



## General Conditions of Sale

### 1 Scope of Application and Priority of Conditions

These general conditions ("General Conditions") shall be applied to always when Telko Belgium SA ("the Seller") sells products to another trader ("the Buyer") unless explicitly otherwise agreed in the contract for trade and supply of products ("the Agreement") between the Parties. General terms shall thus in principle be applied to all offers, asking prices, order confirmations, orders, contracts, deliveries and services.

The Agreement and the General Conditions form an agreement as a whole. If the Agreement and the General Conditions are in some parts in conflict with each other, conditions of the Agreement shall be applied primarily.

Any possible Buyer's general conditions or any other standard terms shall not be applied.

### 2 Validity of Offer and Conclusion of Agreement

The Seller's offer for the Buyer shall be valid for the period stated in the offer. If no period of validity is mentioned, the offer shall be valid for thirty (30) days from the date of the offer.

The offer, related calculations and other documents as well as the rights thereto, remain the property of the Seller. The recipient of the offer may not use the offer or the information it includes to the detriment of the Seller. These General Conditions' confidentiality provisions shall be applied to the offer and related documents.

The offer price shall be based on the foreign exchange rates valid at the date of the offer.

In sales based on an offer the Agreement is concluded when the Buyer notifies the Seller that it accepts the offer. In other cases, the Agreement is deemed to have been concluded when the Seller has confirmed the order or delivered the goods.

If the Buyer's order does not correspond to the Seller's offer, the Agreement is deemed to have been concluded on the terms of the Seller's offer unless otherwise confirmed explicitly in writing by the Seller.

The Buyer is responsible for the accuracy of the order confirmation supplied by the Seller.

### 3 Passing of Risk

Unless otherwise agreed by delivery clause between the Parties, the risk of loss and damage to the goods shall pass to the Buyer once the goods have been delivered to the Buyer or to an independent carrier for delivery in accordance with the Agreement.

Should the goods not be delivered at the agreed time due to a fault of the Buyer or any reason for which the Buyer is responsible, the Buyer assumes liability for risk of the goods once the Seller has fulfilled its obligations to enable delivery in accordance with the terms of the contract of sale.

### 4 Seller's Obligations and Responsibilities

#### 4.1 Period and Terms of Delivery

Unless otherwise explicitly agreed in writing between the Parties, the period of delivery is considered to commence on whichever is the latest of the dates listed below:

- a) the date on which the contract of sale is concluded;

- b) the date of provision of any agreed deposit or advance payment; or
- c) the date of provision on the part of the Buyer of information necessary for delivery.

Unless otherwise agreed in writing between the Parties, deliveries shall comply with Incoterms. Unless otherwise agreed by a delivery clause, the goods shall be collectible at the Seller's warehouse on a date or at a time agreed, or if no time has been specified, within reasonable time. The Seller may make partial deliveries of the Goods, unless otherwise is agreed in writing.

#### 4.2 Specification and Defects of the delivered goods

The Seller shall be liable for the quality and other specification of the goods only in accordance with the information expressly given by the Seller in writing in the contract of sale referred to.

To the extent the Seller sells and/or distributes goods of other producers, the Seller shall be liable for the quality and other specification of these goods only in accordance with the official product specifications of the respective producers.

#### 4.3 Delay by the Seller

Immediately upon being informed of a delay, the Seller must notify the Buyer thereof, stating the reason for the delay and a new date on which the delivery can be expected. If the manufacturer or person from whom the Seller acquires the goods or the components fails to fulfil its agreement, thus resulting in a delay in delivery to the Seller, the Seller is not obliged to compensate the Buyer for any loss that may be incurred as a result.

Even if the goods are not delivered or are delivered too late for reasons not owing to the Buyer or due to any circumstances for which the Buyer is not responsible, the Buyer is not entitled to request delivery if there has been a change in circumstances that materially alters the relation between the contractual responsibilities as originally agreed.

If a delay owing to the negligence of the Seller should occur, the Buyer is entitled to claim compensation for demonstrable direct damages.

#### 4.4 Subcontracting

The Seller shall have the right to employ subcontractors when executing its contractual tasks. The Seller shall remain responsible for the performance of its subcontractors as for its own.

### 5 Buyer's Obligations and Responsibilities

#### 5.1 Purchase Price

The purchase price is the price separately agreed on by the Parties. Unless the price has been otherwise agreed on, the purchase price is the fair price charged by the Seller.

Unless otherwise is agreed in writing, the payment term is 14 days from the date of the invoice.

#### 5.2 Delay by the Buyer

Should payment be delayed, the Seller shall be entitled to penal interest on arrears for the period of delay in accordance with the interest rate applied by the Seller at any given time and is effective from the maturity date. The Seller is also entitled to charge reasonable collection costs.



