

PURCHASING TERMS AND CONDITIONS

Article 1

All orders placed by us (hereinafter named "Buyer") shall be exclusively subject to these Purchasing Terms and Conditions. Any deviations thereof shall be valid only if agreed in writing. Any conditions and clauses indicated in the tenders, order confirmations and/or Supplier's invoices shall be void.

The Buyer commits himself solely for written orders. The Supplier shall be obliged to execute orders placed by e-mail only if this transmission mode has been specifically agreed with the Buyer.

Article 2

The Buyer shall have a period of grace of three working days to rescind the Order or the contract concluded by registered letter; this shall not entitle the Supplier to claim any compensation for damages and shall induce the reciprocal restitution of all items that may have been received as yet.

Article 3

The Supplier shall deliver the goods according to good practice and in strict compliance with the quality specifications and precise instructions given in the Order. The Supplier shall be liable to the Buyer for the compliance of the goods or works with the provisions of the Order. Any intention of subcontracting the execution of part of the order to a third party shall be subject to Buyer's previous consent; in that case, the subcontractor shall be bound by the quality requirements. The Buyer reserves the right to inspect the workshops of the Supplier and his subcontractors in order to monitor the execution of the Order.

Article 4

The Supplier shall imperatively meet the term of delivery stipulated by our Order. The Supplier shall inform us forthwith in writing of any actual or foreseeable incident which might foreclose delivery in due time. Should the Buyer not be in possession of the goods (services) ordered at the stipulated date, for whatever reason including any malfunction, exceeding the term of delivery, Supplier's default, penuries in terms of power or raw materials, traffic disruptions etc., he shall be

entitled to rescind the contract by formal notice granting the Supplier an ultimate period of grace of 15 days; in that case, the Supplier shall be obliged to compensate the Buyer for all damages he may have incurred due to this disruption.

Notwithstanding this, in the event that a term of delivery or execution is exceeded, the Supplier shall, without prior formal notice, be liable to a penalty calculated according to the following formula:

$$P = \frac{V \times R}{100}$$

In which

P shall be the penalty amount

V shall be the value of the goods and services serving as a calculation basis for the penalty; such value shall be equal to the value payable for the delayed part of the goods and services or, if the delayed execution of part of the Order renders the entire Order useless, to the sum total of goods and services;

R shall be the number of days of delay.

Article 5

Unless otherwise specified in the contract, the Buyer shall not be obliged to accept partial deliveries.

Article 6

The place of delivery shall be deemed the place specified in the Order. If no particular place has been agreed, delivery shall be made mandatorily to the Buyer's premises. Upon delivery, the goods delivered automatically become the Buyer's property. However, all risks including transportation risks shall remain the Supplier's responsibility until the preliminary acknowledgement of the goods.

Article 7

Any goods delivery shall be accompanied by a bill of delivery indicating its date as well as the following information:

- a) Buyer's order number, order date and reference number(s);
- b) the number of pieces delivered and description of the items ordered;
- c) the number of pieces per pack or carriage piece;
- d) a note stating "partial delivery" if the order was not fully executed;
- e) a note stating "balance" for the last of several partial deliveries.

Every carriage piece shall be labelled and marked so that its content can be identified without opening it. All carriage pieces shall contain packing slips listing their

contents.

Article 8

Unless specifically agreed otherwise, the price quoted shall be binding and cover all expenses up to and including packaging, handling, transportation and delivery costs that the Buyer may incur (in the case of capital goods: up to and including their installation at the place indicated by the Buyer as well as the delivery of necessary accessories and/or appropriate tools for their proper utilisation and maintenance).

Article 9

Price increases shall apply only with the Buyer's explicit prior authorisation. A one-sided price increase on the Supplier's part, even if it is based on increased prices for raw materials or mandatory pay rises, shall entitle the Buyer to rescind the contract by law on the terms stipulated by article 3.

Article 10

Certificates of warranty, brochures and advertising material issued by the Supplier, the distributor, the importer or the manufacturer shall not be part and parcel of this contract except insofar as they do not restrict the Buyer's statutory and contractual rights.

