

1. GENERAL PROVISIONS

These general terms and conditions of sale apply to all sales of products of the company TERRENDIS NV (hereinafter specified as the 'seller').

Said general terms and conditions of sale are expressly approved and accepted by the buyer, who declares and acknowledges having full knowledge thereof.

Accordingly, the act of placing an order implies the full and unconditional adherence by buyer to these general terms and conditions of sale, representing all stipulations applicable to the sales concluded by the seller, with the exception of all other documents, such as brochures and catalogues, issued by the seller and which are intended for informative purposes only.

Therefore, the absence of express acceptance thereof, any conflicting condition laid down by the buyer shall be unenforceable against the seller.

Given the legal obligation for the seller to apply the same terms and conditions to all its customers for similar orders, exceptions to these general terms and conditions of sale shall only be possible due to the exceptional nature of the contract concluded with the customer. In such a case, the exceptional conditions shall take precedence over these general terms and conditions of sale.

The fact that the seller does not rely on one or another of the clauses of these general terms and conditions of sale shall not be interpreted as being equivalent to waiving subsequent reliance on any one of these conditions.

2. OFFER AND ORDER

2.1. The offers shown in the catalogue or any other commercial document are only intended for informative purposes and are limited in time.

2.2. The information and drawings sent by the buyer for drawing up estimates are deemed to be correct and complete and serve as basis for the calculation of the offer. In all cases, it is the buyer who remains responsible for the assortment of products it purchases. The seller shall not be held liable if the products purchased are not suited to the application.

2.3. The obligation to deliver is limited to the existing stocks available at the time the order is received.

2.4. The orders are only final once they have been confirmed in writing by the seller, even in the case of orders taken by a representative or agent. Acceptance may also result from simply dispatching the products.

2.5. The orders concerning specific, non-standard products shall result in additional costs. Likewise, any request for handling or unpacking of products shall result in an increase of the order amount.

2.6. The seller reserves the right to not accept orders with an amount that would not be covered by a credit insurance.

2.7. The seller reserves the right to make changes, at any time, that it deems useful for its products and to do so without obligation to modify the products delivered in the past or that are under order.

2.8. The seller can also modify, without notice, the models in its brochures or catalogues.

2.9. The benefit of the order is personal to the buyer, who cannot transfer it without consent from the seller.

2.10. After acceptance of the order by the seller, it is final and therefore may not be changed nor may it be partially or fully cancelled.

In the event of cancellation by the buyer of an order for standard products after its acceptance by the seller, for any reason whatsoever, an amount corresponding to 50 % of the total amount of the cancelled order, excluding taxes, shall be owed to the seller, as damages, as compensation for the damage suffered. In the event of cancellation by the buyer of an order for specific products after its acceptance by the seller, for any reason whatsoever, the full amount of the cancelled order, excluding taxes, shall be owed to the seller, as damages, as compensation for the damage suffered, in addition to the billing of all accessory products for the products for which the order was cancelled.

3. PRICES

3.1. The prices are in euro, excluding taxes and excluding shipping and packaging charges. All taxes, charges, duties or other services that must be paid in addition to them, such as insurance costs, customs charges, handling, assembly, installation charges, etc., shall be borne by the buyer.

3.2. The price list may allow for increases depending on the services provided by the seller or reductions depending on the services performed by the buyer.

4. PAYMENT

4.1. Unless otherwise agreed, the invoices are payable within thirty (30) days, starting from the invoice date of the goods at seller's registered office.

Any deterioration of buyer's credit shall justify the demand for guarantees or for a cash settlement prior to the execution of the orders received.

No discount is granted for cash or advance payment.

4.2. Negotiable instruments and cheques are only means of payment and the payment is only effective when settled at the agreed date.

4.3. In accordance with the title retention clause referred to in Article 12 of these general terms and conditions, the seller retains full ownership of the products sold until payment in full of the principal and other charges and it can exercise its right of retention on all property belonging to the buyer that would be held by the seller for any reason whatsoever. It can also exercise the action for recovery of property provided for under the retention of title clause (Article 12) in the event of delay or default of payment.

