

 <b>THE POWER OF TRANSMISSION</b>		Document No.: <b>BSA0013045</b>	
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<b>General terms&amp;conditions sale IG Watteeuw International NV_EN</b>		Std. Ch. <b>ISO 9001</b> / <b>IRIS</b> <b>7.2.3</b>	First issue: <b>10-05-2012</b>
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## I. GENERAL

1. These general terms and conditions of sale form an integral part of every agreement between the purchaser and IGW including all its affiliated Companies. IGW explicitly excludes the application of any industry- or purchaser's general or specific conditions. Agreements to the contrary shall only be valid after express, written acceptance by IGW.
2. Orders shall only be accepted after written confirmation from IGW of Purchaser's specific purchase order. Purchase orders are made upon an approved IGW offer.
3. All information, plans, sketches and technical documents supplied, which are placed at the purchaser's disposal, in any form whatsoever, both prior to the agreement coming into being and thereafter, shall remain the exclusive property of IGW and may not be reproduced, used or revealed to third parties. In the event of the cancellation of orders, the aforementioned information must immediately be returned in full, without copies remaining with the purchaser, without further notice.

## II. PRICES & PAYMENT

1. The prices are understood as being in Euro (€) / piece, unless otherwise indicated in the price quotation, exclusive of VAT. Packing, transport, inspections by external organisations, loading and unloading at the purchaser's request, and any insurance, taxes and customs duties and all related or similar services and expenses are not included in the prices and shall be payable by the purchaser, unless otherwise indicated in the price quotation.
2. Prices are fixed within the offered conditions and will be at least annually reviewed in function of the market prices of raw material, consumer price indexes and other relevant cost drivers.
3. The term of payment is 30 days from the invoice date, without any discount, unless otherwise stated on the invoice or in specific agreements. In the event of non-payment of IGW's invoice by the due date, the amount thereof shall be subject to payment default interest ipso jure and without formal notice. If a payment is delayed after the due date for reason attributable to the Purchaser, the Purchaser shall pay interest to IGW on the amount overdue at one (1) month Euro Interbank Offered Rate (Euribor) of the due date plus two percent (2%) per annum for each full calendar month the payment is overdue, subject to a minimum of € 1,000.
4. The purchaser may not claim any difficulty or obstacle that was not recognised by us in order to secure a postponement of any total or partial payment of invoices having fallen due. All credit balances that IGW holds with the purchaser shall immediately become collectible, subject to all rights retained and notwithstanding all previous agreements, if circumstances are known to have arisen that jeopardise the purchaser's creditworthiness. Furthermore, in such cases IGW shall be entitled to cancel all current orders.
5. As long as the goods are unpaid, the purchase grants a pledge on, or assign to IGW, its receivables and other rights on the end-customers, up to the unpaid amount. In this case, IGW not only remains the owner, but the purchaser is considered to be a third-party holder and the application of Article 1947 of the Belgian civil code is excluded. The delivered goods remain the exclusive property of IGW, in spite of the fact that these might physically be in the purchaser's premises and buildings, until full payment thereof has been received by IGW's financial institution. If the purchaser fails to meet his obligation to pay, after two written demands for payment, IGW shall be authorised to start legal action (prosecute) the goods in question by means of a procedure in summary proceedings. The purchaser undertakes not to incorporate or to assemble into a larger unit, encumber in any way, sell the goods or to dispose of them to third parties as long as they remain the property of IGW. In the event of failure to abide by this prohibition, a lump sum indemnity

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amounting to 50% of the invoice amount shall be payable by the purchaser (on top of the selling price and any interest).

