

## GENERAL SALES TERMS AND CONDITIONS

### 1) PREAMBLE

These General Sales Terms and Conditions shall apply to all agreements concluded by Nedschroef Herentals N.V., with registered offices at 2200 Herentals, Brigandsstraat 10, Belgium, with company number 0404.172.373, hereinafter referred to as "Nedschroef Herentals".

Specific conditions and terms deviating from those of Nedschroef Herentals, are only binding if expressly agreed upon in writing. Nedschroef Herentals shall only accept the applicability of the general and/or specific terms and conditions of other parties if this is expressly agreed upon in writing.

The object(s) to be supplied under these General Sales Terms and Conditions is(are) hereinafter referred to as the Product.

### 2) QUOTATIONS - ORDERS - AGREEMENT

Any quotation, order and/or agreement made by Nedschroef Herentals, will have to be confirmed in writing, dated and signed by a legal representative of Nedschroef Herentals before constituting a binding agreement.

### 3) PRODUCT INFORMATION

All information and data contained in general product documentation, quotations and or orders, whether in electronic or any other form, are non-binding, unless expressly stated otherwise.

### 4) DRAWINGS AND DESCRIPTIONS

Any information about weight, dimensions, capacity, technical and other data stated in drawings and/or other technical documents are informative, approximate and without any obligation on the part of Nedschroef Herentals. Nedschroef Herentals reserves the right to make changes it may consider necessary at any time and at its sole discretion.

### 5) PRICES

**5.1.** Prices are quoted in Euro, net and exclusive of VAT or other sales taxes or duties, unpacked and according to EXW (Incoterms 2010) factory Herentals (Belgium) delivery conditions.

**5.2.** All agreements are concluded on the basis of the prices in force at the moment of the quotation and/or agreement.

**5.3.** All agreements are concluded on the basis of the prices in force at the moment of the quotation and/or agreement. However, if the delivery date of the Product exceeds the date of the written confirmation of the agreement by 150 days, Nedschroef Herentals is entitled to adjust the price if the change in costs is more than 7.5% on the following basics: raw materials, intermediate goods, third supplier peripheral equipment.

The benchmark for a significant price increase of more than 7.5% is the yearly index rate of the German Producer Price Index (PPI) at the time of concluding the agreement.

### 6) PAYMENT

The purchase price shall be paid agreed in accordance with the payment conditions specified in the order and/or agreement.

Invoices are payable on Nedschroef Herentals' bank account no later than the due date as mentioned on the invoice.

If the Purchaser fails to pay by the stipulated date, Nedschroef Herentals shall be entitled to interest from the day on which payment was due. The rate of interest shall be as agreed between the parties. If the parties fail to agree on the rate of interest, it shall be 8 percentage points above the rate of the main refinancing facility of the European Central Bank in force on the due date of payment.

In case of late payment Nedschroef Herentals may, after having notified the Purchaser in writing, suspend his performance of the contract until he receives payment.

If the Purchaser has not paid the amount due within three months Nedschroef shall be entitled to terminate the contract by notice in writing to the Purchaser and to claim compensation for the loss he has incurred. The compensation shall not exceed the agreed purchase price.

### 7) DELIVERY – DELIVERY PERIODS – LATE DELIVERY

**7.1.** The 'delivery periods' stated in a quotation or agreement only start as soon as all official formalities of the agreement has been completed, payments due at the formation of the contract have been made, any agreed securities have been given and any other preconditions have been fulfilled.

From that moment on, the then issued time to delivery is or remains valid and binding for both parties, unless there would be requested changes in the delivery content which may impact delivery timing and/or pricing. Any change in the delivery content and/or delivery conditions required by the Purchaser, will automatically invalidate the thereto agreed delivery time, in which case the parties may have to agree on a new delivery time and price.

**7.2.** Nedschroef shall be entitled to suspend performance of delivery under the contract to the extent that such performance is impeded or made unreasonably onerous by delays in deliveries by (sub) suppliers.

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The time for delivery shall be extended by a period which is reasonable having regard to all the circumstances in the case. This provision applies regardless of whether the reason for the delay occurs before or after the agreed time for delivery.

If Nedschroef Herentals expecting 2 months before the specified time for delivery that he will not be able to deliver the Product, he shall forthwith notify the Purchaser thereof in writing, stating the reason, and, if possible, the time when delivery can be expected.