Article 11

The items shall be delivered packaged in such a way to protect them from any deterioration or alteration in transit and during handling; complete items of equipment must be packaged individually. Any item found deteriorated upon delivery shall be returned to the Supplier; transportation, taxes and customs duties, restoration, assembly and, if applicable, any test shall be at the Supplier's expense.

The Supplier warrants that the goods are fit for use and free of any apparent or hidden faults. He undertakes that the goods are of good quality and free of defaults and that they comply with the provisions of this contract, with their intended use, the notional requirements as to their usability (serviceableness), reliability and life span (faultless functioning), with statutory provisions and/or safety and hygiene regulations as well as any catalogues, advertisements and promotional material referring to them. Any non-compliance with these requirements shall hereinafter be designated as "fault".

Article 12

In the event that any goods are faulty, the Buyer shall be entitled to choose between their replacement by other goods of the same kind and type, the reimbursement of the part of the price corresponding to the faulty goods, or the termination of the contract. In any event, the Buyer shall be entitled without invitation, to an indemnity for any and all damages caused by the fault including but not limited to losses on repurchase, due to depreciation as well as losses in terms of interests, profits and non-usability.

The faulty items shall be returned at the Supplier's expense and risk.

Article 13

The Supplier shall grant the Buyer a 12-month warranty against any fault in terms of design, material and manufacture, foreclosing any objection that the fault was apparent upon receipt.

In the event of a goods recall, the Supplier shall bear any and all costs and expenses pertinent to this procedure and shall indemnify the Buyer of all ancillary costs and expenses which the Buyer may have incurred due to this fact.

Article 14

The Buyer shall have a period of grace of 2 months as of receipt of the goods and prior to payment to establish that the goods comply with the pertinent specifications.

Any faults existing upon delivery which the Buyer could reasonably detect after verification shall be deemed accepted by the Buyer if he does not submit any objections in writing to the Supplier within a period of 2 months. The signature of the bill of delivery or a similar document shall not imply an acceptance nor any kind of acknowledgement concerning the state of the goods.

Article 15

The Buyer shall notify the Supplier of any other faults within two months as of their detection.

Article 16

After valid delivery and receipt of the necessary documents, the Buyer shall pay the prices stipulated in Article 8 after 30 days to the end of the month.

Article 17

The date of payment shall be the day on which the order to pay is submitted to the financial institution or the dispatch day of a cheque.

Article 18

The Buyer reserves the right to effect payment by a method of his choice including supplier's bills. Payment shall be deemed effective at the place of delivery.

Article 19

In the event that a delivery is incorrect or incomplete, the term of payment shall be extended by law until its complete execution or the acceptance of an indemnity. In no event shall a delay in payment due to this reason entitle to claim interests or any kind of indemnity.

Article 20

Should payment not be effected within 60 days without sound reason, interests may be charged only as of the submission of a written demand note by the Supplier. Such interests shall not exceed the statutory interest rate valid at conclusion of the contract.

Article 21

From the moment when the present contract becomes legally valid, the Buyer shall become proprietor of the object acquired, provided it is sufficiently specified or separated. As long as the goods have not been delivered, the Supplier shall bear all risks of loss or damage for whatever cause.

Article 22

In the event that the Supplier infringes one or several of his obligations, has declared bankruptcy, requests a deferment of payment, has petitioned for liquidation or that his assets have been entirely or partially attached, the Buyer shall be entitled to consider any sales contract, whether or not partially executed, as being terminated by law simply due to the fact that one of the above listed events occurs, and to reclaim payments already transferred, notwithstanding the Buyer's entitlement to compensation for his expenses and damages.

Article 23

Within 8 days following an event or a case of force majeure which forecloses delivery or delivery in due time, the party concerned shall notify the other. In this case, the Buyer shall have the choice to either consider the contract as terminated and to request restitution of all payments already effected, or to grant a period of grace for the delivery, without prejudice to his entitlement to compensation for damages.

Article 24

Any litigation that might ensue from the present contract shall be subject solely to Belgian laws; the Tribunals of Nivelles (Belgium) shall have sole jurisdiction. By signing or executing the present contract, both parties acknowledge that they have taken note of all provisions stipulated therein. Neither party shall be entitled to plead ignorance of whatever kind.