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Should the Seller have to postpone delivery for reasons owing to the Buyer, the Seller shall have the right to invoice for the goods according to the original delivery date. The Seller shall also be entitled to compensation for other costs resulting from the delayed delivery such as foreign exchange rate losses, storage costs and any loss resulting from the goods becoming obsolete.

Should the purchase price not be paid by the deadline for reasons not owing to the Seller, the Seller shall be entitled to delay further deliveries until outstanding invoices have been paid or an acceptable deposit has been provided. The Seller is also entitled to refrain from deliveries if the Buyer has notified, or it is otherwise evident, that the Buyer's payment will be seriously delayed. The Buyer is not entitled to present claims for compensation for such delays.

### 5.3 Deposit

Should it be agreed that a deposit is to be provided, a deposit shall be given before delivery of the goods commences. Even after this, the Seller shall be entitled to require a deposit to be made for payment of the purchase price if there is a serious reason to assume that the Buyer will default on all or part of the purchase price.

### 5.4 Buyer's Obligation to examine and complaint

The Buyer shall carefully examine the accuracy of delivery and the delivered products when receiving the goods.

If the delivery or the goods subject to it do not conform in part, the Buyer must notify the Seller of this in writing immediately, but not later than eight (8) business days from the date of delivery. The Seller is entitled firstly to either rectify the non-conformity or to supply new goods instead of the defective goods. The Buyer is not entitled to require a new delivery if there has been a change in the circumstances that materially alters the relation between the contractual obligations originally agreed.

If the delivery is delayed for reasons owing to the Seller, the Buyer shall make a complaint immediately after the contractual period of delivery terminates.

The Buyer shall not be entitled to present claims referring to a defect or delay to the Seller if it has neglected its obligation to examination. The Seller shall not be liable for faultiness of the goods if the Buyer should have noticed the defect in liaison with the performed examination.

### 6 **Adjustment of the Purchase Price**

The Seller reserves all rights to adjust the purchase price should foreign exchange rates, import levies or other charges independent of the Seller, taxes or other fees under public law, change before the Buyer makes payment.

In the event of foreign exchange rates affecting the purchase price, the Seller is entitled to adjust euro-dominated price on a pro rata basis to the change in exchange rates in respect of the part of the price that the Seller has not received by at least one business day prior to the date on which the change occurred. In this context, business day shall mean a day on which Belgian banks sell foreign currency.

In the event of a change in the foreign exchange rate, the exchange rate applicable as at the date of payment is to be compared with

that which was applicable as at the date of the offer. If the Parties have agreed to apply a different exchange rate after the date of the offer, this is to be used instead of the rate that was applicable on the date of the offer.

If foreign exchange rate changes after the date of maturity of the invoice and the purchase price has not been paid in full, the minimum price in euros is determined according to the exchange rate as at the maturity date.

### 7 **Transfer of Title**

Unless otherwise agreed, title to the goods is transferred to the Buyer once the purchase price has been paid in full to the Seller.

### 8 **Termination of the Agreement**

#### 8.1 Right of the Buyer to terminate the Agreement

If a delivery by the Seller differs essentially from that agreed and, notwithstanding the Buyer's written comments, the non-conformity is not rectified within thirty (30) days or new goods in keeping with the contract are not delivered, the Buyer shall be entitled to terminate the Agreement. The Buyer shall be entitled to terminate the contract also if the delivery is delayed owing to the Seller to the extent that it causes the Buyer unreasonable inconvenience.

If the goods that are subject of the Agreement have been produced or acquired especially for the Buyer in accordance with the Buyer's wishes and instructions, and the Seller is unable to use the goods in any other way without considerable loss, the Buyer may terminate the contract because of delay owing to the Seller only if such delay results in the Buyer's essential failure to achieve the purpose of the Agreement.

#### 8.2 Right of the Seller to terminate the Agreement

Should the Buyer fail to pay within the agreed period for payment for reasons not owing to the Seller, the Seller shall be entitled to terminate the Agreement or the part thereof that applies to goods not yet received by the Buyer in case of delay in payment is substantial. The Seller shall also be entitled to terminate the Agreement if the Buyer has notified, or it is otherwise evident, that the Buyer's payment will be seriously delayed, the Buyer will become insolvent or the Buyer will be declared bankrupt.

The Seller shall also be entitled to terminate the Agreement if the Buyer fails to contribute to fulfilment of the Agreement as agreed or otherwise as could reasonably be expected and within the deadline imposed by the Seller.

