

General Terms and Conditions of Purchase

1 General

- 1.1 The following general purchasing terms and conditions (**GPTC**) apply to all contracts as a result of which services or deliveries (**Services**) will be provided to the Purchaser.
- 1.2. By entering into an agreement with Purchaser, the Contractor waives the applicability of any other conditions used by the Contractor, howsoever denominated, so that all agreements between Purchaser and Contractor shall exclusively be governed by the present general purchasing terms and conditions. This also applies in the case of unconditional acceptance of services in spite of knowledge of possibly contradictory or conflicting General Terms and Conditions of the Contractor.
- 1.3 These General Terms and Conditions also apply to all follow-up commercial transactions, even though they may not be addressed explicitly at the time of contract signing.
- 1.4 In case of contradiction between the various documents used in purchasing the services or goods, the prevailing order will be as follows: Purchaser's General Terms and Conditions, the Purchase Order, Purchaser's description of tendered services
- 1.5 The INCOTERMS 2010 are applicable as far as they are not inconsistent with these GPTC or with the provisions of any written agreements between the parties. In case of contradiction these GPTC prevail.

2 Offers, Enquiries, Orders and Contracts

- 2.1 Our tenders and enquiries are subject to change and are non-binding.
- 2.2 Offers submitted to us, even if they include visits to our premises, planning, drafts etc, will be free of charge, as long as there has not been an explicit written agreement in regards to expenses reimbursement or compensation.
- 2.3 Price estimates submitted by the Contractor are compiled and processed free of charge.
- 2.4 Purchaser's orders must be confirmed by the Contractor in writing, as long as this requirement has not been waived by Purchaser in writing. The Order Confirmation must include the confirmed delivery date / completion time. Purchaser is entitled to unilaterally cancel the respective order should (a) the Contractor fail to confirm delivery date or completion time or (b) the Contractor be unable to confirm the delivery date / completion time requested by the Purchaser.
- 2.5 In the Confirmation of Order, the Contractor must explicitly specify any possible discrepancies in regards to the terms of the original purchasing order.
- 2.6 Should Purchaser fail to receive a written notice (fax notification sufficient) by the Contractor, including and / or confirming the delivery or completion of services date within 7 working days after the Purchase Order date, the Purchaser may cancel the order.
- 2.7 Purchaser shall maintain all property rights to submitted drafts, models, drawings, calculations and other materials, which Purchaser provides to the Contractor for quotation requests or orders. The Purchase Orders, official requests for quotes and all respective materials are to be treated by Contractor as Confidential Information and may only be revealed to third party with our explicit permission under the fulfilment of provisions in point 19. The Contractor must store and safe guard all items mentioned in Chapter 19 and other reusable items, as well as in-progress and finished items without an explicit agreement and additional compensation until the completion of services. Having performed the contract or, alternatively, if a contract fails to be performed, all Confidential information is to be returned to Purchaser at the expense of the Contractor. The right of retention of such items is excluded.
- 2.8 All orders and contracts are only binding when concluded in writing. Verbal agreements or orders placed in any other form only become binding after Purchaser's written confirmation.

3 Performance Obligations of the Contractor

- 3.1 For Purchaser's use all relevant operational instructions and service manuals, all forms of delivery and service-related documents, reports and certifications supplied by the Contractor are to be delivered along with the consignment or at a later point upon our request in the language of the order placed or the contract signed and at the agreed price.
- 3.2 The Contractor shall deliver the ordered parts / provide services for the period of planned use as defined by Purchaser, at appropriate prices and in accordance with the General Terms and Conditions.
- 3.3 Should the Contractor intend to discontinue inventories or services, necessary for the delivery of such parts or services, the Contractor shall pre-notify the Purchaser in writing to enable the Purchaser to build required safety stocks or back-up services.
- 3.4 In case of planned parts or service discontinuation as mentioned in 3.3, Contractor shall provide, upon request of Purchaser, at his own expense, drafts, information and other documents, which will enable Purchaser to secure the independent supply of the purchased parts and/or services by a third party.