4.4. In addition to the right of recovery provided for in Article 12, the non-return of drafts with acceptance and standing order within seven (7) days of their sending, the full or partial non-respecting of any payment due date, a serious undermining of the buyer's credit and in particular, the revelation of any protest or security lead to, ipso jure without notice and at the seller's discretion:

- either the acceleration and consequently the immediate payment of amounts still owed for any reason and/or the suspension of all shipments;
- or the cancellation of all current contracts with retention of all deposits paid and retention of all property as stated hereinabove, without prejudice to all other damages that may be owed to the seller.

4.5. However, the seller may accept payment guarantees (Article 12.3).

4.6. Pursuant to the Commercial Code, any late payment shall, without prior notice, give rise to:

- firstly, the application of late payment penalties, at the refinancing rate of the European Central Bank (refirate) in effect on the first day of the calendar half-year of the payment due date, increased by 10 percentage points;
- secondly, the application ipso jure and without formalities of the fixed compensation of forty (40) euros for the recovery costs. If the actual recovery costs, justified by the seller, exceed the amount of this compensation, the latter shall be increased by that amount.

4.7. The buyer cannot postpone a contractual payment due date without the approval of the seller if the delivery is delayed by a case of force majeure (Article 6.4). The same applies for the payment of the difference between the total amount of the invoice and the price of products that could give rise to replacements or credits upon complaints by the buyer.

5. PACKAGING

5.1. Unless otherwise agreed, the products are packed under standard packaging as defined in the catalogues or price lists.

5.2. If there is a deposit on the packaging, the deposit price is payable under the same terms as that of the products. Its reimbursement is made after return of the packaging to the seller within a period agreed at the time the order is placed.

5.3. The packing bearing the seller's trademark may not be used for products of other brands.

6. DELIVERY

6.1. Delivery is deemed performed by delivery of the products or by placing them at the buyer's or its haulier's disposal in the warehouses of seller (Incoterms ex works). The transfer of risks occurs at delivery.

6.2. When applicable, the buyer shall indicate the place of delivery on the order.

6.3. Deliveries are made depending on stocks and in the order of arrival of the orders. Partial deliveries may be carried out.

6.4. Delivery times, in particular those confirmed on the acknowledgement of order receipts, are indicated as precisely as possible, but are for information only and in no case constitute strict deadlines. These deadlines depend in particular on stocks and supplying, manufacturing and transport possibilities.

The delivery times are extended in the event of force majeure or fortuitous events such as war, riot, local or national strike, measure laid down by public authorities, fire, water damage, operational accident, machinery breakdown, shortage of raw materials essential to production or any other cause outside the control of the seller or its suppliers preventing delivery under normal conditions. In all cases, the seller must inform the buyer of the problems caused

and together with the buyer, seek equitable solutions.

Exceeding delivery deadlines cannot give rise to penalties, damages, withholding or cancellation of orders in progress.

Under no circumstances shall the seller be liable towards the buyer in the event of delayed delivery not exceeding forty-five (45) days or in the event of delayed delivery connected to a force majeure event or that can be blamed on the buyer. In particular, under no circumstances shall the seller be held liable for any penalties for delay billed to the buyer by its own customers. Likewise, the penalty clauses for late delivery listed on the buyer's commercial documents are not enforceable against the seller.

In the event of late delivery of more than forty-five (45) days after the indicated delivery date, for any other cause than force majeure or a delay attributable to the buyer, the buyer may request the cancellation of the sale. The deposits already paid shall then be reimbursed, with the exception of all compensation or damages.

6.5. If the buyer does not take delivery on the agreed date, after formal notification that remained without effect for eight (8) days, the sale shall be cancelled ipso jure if seller so wishes. Any deposits paid by the buyer shall then be kept by the seller, in addition to the billing, under the penalty clause, of penalties equal to 80 % of the total amount of the order.

Moreover, in the event of late collection or delivery of an order of special products at the initiative of or attributable to the buyer, the seller reserves the right to bill the storage and warehousing costs of the goods. In this case the seller's liability cannot be sought under any circumstances in the event of deterioration or expiration of the stored goods.