6. IGW will select the appropriate IGW invoicing company within the economic zone.

**III. DELIVERIES**

1. The goods shall be delivered Ex-Works, at the place of production, cf. Incoterms 2010, unless otherwise indicated in the price quotation.
2. IGW standard packaging will be supplied, unless otherwise agreed in writing.
3. The confirmed delivery period on is stipulated on the order confirmation. Failure to meet confirmed delivery dates may in no circumstances lead to an amendment or a cancellation of the order by the purchaser, nor give rise to any claim for any kind of compensation on the part of the purchaser towards IGW. Observance of the confirmed delivery date by IGW shall be on the assumption that the purchaser has met all his payment obligations. IGW undertakes to give the purchaser confirmation of every change of delivery date as quickly as possible.
4. Partial deliveries by IGW are authorized.
5. The purchaser may request alterations to and/or the cancellation of the order. The purchaser undertakes to reimburse IGW for extra costs occasioned further to these alterations and/or cancellation, including all other costs relating to or resulting from such alternations or cancellations.
6. Prices are inclusive complete bill of material components used for the delivered goods unless otherwise specified. IGW is taking the entire right to decide on suppliers for the defined scope.
7. Free-issue materials, supplied by third parties or purchaser are considered to be delivered in agreed condition and time schedule. IGW takes the right to claim compensation for caused manufacturing delays.
8. IGW is allowed to send an invoice without further notice for customer stocked items if an item has not moved since more than 12 months.

**IV. TRANSPORT**

1. The goods shall be transported on the purchaser’s behalf and at his risk, unless otherwise indicated in the price quotation.
2. The goods should be collected within one week counting from the request made by IGW to the purchaser to this effect, and at the earliest on the earlier of the agreed delivery date and the date of delivery communicated by IGW to the purchaser, IGW being entitled to early delivery. If the purchaser does not come to pick up the goods within the stated period, IGW shall be entitled to invoice the goods and place them in storage, at the expense and risk of the purchaser.
3. But for a special written agreement, delivered goods shall not be taken back. All costs, both direct and indirect, resulting from goods being returned when this had not been agreed shall be borne by the purchaser.

**V. COMPLAINTS/WARRANTY**

1. Within the limits of the invoiced amounts of an order IGW gives a one-year warranty from the moment of delivery or, failing timely collection by the purchaser of the goods on the agreed or communicated delivery date, from the relevant later date. Warranty is given on the proper performance by IGW of its obligations with respect to the goods in accordance with the agreed technical and quality specifications and other contractual terms. Warranty applies to hidden defects only and no claims, on any basis whatsoever, will be valid or accepted if raised after the warranty period. Apparent defects are to be documented and communicated immediately within three business days following the delivery of goods to IGW. The one year warranty period only applies to hidden defects.
2. Under no circumstances may IGW be held liable for defects that are attributable to the design, specifications and/or instructions given by the purchaser. IGW is not liable for the goods not being compatible with any undisclosed use thereof by the purchaser, including the use of the goods under disclosed and/or non-agreed particular circumstances.
3. The warranty includes the replacement or repair of the supplied goods, free of charge. The replacement goods or repaired goods offered to the purchaser does not influence the warranty period of the original delivery. Service shall not send “0-invoices” for materials replaced under warranty.

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4. IGW shall not be liable to provide any other warranty or compensation whatsoever other than that specified in points V.1 and V.3, unless otherwise indicated in the offer. In particular, IGW shall not be obliged to pay any compensation for any damage to industrially used goods or losses associated with the professional activity of the purchaser or the people for whom he is rendered.
5. When defective goods are returned, the transport costs shall be payable by the purchaser, unless IGW determines the means by which they are returned. The return of defective goods does not relieve the purchaser of the collection of all the ordered goods or of the performance of its other obligations and will not entitle the purchaser to suspend any payment of amounts having fallen due.
6. However, the warranty is only valid insofar as and to the extent that:
  - a. The delivered goods were handled, installed and used in accordance with IGW's instructions and the highest industry standards and all the applicable laws, rules and regulations were complied with. Any deviation there from discharges us of all responsibility.
  - b. The purchaser has fulfilled all his contractual obligations, in particular his payment obligations.
  - c. These defects cannot be attributed to normal wear and tear of the goods, damage caused by neglect, the lack of monitoring or maintenance, improper use, incorrect assembly, unusual or inadequate operating circumstances or environment, improper or unsuitable lubricants, lack of competence with the handling, maintenance or assembly personnel or inadequate warehousing of the goods. If the warranty clause V.1 is invoked on account of corrosion, reference to this must be made in a written notification received by IGW within three (3) working months after delivery.
  - d. It can be demonstrated that these defects are the only cause of the unit into which the goods are assembled, is failing and that these defects are sufficient serious to prevent the unit into which the goods are assembled from proper functioning.
7. If the purchaser himself, third parties or others in mutual co-operation transform or repair the goods without our prior written agreement, IGW shall immediately be relieved in full of any obligation in respect of the warranty.
8. The purchaser will defend and hold harmless in full IGW against all claims or actions that third parties could make or bring against IGW on the grounds of defective goods.
9. Epidemic failure exists in case an accumulation of faults of the same type appears on the subject of delivery during a single project order of the customer, which is proved to be caused by design, production or instruction error for which IGW is contractually responsible and liable. The proportion of failures must range within a continuous period of 6 months with  $\geq 10\%$  failures within the warranty period.
10. All warranty is limited to warranty on good workmanship and labour. Indirect damages including, without limitation, consequential damages, loss of profit or reputation, damages resulting from recall and repair programs, mounting and dismounting costs, lump sum indemnities for late delivery by the purchaser or IGW, other liquidated damages, attorney fees, expert fees, penalties, increase of insurance premiums are expressly excluded.