4 Prices and Expenses

- 4.1 The agreed prices are firm prices.
- 4.2 The agreed price includes all custom, forwarding, insurance, packaging and other additional costs and fees for the services rendered. Any other costs or fees which are not defined in these GPTC, will also be borne by the Contractor.

- 4.3 The price also includes possible assembly, installation, integration or transfer works, which are to be covered by the Contractor in order to ensure ongoing operations within and beyond the usual operational hours.
- 4.4 In case of specifically agreed FCA deliveries, all costs associated with transferring the consignment to the designated carrier, must be covered by the Contractor.
- 4.5 Should after special agreement the packaging costs be covered by the Purchaser, Contractor is to invoice these costs as separate line items according to the payment terms referenced in the respective Purchasing Order.
- 4.6 Should there be any changes in price or expenses agreed between the Contractor and Purchaser, the Contractor is obliged to notify Purchaser of such deviations in writing instantly in order to seek permission for any change in price. Should permission not be granted, Purchaser may refuse to accept the services of the Contractor and cancel the respective Purchasing Order with immediate effect, without incurring any costs. Price Change Notifications that are introduced on the invoice shall be deemed void.

5 Delivery and Performance of Services Deadlines

- 5.1 The agreed delivery and completion of services deadlines are binding and must be adhered to. Arrival of the ordered item at the stated address or the completion of the agreed services is crucial for compliance with the delivery and performance deadlines.
- 5.2 In case of circumstances which may create delays in delivery or performance, the Contractor shall instantly, proactively notify the Purchaser in writing, specifying the reasons thereof, as well as quantifying the expected delay.
- 5.3 Force majeure situations, such as strikes, war, earthquake or and other inevitable and unforeseeable events release the Contractor from his obligations for the duration of the problem and the scope of its effect. The Contractor is obliged to immediately adapt his performance to the altered circumstances within reasonable limits and in good faith. In case of disruption of work due to force majeure circumstances at Purchaser's facility, Purchaser shall be wholly or partially released from the obligation to accept delivered goods or completed services and in so far be entitled to rescind the Contract.
- 5.4 Should Purchaser, due to force majeure circumstances, be prevented from the acceptance of goods or services delivered by the Contractor, Purchaser cannot be deemed responsible for the delay.
- 5.5 Should delivery take place earlier than agreed, Purchaser maintains the right not to accept the services and if required initiate the return of goods at the expense of the Contractor. Should the goods not be returned in case of an early delivery, Purchaser may store the goods until the agreed date at the cost and risk of the Contractor.
- 5.6 Should the Contractor fail to deliver / complete services within the agreed deadline, Contractor shall be in default without any further reminder. Any late acceptance of services does not exclude Purchaser's claims for damages caused by the delay.
- 5.7 In case of a delay of the Contractor, Purchaser is entitled to claim an administrative fee of 1% of the price of contract per week of delay, which cumulatively will not exceed 5% of the price of contract. Further legal claims shall remain unaffected.

6 Reservation of Proprietary Rights, Transfer of Ownership

- 6.1 A prolonged or extended retention of proprietary rights by the Contractor in relation to the delivered goods shall not be accepted; the same provisions apply to the transfer of ownership stipulated in the Terms and Conditions. The right of retention is excluded.
- 6.2 Should any contract-related fixtures and in particular tools be manufactured within the framework of the contract or order at our or partially at our expense, they shall become Purchaser's property at the moment of manufacturing.

7 Liability Insurance

- 7.1 The Contractor shall provide information about the sufficient liability coverage taken out at Contractor's expense at an EU based insurer for the entire duration of the contract. The insurance policy must provide coverage for personal injury and property damage up to the following amounts:
 - € 2,500,000.00 for personal injury
 - € 2,500,000.00 for property damage
 - € 5,000,000.00 for financial loss
- 7.2 Upon request, the Contractor shall provide proof of the valid insurance policy.

