

Freight billing instruction – beginning 01.11.2020

(Invoicing and dispatch for transport services on behalf of BASF SE or an european group company.)

This instruction doesn't apply to barge bulk transports & parcel tanker!

Content

1	Where can i find the freight payer on the forwarding order?	1
2	To whom is the invoice to be addressed?.....	1
3	What else needs to be considered when issuing the invoice?	1
3.1	Outgoing freight.....	1
3.1.1	Clearing with single invoice	1
3.1.2	Separate invoice for:	1
3.1.3	Separate invoice for	2
3.1.4	Invoice details for the identification of the cargo:	2
3.1.5	Required additional information: Freight billig basis (FAG) for special/additional costs.	2
3.2	Inbound freight.....	2
3.2.1	Separate invoice for:	2
3.2.2	Invoice details for the identification of the cargo:	2
4	Export declaration for VAT purposes.....	2
4.1	Intra-Community deliveries	3
4.2	Deliveries outside European Community territory	3
5	What are the special features to consider?.....	3
5.1	Special features in maritime/air transport:	3
5.2	Exception for tank containers in the overseas business:	4
6	Further information on cooperation	4
6.1	Billing type.....	4
6.2	Freight forwarder appraisal	4
6.3	Correction of incorrect positions.....	4
6.4	Unjustified Reminders.....	4
6.5	Regular account reconciliation	4

1 Where can i find the freight payer on the forwarding order?



Abteilung: G-FSO/ETN
 Sped. Sachb.: Frau Löchner
 Telefon: 062160-94436
 Telefax: + 49 621 60-6694436
 e-mail: TANJA.LOECHNER@BASF.COM

BASF Schwarzheide GmbH

BASF Schwarzheide GmbH - 01986 Schwarzheide **2.**

SPEDITEURAUFRAG

I

Heinrich Koch
 Internationale Spedition GmbH & Co. KG
 Fürstenauer Weg 68

49090 Osnabrück
 Deutschland

Fax-Nr.: 054112168890

Bitte buchen Sie gemäß derzeit gültiger Frachtvereinbarungen

Frachtzahler: BASF Polyurethanes GmbH
 Frachtrechnung bitte an folgende Adresse senden:
 BASF Polyurethanes GmbH
 Entity 0190
 10899 Berlin
 Germany

1.

Gilt nicht für: EXW - Lieferungen!

Bei Rückfragen und Abrechnung angeben

Nr.: 1400388729
 Seite: 1 von 3

What to do, if there is no forwarding order?

If you don't receive a forwarding order with shipment number, please contact the responsible transport manager before sending the invoice.

2 To whom is the invoice to be addressed?

Based on the above information about the freight payer, you will find the billing address including all additional information (e.g. tax number) in the attached Excel-file.

3 What else needs to be considered when issuing the invoice?

3.1 Outgoing freight

3.1.1 Clearing with single invoice

Settlement of all known costs at the start of the transport. All deliveries belonging to a shipment number must be settled on one invoice.

Collective invoices with multiple shipment numbers are not accepted.

3.1.2 Separate invoice for:

- Deliveries with order number (freight payer and all other information by e-mail)
- Deliveries with cost center (freight payer and all other information by e-mail)
- Deliveries with shipment reference

3.1.3 Separate invoice for

- National VAT
- VAT-free
- Reverse Charge
- Customs duties and import VAT

3.1.4 Invoice details for the identification of the cargo:

- SAP R/3 shipment number (9 or 10 digits)
- Gross weight of the cargo in the case of packaged goods (different chargeable weights must also be indicated) or
- Net weight for loose goods
- Place of departure / place of delivery and delivery date (**at least the month**)
- Destination with postal code and country (including name of recipient)
- Shipment information for collective loads
- Details of the invoiced costs
- An amount per unloading-point inclusive all surcharges (all deliveries with a shipment for a consignee must be combined)

3.1.5 Required additional information: Freight billig basis (FAG) for special/additional costs.

Procedure FAG: All costs that aren't FAG: All costs that are not included in the current freight agreement when shipment is granted or are additionally incurred during the shipment execution (e.g. demurrage, rescheduling must be confirmed by the dispatching unit before invoicing. If the freight payer accepts the costs, you will receive the freight billing basis (FAG) form from there. **Invoices for unconfirmed additional costs (including additional costs that have only been confirmed by e-mail) will be returned to you unbooked.**

Note: Returns billed via the original shipment must also be registered as additional costs. Again only the FAG is valid as confirmation.