The Seller shall also be entitled to terminate the Agreement, without any liability to compensate the Buyer, if importation of the goods or the raw material that is used to produce the goods becomes impossible or substantially more expensive than the Seller had originally assumed owing to an international agreement binding on Belgium or to some other import restriction or legislation or actions imposed by an authority in Belgium (including but not limited to import quotas and limitations or increased customs duties).

#### 8.3 Force Majeure

The Seller shall not be required to fulfil the Agreement if delivery of the goods or part thereof is prevented by any natural obstacle, fire,



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mechanical breakdown or similar malfunction, strike, lockout, war, mobilization, prohibition on imports or exports, lack of transport, discontinuation of production, traffic disruption or similar obstacle that is outside the Seller's control. Neither shall the Seller be required to fulfil the Agreement when this would require sacrifices by the Seller that would be unreasonable compared to the resulting benefit for the Buyer.

The Seller shall not be required to compensate the Buyer for any loss resulting from failure to fulfil the Agreement owing to the force majeure of this kind. The Seller may terminate the contract if the force majeure has lasted for 4 weeks.

### 9 Insurance

The Parties shall be responsible for insuring the goods in accordance with the division of responsibility indicated in the terms of delivery agreed. Other insurance shall be subject to a separate agreement.

### 10 Liability for Damage and Limitation of Liability

#### 10.1 Liability for Damage caused by the Goods

The Seller shall be responsible for damages connecting the quality or the specification of the goods only to the extent that the Seller has explicitly in writing given guarantee of the quality or specification of the goods or the information appears from the official trade description.

The Seller shall not be responsible for suitability of the goods for any specific use (even if the Seller would be aware of such) unless otherwise explicitly agreed in writing. The Buyer shall be responsible for validity of such information of the use relating to the goods that the Buyer has given to the Seller. At all events, the Buyer shall assure that the goods are suitable for the Buyer's purpose of use. The Buyer shall test the suitability of the goods for the purpose of use.

The Seller shall not be responsible either for damages caused by raw materials that are in accordance with Buyer's directions, structure of the goods or the working or manufacturing method determined by the Buyer.

If the goods are in possession of the Buyer, the Seller may not be held liable for any damage to (i) immovable or moveable property on the consequences of such damage or (ii) products manufactured by the Buyer or products containing a product manufactured by the Buyer.

#### 10.2 The Loss incurred to a Third Party

If the Seller incurs liability towards a third party for any damage or loss, the Seller shall compensate the Buyer for any loss caused by this, required that the Seller is not responsible for any damage or loss for the Buyer.

If a third party raises a claim for damage based on this clause 10 against the Seller or the Buyer, the Party receiving the claim must immediately notify the other Party in writing thereof.

#### 10.3 Direct Damage

The Seller's liability for direct damage is limited to the purchase price paid by the Buyer.

Limitation of liability does not apply in the event of violation of clause 13 of these General Conditions or gross negligence or intention on behalf of the Seller.

#### 10.4 Indirect Damage

The Seller shall not be liable in any event for indirect damages, such as production loss, lost profit or other corresponding consequential damages, caused by delay of delivery or faultiness of delivery or the goods or other breach of Agreement.

### 11 Transfer of the Agreement

The Buyer shall not be entitled to transfer the Agreement unless the Seller has explicitly in writing otherwise agreed. The Seller shall be entitled to transfer the Agreement to an entity belonging to the same group with the Seller. The Seller shall also be entitled to transfer contractual claims to a third party.

### 12 Notices

The sender shall be responsible for the delivery of notices sent to the other Party.

### 13 Confidentiality

Both Parties commit not to disclose the Agreement or the information related to it or any other information received from the other Party unless the other Party has in advance given their consent in writing to disclosure of the information or unless the disclosure is required by law, regulation, decision of a court or official request made by authority. The Parties commit to use the confidential information of the other Party only to contractual purposes.

### 14 Amendment of the Agreement

The Agreement may only be amended by a written agreement signed by both Parties.

### 15 Governing Law and Dispute Resolution

The Agreement and the General Conditions shall be governed by the laws of Belgium except for connecting factor rules. United Nations Convention on Contract for the International Sale of Goods shall not be applied to the Agreement.

The Parties aim to settle any dispute arising out of or relating to the Agreement or the General Conditions by negotiations between the two Parties. Unless resolved through mutual negotiations within thirty (30) days of the date of the notice by other Party of arising of dispute to the other Party, the dispute will be settled by a sole arbitrator in arbitration proceedings complying with the rules of the Central Chamber of Commerce of Brussels. The seat of arbitration shall be Brussels, and the language of the arbitration shall be French. The Seller shall in any event have the right to claim for any matured debts based on the Agreement in the lower court of the Seller's domicile.