deemed withdrawn;
- any contract relating to the sale and purchase of RSPO Credits for which a Bid has been matched shall not be affected provided that the Buyer pays the Buyer's Payment in accordance with the Terms and Conditions;
- any Off Market Deal which has been entered into at the time of the suspension in accordance with these Terms and Conditions shall not be affected provided the Buyer pays the Buyer's Payment in accordance with these Terms and Conditions;

12.   Liability

12.1   All information accessible on RSPO PalmTrace is provided "AS IS", without any representation, warranty, guarantee of any kind, whether implied or explicit, concerning its integrity, accuracy, exhaustiveness, or suitability to the purpose for which the user plans to use it.

12.2   RSPO nor UTZ shall be liable in respect of any direct or indirect damage arising from the use of RSPO PalmTrace or information that is accessible through the RSPO PalmTrace.

12.3   Furthermore, RSPO and UTZ shall not be liable in case of damage resulting from technical causes and, in particular, in case of the unavailability of RSPO PalmTrace and any default affecting the operation of the site.

12.4   Nothing in these Terms and Conditions excludes or limits the liability for death or personal injury caused by negligence or for fraudulent misrepresentation.

13.   Availability and Periodic Maintenance

13.1   The user of RSPO PalmTrace is solely responsible for the availability of the required hardware and software, peripherals and connections in order to enable the use of RSPO Palm Trace. The user's hardware and software, peripherals and connections must meet all requirements of the system, as communicated by RSPO.

13.2   The availability of the RSPO PalmTrace may be suspended, at sole discretion and without prior notice, to permit periodic maintenance to be carried out on the RSPO PalmTrace or on any equipment in the operation for the RSPO PalmTrace.

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