3.2 Inbound freight

3.2.1 Separate invoice for:

- Deliveries with order number (freight payer and all other information by e-mail)
- Deliveries with cost center (freight payer and all other information by e-mail)
- Deliveries with shipment reference (see freight payer according to 2.)

3.2.2 Invoice details for the identification of the cargo:

- SAP R/3 Order number, cost center or shipment number
- Gross weight of the cargo in the case of packaged goods, or
- Net weight for loose goods
- Place of departure with postcode and country
- Location of receipt with exact delivery address
- Details of the invoiced costs

4 Export declaration for VAT purposes

Since 01.01.2020, new verification requirements for the tax exemption of intra-community deliveries have been applied across Europe (Article 45a VAT-DVO). The legal regulations are implemented in our system. For the most part, the process is simplified and the need for the so-called AfU protocols is eliminated. However, there are also constellations in which additional documents are required, which we list below.

4.1 Intra-Community deliveries

Additional freight document required for each individual shipment (CMR or B/L or AWB or rail waybill). These documents must also necessarily have one of our references (shipment, delivery, order, etc.), otherwise these cannot be clearly assigned. If possible, please attach these documents directly to your freight invoice.

Obligation for these countries of departure:

- AT
- HU
- GB
- IE
- IT
- LU
- MT
- PL
- RO
- EE
- LT
- LV

For all other **intra-European delivery cases for which BASF is the freight payer and carried out as of 01.01.2020**, your freight invoice (provided all usual legal information is complete) together with our payment document serve as proof of shipment.

4.2 Deliveries outside European Community territory

Deliveries to non-European countries remain unaffected by the above-mentioned legal changes and follow the usual verification process.

ATTENTION: For all deliveries ending outside the European Community territory, only **customs document** (preferred), in exceptional cases alternatively Airwaybill, Bill of Lading or waybill fully completed and signed by the consignee (CMR) apply.

The freight forwarder is obliged to ensure the presentation of separate export certificates within the statutory retention period of 10 years.

5 What are the special features to consider?

5.1 Special features in maritime/air transport:

There are two shipments for:

1. The lead-up (pre leg)
2. The main run and follow-up (main leg and subsequent leg)

The shipment costs incurred are recorded per shipment document and must therefore also be settled on a document-by-document basis. It should be noted that:

1. The pre leg fee includes only pure shipment costs (without flat-rate fees, e.g. B/L fees).
2. The main leg includes pure sea freight plus surcharges as well as all flat-rate fees, e.g. B/L fees.

5.2 Exception for tank containers in the overseas business:

For tank container prelegs in the overseas business, no separate freight calculation is carried out. The invoicing of the freight must be carried out exclusively with reference to the main leg document (point/point or point/port rates).

6 Further information on cooperation

6.1 Billing type

BASF SE (including all European group companies) generally strives for electronic freight billing. Please contact GBE/SL-F to discuss the future procedure for freight billing.

6.2 Freight forwarder appraisal

On the basis of internal evaluations, we provide freight procurement and the operational units with our assessment of the billing quality.

6.3 Correction of incorrect positions

If you discover errors on the invoices before the invoice is sent, the invoice must be recreated and no correction credits will be accepted.

If the invoice has already been sent, it will be shortened upon inspection and no credit note is required (if there are legal provisions that prevent a reduction in the invoice, we will request appropriate credit notes from you). You will receive a complaint notice for each reduction with precise reason.

6.4 Unjustified Reminders

We keep noticing that accountant departments do remind us of invoices that have been returned by us because of complaints. This is often the case with chain stores with central accounting. Please ensure that disputed invoices are reported to the accounting department within your company and then taken into account in the accounting process, so that unjustified reminders are avoided.

6.5 Regular account reconciliation

We are also interested in regular account reconciliation, as the processing of

old documents lead to unnecessarily high processing costs. If invoices are unpaid for longer than six weeks and you have no correspondence from us, it must be assumed that the original invoice is not available to us.

Please send your enquiries / reminders by e-mail to the following address:

dunning-freights@basf.com

Yours sincerely,

Freight Cost Management Team Berlin

GBE/SL-F