8 Delivery and Shipping

- 8.1 Delivery of the goods will always take place in accordance with the provisions of these GPTC. In case there is nothing stipulated in these GPTC, the applicable INCOTERM 2010 as stated on the Purchase order, will apply.
- 8.2 All delivery and forwarding papers of the Contractor or the subcontracted third party (e.g. forwarding agent, subcontractor etc) shall include the order or contract date, as well as Purchaser's order number where applicable. As long as the information is not provided in accordance with Chapter 19, Purchaser maintains the right to refuse acceptance of goods or to return the consignment at the expense of the Contractor.
- 8.3. When the delivery is made to Purchaser's facility or drop-shipment address, the Contractor shall on the day of dispatch, send a dispatch note both to the Purchaser and to the recipient plant regardless of the type of delivery. Invoices are not considered to be dispatch notes.
- 8.4 Each dispatch consignment must enclose a properly completed packing list.
- 8.5 Should Purchaser be obliged to reimburse shipment costs incurred by the Contractor, the Contractor shall – unless agreed otherwise in writing – select the lowest cost delivery mode.

- 8.6 Subcontractor executing shipments of goods and services shall be obliged by the Contractor to comply with Purchaser's dispatch regulations and to state the Contractor in all shipping documents.
- 8.7 The Contractor is liable for any damages and expenses, including but not limited to demurrage costs that Purchaser sustains through failure to comply with the pertinent terms and conditions, unless the Contractor may not be deemed responsible for the failure to comply.
- 8.8 The instructions on our Purchase Order shall be interpreted in accordance with these GPTC. In case there is nothing stipulated in these GPTC, the instructions will be interpreted in accordance with the applicable INCOTERM 2010.

9 Subcontractors and Suppliers

- 9.1 The Contractor is entitled to independently delegate services or parts of services to a third party or arrange execution by a third party.
- 9.2 Upon request, the Contractor is obliged (even after the completion of performance) to provide a supplier's declaration, stating in detail, which intermediate supplier or manufacturer has supplied parts, services, semi-finished parts or tools used in the manufacturing of delivered parts/services.
- 9.3 In any event, the Contractor remains liable for defects caused by subcontractors or defects in parts/services delivered by subcontractors.

10 Invoice and Terms of Payment

- 10.1 Immediately after the completion of services, the Contractor undertakes to send out by mail three copies of an invoice, stating VAT (where applicable), date of order, Purchaser's order reference number and further reference data and all other mandatory legal information. Copies of the invoice should be clearly marked as such.
- 10.2 All invoices must be sent with separate mail and cannot be attached to the deliveries.
- 10.3 Invoices which do not comply with requirements as stated points 10.1 and 10.2, cannot be processed. In such case Purchaser cannot respect the payment deadline (see 10.4).
- 10.4 Payment will occur within the deadlines stated hereunder.
 - a) within 14 days of receipt of invoice minus 3% discount for fast payment ("Skonto") or alternatively
 - b) within 90 days of receipt of invoice.However in case Contractor does not comply with all requirements stated in these GPTC and in any other document, Purchaser is allowed to withhold payment until all requirements are met.
- 10.5 In case of incomplete or defective performance, Purchaser is entitled to withhold payments until all requirements have been duly fulfilled. Processed payment in no case relieves the Contractor from the obligation to complete or corrective defective performance.
- 10.6 Purchaser performs payments through means of payment selected by Purchaser.
- 10.7 Should the Contractor issue invoices for "early" deliveries according to Chapter 5, point 5.5, the payment deadlines as set out in point 10.4 will only start on the originally scheduled delivery date.