## VI. TERMINATION CLAUSE

The contractual relationship between the parties may be suspended, postponed or terminated for convenience in whole or in part by IGW without further notice or indemnity for the purchaser upon the occurrence of any of the termination events indicated below. In the event of termination by IGW the purchaser shall pay to IGW the value of the already delivered but unpaid goods or parts thereof, as well as all costs related to goods being in the process of manufacturing (including IGW's profit margin thereon) and proven direct and indirect costs reasonably incurred by, and direct and indirect damages suffered by, IGW for the undelivered and unpaid goods and for or resulting from the early termination of the contract, or for or resulting from its suspension or postponement.

Without prejudice to the other provisions of these IGW GTC, the reasons for IGW to immediately terminate, suspend or postpone, at its entire discretion, of the contract are:

1. If the purchaser is or threatens to be involved in any legal proceedings concerning insolvency, or ceases trading or a material part of its business, or commits an act of bankruptcy or adjudicated bankruptcy or enters into liquidation, whether compulsory or voluntarily, other than for the purposes of an amalgamation or intragroup restructuring, or makes or threatens to make an arrangement with its creditors or petitions or threatens to petition for an administration order, for protection against its creditors (e.g., without limitation, by filing a request for judicial reorganization or by entering into an agreement with one or more of its

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- creditors, as provided in the Belgian Act of 31 January 2009, or by applying for payment instalments under Article 1244 of the Belgian Civil code) or has or threatens to have a receiver or court manager appointed over all of or any part of its assets or generally becomes unable to timely pay its debts;
2. if there is a material change in the ownership or control of the purchaser (other than a mere intragroup restructuring) without IGW's prior written consent; [please note that in order to be valid under Belgian law, the purchaser will need to have this change of control clause approved by its general meeting of shareholders, pursuant to art. 556 of the Belgian companies code] or
  3. If the purchaser or its representatives or affiliates has or have acted or undergone an event in such a manner that IGW's trust and confidence, or the general public's trust and confidence, in the purchaser is fundamentally disrupted (e.g., however without limitation, in the event of criminal offences).
  4. If IGW is no longer authorized under applicable law to supply the goods to the purchaser (even if this would not amount to an event of Force majeure).
  5. If the purchaser fails a second time to timely perform payment of an invoice of IGW fallen due.
  6. If any other agreement between the purchaser and IGW (or an affiliate of IGW) has been terminated, suspended or postponed by IGW (or the relevant affiliate) in accordance with the terms and conditions of that other agreement.
  7. In the event of a breach by the purchaser of its obligations under this contract which (if remediable) has remained un-remedied during a reasonable grace period as notified in writing by IGW to the purchaser. If the purchaser threatens to be involved in any matter referred to in the above sub-paragraphs 1. through 7. above, it shall promptly notify IGW of such event. The failure to do so shall amount to a non-remediable breach.

**VII. VALIDITY CLAUSE**

The nullity of one of the provisions of these general terms and conditions, for whatever reason, shall have no effect on the validity of other clauses.

**VIII. APPLICABLE LAW AND COMPETENT COURTS**

1. Any dispute or difference between the Parties in connection with this Agreement shall be finally settled in accordance with the then latest edition of the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with such rules.
2. Such arbitration will be held in Brussels and conducted in the English language.
3. This Agreement is made subject to Belgian law and the Parties agree to submit to the non-exclusive jurisdiction of the civil courts of Belgium.

If this Agreement is translated into any other language, the English language version of this Agreement shall prevail.

	Name	Date	Signature
<b>Written by:</b>	<b>Tom Cortier</b>		
<b>Authorized by:</b>	<b>Holger Stehling</b>		

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