In such case the customer will not be entitled to claim a contractual damage compensation, if applicable, from Nedschroef Herentals.

**7.3.** Late delivery due to act or omission on behalf of the Purchaser shall result in a delay of delivery date not attributable to Nedschroef Herentals, whereby Nedschroef Herentals will be entitled to charge 0.5% contractual damage compensation per week, or part thereof, with a maximum aggregate of 5%. without affecting the right for Nedschroef Herentals to claim full compensation at any time.

**7.4.** Late delivery due to act or omission on behalf of Nedschroef Herentals shall result in liquidated damages whereby the Purchaser will be entitled to claim 0.5% contractual damage compensation per week, or part thereof, from Nedschroef Herentals with a maximum aggregate of 5%. These liquidated damages shall be the sole and exclusive remedy for any and all delays attributable to Nedschroef Herentals and cannot be cumulated with any other lumpsum contractual penalties, if applicable.

If only part of the Product is delayed, the liquidated damages shall be calculated on that part of the purchase price which is attributable to such part of the Product.

### **8) ERECTION WORK**

**8.1.** Erection work will be carried out by the Purchaser, who shall, at his own expense, prepare, make, build the place according to the Product, connect the services needed for the machine, and putting the Product at its place of use.

**8.2.** Nedschroef Herentals gives to the Purchaser the necessary instructions for the erection of the Product.

### **9) NOTIFICATION OF READINESS OF THE SITE**

The Purchaser shall give Nedschroef Herentals at least one month's notice of the date at which the site will be ready for the work and the commencement of commissioning works.

### **10) ACCEPTANCE TESTS**

Acceptance tests provided for in the contract shall, unless otherwise agreed, be carried out,

1) Factory Acceptance Test (FAT) at the place of Nedschroef Herentals in Belgium during normal working hours

2) Site Acceptance Test (SAT) at the place of the customer during normal working hours.

If the contract does not specify the technical requirements, the tests shall be carried out in accordance with general practice.

For the factory acceptance test (FAT) Nedschroef Herentals shall notify the Purchaser in writing of the acceptance tests in sufficient time to permit the Purchaser to be represented at the test. If the Purchaser is not represented, the test report shall be sent to the Purchaser and shall be accepted as accurate.

If the factory acceptance test (FAT) shows that the Product not to be in accordance with the contract, Nedschroef Herentals shall without delay remedy any deficiencies in order to ensure that the Product complies with the contract. A new test shall then be carried out at the Purchaser's request, unless the deficiency was insignificant.

The Purchaser shall bear all costs for the Factory Acceptance Test carried out at Nedschroef in Herentals, Belgium.

The site acceptance test (SAT) at the place of the Purchaser finds place during normal working hours.

If the site acceptance test (SAT) show that the Product not to be in accordance with the contract, Nedschroef Herentals shall without delay remedy any deficiencies in order to ensure that the Product complies with the contract. A new test shall then be carried out at the Purchaser's request, unless the deficiency was insignificant.

The Purchaser shall bear all costs for the Site Acceptance test carried out at the Purchaser site.

### **11) WORK NOT COVERED BY THE CONTRACT**

The Purchaser shall not be entitled to use Nedschroef Herentals staff to perform any work not covered by the contract without the previous written consent of Nedschroef Herentals.

### **12) WORK PAID FOR ON A TIME BASIS**

Where the Parties have agreed that work shall be paid for on a time basis, the following shall apply:

**12.1.** The rates to be paid by the Purchaser are those stipulated in the contract. These rates shall be paid from the date of departure from the Supplier's premises until the date of return, including non-working days and for the time needed for preparation and formalities incidental to the outward and homeward journeys.

**12.2.** Payment shall be made against invoices concerning the supervision carried out. Payment shall be made within 30 days from the date of the invoice.

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**12.3.** The following items shall be separately charged:

- a)** All travelling expenses incurred by the Nedschroef in respect of his staff and the transport of their equipment and Personal effects using the means and class of travel specified in the contract.
- b)** Cost of board and lodging and other living expenses, including any appropriate allowances, of Nedschroef Herentals staff for each day's absence from their homes, including non-working days.
- c)** Overtime and work on locally recognised days of rest and local public holidays and outside normal working hours will be charged at special rates. The rates shall be as agreed in the contract, or, failing agreement, as normally charged by Nedschroef Herentals
- d)** Time necessarily spent on daily travel between lodgings and the site if it exceeds half an hour each way.
- e)** Any costs incurred by Nedschroef Herentals in accordance with the contract, in connection with the provision of equipment by him, including where appropriate a charge for the use of the Nedschroef Herentals own heavy equipment.
- f)** Any taxes or dues levied on the invoice and payable by the Supplier or his staff in the country where supervision takes place.