11 Inspection and Acceptance of the Incoming Goods

- 11.1 Upon receipt of the consignment Purchaser shall perform incoming goods inspection, due to begin three days upon receipt of the consignment at the latest. Purchaser will give notice of detected defects without undue delay. A formal complaint shall be regarded as logged in time if it is made within 30 days after completion of the incoming goods inspection. Hidden defects must be reported to the Contractor immediately and no later than eight (8) days after being detected.
- 11.2 Delivery of all goods and services, material or not, including software programming require acceptance through formal received goods acceptance procedures by Purchaser. Contractor confirms that he knows these procedures and will act accordingly.
- 11.3 Goods or services to be delivered and assembled by the Contractor can be accepted according to Point 11.2 only after the full completion of assembly. In case a test run has been agreed upon for any of the delivered items, the acceptance can only take place after the completion thereof.

12 Transfer of Risk

- 12.1 The risk of accidental loss or accidental degradation shall be transferred from the Contractor to Purchaser upon delivery of the consignment or acceptance of the services performed, or if nothing is stipulated in these GPTC, according to the applicable INCOTERM 2010. This is valid regardless of who undertakes to bare transportation and shipment costs.
- 12.2 If the consignment is ready for dispatch and has been delayed for any reasons, for which Purchaser cannot be held responsible, the Contractor will be liable for any risk throughout the duration of the delay.

13 Warranty

- 13.1 The contractor shall be obliged to provide deliveries and services without defect. The Contractor guarantees that the services comply with the provisions stated in the purchase order or contract and that only the materials that comply with the most current product, material and process requirements for manufacturers' liabilities within Belgium and the EU have been used to perform the state-of-the-art services. If no further arrangements have been made, the Contractor is deemed responsible for the observance of all relevant statutory provisions as well as all stipulations and orders imposed by the public authorities, as well as environmental regulations relating to the performance of such services.

- 13.2 Should the performance be unsatisfactory, Purchaser reserves the right to receive corrective performance such as a re-delivery or a substitute delivery according to Purchaser's choice, as well as the compensation for damages as per statutory regulations. Moreover, the Contractor shall cover all expenses necessary for the supplementary performance (in particular the collection or disassembly of the delivered item or object, access, departure, packaging, transportation and manhours applied). The same provisions apply when the services are performed at a location, different from the original delivery destination. Should the Contractor fail to accomplish corrective performance by the due date defined by Purchaser, the respective corrective actions will be considered to have failed. In this case Purchaser has the right to cancel the contract or reduce the remuneration unilaterally. Purchaser may also claim compensation for damages instead of the agreed and failed performance, as well as demand compensation or reimbursement for needless expenditure. If Purchaser is entitled to warranty claims that exceed the legal rights arising from defects, these rights shall remain unaffected.
- 13.3 In emergency cases (e.g. in order to avoid a disproportionately high damage, after prior notification by the Contractor that such defect cannot be rectified independently within a reasonable period of time, or if a Contractor is delayed with the delivery of services or supplementary services, Purchaser is entitled to remove the defect at the expense and risk of the Contractor by involving a third party or through Purchaser's personnel. Despite thereof, the Contractor's responsibility to provide remedial performance remains unchanged. All additional costs arising there from, e.g. disassembly, assembly, examinations, technical inspections and approvals, shall be borne by the Contractor.
- 13.4 Should the appropriate condition of goods or services not be obvious and the price of order exceed € 5,000, Purchaser is entitled to keep a bond amounting to 5% of the order price until the completion of the warranty period or until all other warranties arising from the order have been fulfilled. Payment conditions according to Chapter 10 in this case apply for the remaining amount. The security amount must be paid to the Contractor as soon as Purchaser is granted an irrevocable, time-unlimited, unconditional and absolute bank guarantee by a major EU bank.
- 13.5 The statute of limitations for claims based on defects amounts to 36 months after the transfer of risk, in case no deviating agreement has been made. Claims for damages through insufficient performance as per sentence 1 of 13.5 are limited to 5 years for all those materials and services, whose success lies with planning and surveillance services. Should any defects be detected within the first 12 months after the legally mandated statute of limitations begins, the defects shall be presumed to have existed at the time of transfer of risk. For all services, which could not be performed in accordance with the contract due to the interruption of operations caused by dissatisfactory performance, the period of limitations is extended for the duration of the interruption.
- 13.6 The period of limitation for warranty claims shall be suspended for the entire period from the detection of a defect until its final removal.
- 13.7 For replaced or repaired parts, the period of limitation for warranty claims shall restart from the moment of final removal of a defect, unless such replacement or repair was related to a minor part (with value amounting to less than 1% of the contract price) or was carried out as a gesture of goodwill.
- 13.8 Furthermore, the Contractor is liable for any material or legal defects in accordance with legal statutes.