6.6. The delivery shall only be made if the buyer is up to date with all of its obligations vis-à-vis the seller.

6.7. If it was only possible to partially deliver an order on account of the seller, the additional costs necessitated by delivery of the remainder shall be borne by the latter.

7. TRANSPORT - RECEPTION

7.1. The delivery is deemed carried out at the seller's factory. In all cases, even if the transport is made carriage paid, the products travel at the risk and peril of the buyer, who has the responsibility, in the event of damage or missing packages at the reception of the goods, to make all necessary objections and reservations vis-à-vis the haulier and to confirm them by registered post within forty-eight (48) hours, clearly mentioning them on the consignment note (CMR). The buyer must also immediately inform the seller. By failing to do so, the buyer shall desist from exercising any recourse against the seller.

7.2. It is the responsibility of the buyer to take out all insurance against the risks of loss or deterioration of the products.

8. WARRANTY

8.1. The seller is only liable for the statutory warranty for hidden defects and non-compliance of products with the order.

8.2. In order to assert its rights, on pain of forfeiting any action related thereto, the buyer shall inform the seller in writing of the existence of defects at the reception of the products for the visible non-compliances and for the other defects or non-compliances within ten (10) days of their discovery, by attaching to said letter the number of the package check list and/or identification codes of the products.

8.3. The buyer shall have to justify the alleged complaints. It shall have to leave the seller every facility for proceeding to the observation of these defects and for remedying them. The buyer shall refrain from intervening itself or having a third party come in for this purpose.

8.4. The seller shall have the opportunity to check the products in situ or to request their return. In no case can the return of the products be decided unilaterally by the buyer. Any product returned without the written consent of the seller shall be held at the disposal of the buyer and shall not give rise to establishment of a credit or cancellation of the sale.

The costs and risks of returning the products purported to be defective shall be borne by the buyer, unless there is prior agreement otherwise.

8.5. After agreement on the authenticity of the defects or defectiveness, the seller can, at its discretion, proceed to:

- either the free replacement of the products if they are still being manufactured;
- or the free provision of similar products;
- or the repair or bringing into compliance of the products, possibly at the buyer's premises;
- or the establishment of a credit.

No other request on any grounds whatsoever will be accepted.

8.6. The seller cannot be held liable for a fault in the assembly, installation or modification of a product done by the buyer, nor for a fault in maintenance or use, the result of a dilapidated state or normal wear and tear.

8.7. No complaint will be possible if the buyer or a third party attempted to remedy a possible non-compliance or defect of the product without the consent of the seller. Likewise, this warranty is excluded:

- in the event of improper use, negligence or faulty maintenance of the products by the buyer;
- in a case of normal wear and tear of the product or of force majeure;
- in the event of use of the products in a manner not in keeping with standards of use or the technical recommendations of the seller, or in the event of use not in compliance with the intended use for which the products were manufactured.

9. OWNERSHIP OF DRAWINGS AND TECHNICAL STUDIES

The drawings, photos, tools and products made and/or developed by the seller, with or without the collaboration of the buyer may under no circumstances be reproduced without prior written permission from the seller.

The buyer shall hold the seller harmless against any third-party claim based on their industrial or intellectual property right and related to the manufacture and delivery of a product made according to the buyer's instructions.

The matrices, tools, etc. used by the seller within the framework of manufacturing the products ordered by the buyer remain the exclusive property of the seller and do so even on the assumption that the buyer paid for them.

Any technical studies and estimates are drawn up from the elements provided by the buyer under its sole responsibility. The seller only draws up estimates and studies for mere information. The liability of the seller cannot be sought for said estimates and studies or for technical elements supplied by the buyer.

10. CONFIDENTIALITY

The studies, drawings, models and documents that are property of the seller and sent to the buyer may not be imparted by the latter to third parties.

11. RETENTION OF TITLE

The products are sold with a clause expressly subordinating the transfer of their ownership to the payment in full of the principal and other charges, which means that the buyer will only become owner of the products after the full payment.