### 13) WORKING CONDITIONS

The Purchaser shall ensure that the following conditions are satisfied:

- a)** The work shall not be carried out in unhealthy or dangerous surroundings. All the necessary safety and precautionary measures shall have been taken before supervision is started and shall be maintained during the time of supervision.
- b)** Nedschroef Herentals staff shall be able to obtain suitable and convenient board and lodging in the neighbourhood of the site and shall have access to canteen facilities, internationally acceptable hygiene facilities and medical services.
- c)** The Purchaser shall make available to Nedschroef Herentals free of charge necessary storage facilities, providing protection against theft and deterioration of the personal effects of Nedschroef Herentals staff.
- d)** The Purchaser shall make available to Nedschroef Herentals sufficient offices on the site, equipped with internet facilities.

### 14) SAFETY REGULATIONS

**14.1.** Before commencement of work, the Purchaser shall notify Nedschroef Herentals of all relevant safety regulations in force at the site and Nedschroef Herentals shall secure the observance of such safety regulations by his staff.

**14.2.** Nedschroef Herentals shall inform the Purchaser of any special risks which the execution of the erection may entail.

### 15) RESERVATION OF OWNERSHIP – RIGHT OF RETENTION - INSURANCE

**15.1.** The Product shall remain the property of Nedschroef Herentals until receipt of payment of the full purchase price and additional charges, including any damages and interest, even if these goods have been altered or incorporated into other items. In the event of an unpaid partial delivery and/or composite order, Nedschroef Herentals reserves the right of retention over the goods that still have to be delivered.

**15.2.** The Purchaser shall be obliged to have the delivered goods fully insured at its replacement value as from the time of delivery until full payment has been made.

### 16) LIABILITY FOR DEFECTS

**16.1.** Nedschroef Herentals shall remedy any defect or nonconformity (hereinafter termed defect(s) resulting from faulty design, materials or workmanship.

**16.2.** Nedschroef Herentals liability is limited to defects which appear within a period of one year from delivery. If the daily use of the Product exceeds that which is agreed, this period shall be reduced proportionately.

**16.3.** When a defect in a part of the Product has been remedied, Nedschroef Herentals shall be liable for defects in the repaired or replaced part under the same terms and conditions as those applicable to the original Product for a period of one year.

**16.4.** The Purchaser shall without undue delay notify the Supplier in writing of any defect which appears. Such notice shall under no circumstance be given later than two weeks after a period of one year from delivery. The notice shall contain a description of the defect. If the Purchaser fails to notify Nedschroef Herentals in writing of a defect within the time limits set, he loses his right to have the defect remedied. The Purchaser shall bear the risk of damage resulting from his failure so to notify.

**16.5.** On receipt of the notice under Clause 16.4 Nedschroef Herentals shall remedy the defect without undue delay and at his own cost. Repair shall be carried out at the place where the Product is located unless Nedschroef Herentals deems it appropriate that the defective part or the Product is returned to him for repair or replacement. Nedschroef Herentals is obliged to carry out dismantling and reinstallation of the part if this requires special knowledge. If such special knowledge is not required, the Supplier has fulfilled his obligations in respect of the defect when he delivers to the Purchaser a duly repaired or replaced part.

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**16.6.** If the Purchaser has given such notice as mentioned in Clause 16.4 and no defect is found for which the Nedschroef Herentals is liable, Nedschroef Herentals shall be entitled to compensation for the costs he has incurred as a result of the notice.

**16.8.** Unless otherwise agreed, necessary transport of the Product and/or parts thereof to and from Nedschroef Herentals Supplier in connection with the remedying of defects for Nedschroef Herentals is liable shall be at the risk and expense of Nedschroef Herentals. The Purchaser shall follow Nedschroef Herentals instructions regarding such transport.