14 Liabilities of the Contractor

- 14.1 For types of products which imply a statutory product liability, the Contractor shall indemnify purchaser against primary claims for damages by third parties resulting out of a defect in a product delivered by Purchaser to a third party which existed in products or materials delivered by Contractor to Purchaser.
- 14.2 In terms of liability, the Contractor also undertakes to reimburse any expenses arising from or in connection with potential market recalls. Where reasonable, Purchaser shall inform the Contractor both about the content and the scale of recall activities as well as grant a possibility to make a statement thereupon. Further statutory claims shall remain unaffected.
- 14.3 As long as the above mentioned provisions are not contradicted by deviating regulations, the Contractor is liable for any breach of contract or further breach of duty in accordance with his statutory rights. Any further liability limitation in favour of the Contractor shall be deemed as not accepted.

15 Work Results, Protection and the Right of Use

- 15.1 Purchaser shall claim the sole ownership rights relating to any work results including but not limited to the inventions, experiment and development results, drafts, computer software, designs, concepts, samples and models resulting from Contractor's work in relation to the contract, as long as such claim shall be legally possible.
- 15.2 As long as the work results are worthy of a trademark, the Purchaser is entitled to register a trademark as per 15.1 nationally or internationally at Purchaser's own expense. The Contractor shall provide all relevant information and will support the Purchaser in connection with the initiated trademark registration. The Contractor shall utilize inventions eligible for trademark protection by demonstrating respect towards the inventor, and will transfer these to the Purchaser upon request in exchange for the legally covered by payment of the agreed remuneration for the respective agreement.
- 15.3 Insofar as the work results are protected by the Contractor copyrights, the Contractor shall grant Purchaser the exclusive, irrevocable, transferable, complimentary, sub-licensable, time and content unlimited right to make use of and exploit these work results in any way, in particular but not limited to reproduce, publish, issue, make publicly accessible or alter and/or edit them in any possible way. The granting of the usage rights shall be considered settled with the payment of the agreed price for the goods or with any other remuneration stipulated in a particular agreement (e.g. employee agreement).

- 15.4 Should Purchaser request the Contractor to develop computer software design, Purchaser's rights of protection and use shall extend to all relevant components including the source codes and development documentation. The Contractor furthermore undertakes to provide these free of charge along with the software in the required format.
- 15.5 Through suitable contractual agreements with the respective authorities, employees, representatives and further subcontractors, the Contractor shall enable granting the rights in respect to the achieved results as stipulated in this clause 15.
- 15.6 In case of third party claims against the Contractor's in regards to property rights infringements, the Contractor shall indemnify Purchaser from any such claims by third parties and reimburse Purchaser for any expenses arising thereof. Purchaser shall immediately inform the Contractor about such infringements and, as far as it is deemed legally possible, and will leave the legal defence to the Contractor at Contractor's own expense.