12.1. As from delivery of the products, the provisions above shall not be an obstacle to the transfer to the buyer of the risks of loss or deterioration of the goods subject to retention of title as well as the damage they could cause. Consequently, as from delivery of the products, the buyer shall assume the risks and for this purpose, take out a multi-risk insurance policy (fire, theft, water damage) covering the risks arising, starting from the delivery of the products. The buyer may not modify the products sold under retention of title, nor incorporate them, nor resell them without prior written consent from seller.

12.2. In the event of garnishment or any other intervention of a third party on the products, the buyer must imperatively immediately inform the seller thereof to enable it to oppose it and preserve its ownership.

The buyer shall also refrain from giving as security or assigning as guarantee the ownership of the products not paid in full.

12.3. If the laws of the buyer's country do not recognise the validity of the retention of title clauses in particular in the event of receivership or winding-up proceedings or if the buyer wants to resell the products before they are paid, it will be obliged to grant the seller serious payment guarantees such as certified cheques, drafts on customers, subrogation of payments, etc.

12.4. The product identification codes must be kept by the buyer.

12. DISPUTES - APPLICABLE LAW

13.1. These general terms and conditions of sale as well as all sale operations referred to herein are governed by Belgian law.

13.2. In the event of dispute, parties shall endeavour to reach an amicable settlement. If there is no amicable solution within two (2) months starting from the commencement of the dispute, the latter will be submitted to the competence of the competent court within the jurisdiction of the Ghent Court of Appeal.

13.3. The seller reserves the right, if it is plaintiff, to submit a matter to the court of the locality where the buyer's registered office is located and possibly to take advantage of the laws thereof.

1. SCOPE OF THE WARRANTY

1.1 The seller provides the buyer and, should the buyer resell the products, the end user (hereafter jointly specified as the "buyer"), a ten year warranty on the products sold by the seller. The aforementioned warranty period commences on the date of delivery of the sold products, being the date of delivery ex works warehouse of the seller (Incoterms 2000).

1.2 The present warranty covers defects in the used materials, defects in the production of the products sold or structural faults. However, the buyer must demonstrate that such defects or faults are not directly or indirectly the result of:

- a faulty installation; a "faulty installation" is to be considered, amongst others:
 - (i) any installation by an unauthorised and unregistered installer;
 - (ii) any installation that took place in violation with the instructions as detailed in the seller's technical manual;
 - (iii) any installation that has not been done according to the rules of good workmanship ('state of the art'); as well as
 - (iv) any installation for which the seller has received, within seven (7) days after the initial commissioning, however at the latest within one year after the aforementioned delivery of the sold products, the required form, fully completed and duly signed, supplied by the seller concerning the leakage test (delivered with the sold products as well as available in the seller's technical manual);
- the abnormal or incorrect use of the sold products; "incorrect use" is to be considered, amongst others, any use that took place in violation with the instructions as detailed in the seller's technical manual;
- the lack of appropriate maintenance and (annual) checks;
- the use of incompatible spare parts or accessories;
- subsequent adjustments by the buyer;
- external factors.

1.3 The present warranty is only valid to the extent that said sold products were integrally paid by the buyer in accordance with the applicable terms of payment.

2. NOTIFICATION

To be able to invoke the present warranty, the buyer must notify the seller of the defect by registered mail, within the aforementioned warranty period as well as within seven (7) days following the determination of the defect by the buyer or following the moment that the buyer should have determined the defect. Furthermore, the defect must be determined jointly by the buyer and the seller, in which absence the buyer can no longer invoke the present warranty.

3. EXECUTION OF THE WARRANTY OBLIGATION

If the present warranty can be invoked, the seller shall, at his discretion, replace or repair the faulty part of the sold products or repay the corresponding part of the invoiced price. The buyer is, however, not entitled to claim any other compensation (such as, amongst others, however not limited to, compensation for indirect or consequential damages). Should, at the moment of invoking the present warranty, said sold products no longer be in production or an amended version is being produced, the seller is entitled to replace the faulty part with a similar item. Executing the warranty obligation by the seller during the warranty period shall under no circumstances result in an extension of the total duration of the warranty.

4. SUNDRY

The present warranty is without prejudice regarding applicable mandatory regulatory provisions. The transfer of the rights of the buyer by virtue of the present warranty with respect to the sales can only take place providing the seller submits a written approval.