**16.9.** Unless otherwise agreed, the Purchaser shall bear any additional costs which Nedschroef Herentals incurs for repair, dismantling, installation and transport as a result of the Product being located in a place other than the destination stated in the contract or - if no destination is stated - the place of delivery. Defective parts which have been replaced shall be made available to the Supplier and shall be his property.

**16.10.** If, within a reasonable time, Nedschroef Herentals does not fulfil his obligations under Clause 16.5, the Purchaser may by notice in writing fix a final time for completion of Nedschroef Herentals obligations.

**16.11.** If Nedschroef Herentals fails to fulfil his obligations within such final time, the Purchaser may himself undertake or employ a third party to undertake necessary remedial works at the risk and expense of Nedschroef Herentals. Where successful remedial works have been undertaken by the Purchaser or a third party, reimbursement by Nedschroef Herentals of reasonable costs incurred by the Purchaser shall be in full settlement of Nedschroef Herentals liabilities for the said defect.

**16.12.** Where the defect has not been successfully remedied,  
**a)** the Purchaser is entitled to a reduction of the purchase price in proportion to the reduced value of the Product, provided that under no circumstance shall such reduction exceed 15 per cent of the purchase price, or  
**b)** where the defect is so substantial as to significantly deprive the Purchaser of the benefit of the contract, the Purchaser may terminate the contract by notice in writing to Nedschroef Herentals. The Purchaser is then entitled to compensation for the loss he has suffered up to a maximum of 15 per cent of the purchase price.

**16.13** Nedschroef Herentals is not liable for defects arising out of materials provided, or a design stipulated or specified by the Purchaser.

**16.14** Nedschroef Herentals is liable only for defects which appear under the conditions of operation provided for in the contract and under proper use of the Product. Nedschroef Herentals liability does not cover defects which are caused by faulty maintenance, incorrect erection or faulty repair by the Purchaser, or by alterations carried out without Nedschroef Herentals consent in writing. Finally Nedschroef Herentals liability does not cover normal wear and tear or deterioration.

**16.15** Nedschroef Herentals shall not be liable for defects in any part of the Product for more than two years from the beginning of the period.

**16.16** Nedschroef Herentals liability is limited to the sales price of the contract per section 1 without value added tax, packaging, transport and import duties

### **17) CONSEQUENTIAL LOSSES**

Nedschroef Herentals is not liable for either party towards the other party for loss of production, loss of profit, loss of use, loss of contracts or for any other consequential or indirect loss whatsoever.

### **18) CONFIDENTIALITY - IP RIGHTS - HANDOVER**

Any information submitted by Nedschroef Herentals in the course of an offer, quotation or order confirmation and including those as disclosed during the associated negotiations, documentation and/or the work performed, constitutes confidential information, sole property of Nedschroef Herentals and shall only be used for the purpose intended.

### **19) FORCE MAJEURE**

**19.1.** Either party shall be entitled to suspend performance of his obligations under the contract to the extent that such performance is impeded or made unreasonably onerous by any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause. A circumstance referred to in this Clause whether occurring prior to or after the formation of the contract shall give a right to suspension only if its effect on the performance of the contract could not be foreseen at the time of the formation of the contract.

**19.2.** The party claiming to be affected by Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance. If Force Majeure prevents the Purchaser from fulfilling his obligations, he shall compensate Nedschroef Herentals for expenses incurred in securing and protecting the Product.

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**19.3.** Regardless of what might otherwise follow from these General Conditions, either party shall be entitled to terminate the contract by notice in writing to the other party if performance of the contract is suspended under Clause 19.1 for more than six months.

### **20) APPLICABLE LAW – MEDIATION – JURISDICTION**

The terms and conditions of the resulting agreement shall be governed by the German law court place Düsseldorf, excluding its conflicts of laws principles. The application of the International Convention on the Sale of Goods is explicitly excluded.

Any dispute or claim in connection with the terms and conditions of the resulting agreement, shall be submitted to mediation prior to the commencement of litigation. All parties to the mediation shall share equally in the costs. If the mediation does not successfully resolve the dispute or claim within 45 days after its start, each party may bring its case before the courts of Düsseldorf (Germany), who shall have exclusive jurisdiction, without prejudice to the right of Nedschroef Herentals to start legal proceedings against the Purchaser before the latter's company registered offices. We are also entitled to file actions with the court having jurisdiction over the Partner's registered office.