16 Assignment of Claim, Compensation and Retention

- 16.1 The Contractor is not entitled without Purchaser's explicit agreement to assign any claims against Purchaser to or have them collected by third parties
 - 16.2 The Contractor shall only be allowed to set off Purchaser's claims against claims of Contractor's own uncontested right, or an established right of retention.
 - 16.3 Purchaser is entitled to offset claims of enterprises related to Purchaser against any claims of the Contractor.
- 17 The Contractor and Safety Requirements
- 17.1 The Contractor guarantees that the subcontracted enterprises and employed staff possess valid residence and work permits, required for the relevant region and EU country, as far as there is administrative and legal necessity therefore.
 - 17.2 When the Contractor employs staff according to the provisions of 17.1, the Contractor must guarantee the fulfilment of minimum work and remuneration requirements. Should the Contractor fail to fulfil these obligations, the Contractor shall indemnify Purchaser against all third party claims and/or compensate Purchaser for resulting damages.
 - 17.3 Upon request, the Contractor shall provide proof of having fulfilled the minimum legal requirements of employment and remuneration. Purchaser is entitled to withhold a reasonable part of the agreed payment, as long as the Contractor fails to fulfil obligations as stated above in §17.1.
 - 17.4 Wearing protective gear on Purchaser's premises is mandatory. During delivery of consignments on Purchaser's sites, Purchaser's safety regulations must be adhered to. Purchaser's safety regulations can be provided upon request. Alternatively, Purchaser's safety regulations can be found at www.ruetgers-group.com The Contractor undertakes to acquaint himself with the safety regulations before delivery.

18 Export Control

- As soon as Purchaser informs Contractor that services or product supply are to be executed in a country other than Belgium, the Contractor becomes responsible for the compliance with all relevant statutory regulations of both national and foreign legislation in relation to the rendered services, including but not limited to declaration according to the respective statutory requirements.
- 19 Non-disclosure agreement
 - 19.1 The Contractor shall maintain confidentiality regarding commercial and operational procedures of Purchaser's enterprise and other associated companies. Exceptions will be granted if a Contractor is legally bound to disclose such information. Non-disclosure provisions according to §1 do not apply for publicly accessible information, or for disclosures of which would not obviously affect Purchaser or any related enterprise. The aforementioned non-disclosure agreement prevails for a period of two years after the expiration of the contract, or the respective commercial and operational provisions as stipulated above.
 - 19.2 The Contractor undertakes to maintain confidentiality about the fact of having received Purchaser's order as well as the content thereof. The Contractor is only allowed to inform a third party of existing business and delivery agreements with Purchaser through any advertising activities, displaying webpage information etc. upon Purchaser's written consent.
 - 19.3 The Contractor will enforce all confidentiality obligations related thereto with any employed staff or agents within the framework of the execution of the §§ 19.1 and 19.2 of the contract.

20 Final Provisions

- 20.1 Alterations or amendments of orders placed in accordance with these GPTC shall be presented in writing in order to be legally valid. The revocation of such written form requirement must also be performed in writing according to §1.
- 20.2 Contracts signed in accordance with the above GPTC, as well as any further contractual relations between Purchaser and the Contractor shall be governed by the laws of Belgium. Application of the United Nations Convention on the International Sale of Goods (CISG) is hereby excluded.
- 20.3 Place of performance for goods and services provided by the Contractor shall be the delivery site as stated by Purchaser, even if Purchaser is paying for transportation and delivery costs. Performance site for the fulfilment of Purchaser obligations is the address of Purchaser's registered office.
- 20.4 All disputes between the Contractor and Purchaser, including any claims for bill of exchange and cheque receivables, shall be submitted to the courts and tribunals of Ghent, Belgium, which have sole jurisdiction

- 20.5 Should any singular provisions of the above GPTC be invalid or impracticable, or contain any unintended omission, the validity of the remaining provisions hereof shall not be affected. In such case, the parties shall agree on a provision that replaces an invalid or impracticable one and corresponds as closely as possible to the economic purpose of the original provision. An unintended omission is to be supplemented by the Parties with a provision, which is as close as possible to fulfilling the commercial purpose of the General Terms and Conditions.