

GENERAL PURCHASING TERMS AND CONDITIONS OF ELEMMASTER NV/SA

1. SCOPE OF APPLICABILITY

These General Purchasing Terms and Conditions (the "Terms and Conditions") constitute an integral and substantive part of every purchase order (the "Order") for any type of materials or goods (the "Goods") issued by Elemaster NV/SA (the "Buyer") to a supplier (the "Supplier" or "Seller"), and they are valid, effective, and in force unless indicated otherwise in such Order.

In the event of a conflict between the general terms and the particular terms contained in the Order, the latter take precedence.

Acceptance of the Order constitutes express acceptance of Terms and Conditions specified here and exclusion of the Supplier's own terms and conditions.

2. ORDERS

The Order comes into effect, i.e. a contract is concluded, when the Buyer receives the Seller's confirmation and acceptance of it without modifications or reservations, with such written confirmation and acceptance to be given within seven (7) days of receipt of the Order.

In absence of acknowledgment by such deadline, and if the Order is not rejected in writing within that term, it is considered to have been tacitly accepted by the Supplier, and the contract comes also into effect.

Unless expressly approved in writing by the Buyer, any differences or modifications set forth in the order confirmation as compared with the wording of the Order will not be considered valid.

The Buyer reserves the right to modify its Order with reasonable notice prior to commencement of the supply.

3. PRICES, INVOICING, AND PAYMENT

The prices set forth in the Order are fixed and not subject to change and are denominated in the currency indicated therein. Such prices may not be changed or adjusted as a result of changes in exchange rates. In order for any increase to be valid and binding on the Buyer, it must be agreed upon by the parties in writing in the form of a specific modification of the Order.

Unless different terms and conditions are agreed upon between the parties, supply is to be made "Delivered Duty Paid" (DDP – Incoterms 2000) to the place of delivery of the Goods, including packaging costs and any other costs associated with execution of the Order.

The Supplier is obligated to send invoices to the address indicated in the Order.

Invoices must contain the Order number and reference, the amount and description of the Goods, details concerning the shipping document and the price, and banking information that enables the making of payments, and they must comply with all tax rules and laws in force.

Payment is subject to the Buyer having accepted the supply without reservation in accordance with the terms and procedures set forth in the Order.

Absent prior written agreement between the parties, the amounts due to the Seller in exchange for the supply may not be assigned to third parties.

4. PACKAGING AND DELIVERIES

Unless the Buyer requests special packaging in the Order, the Seller must supply the Goods in suitable packaging, taking into account the nature of the Goods and taking all necessary measures to protect the Goods against weather, corrosion, loading and unloading accidents, transport or storage conditions, vibrations, shocks, etc. In any event, the Goods must be packaged and labelled in a way that is consistent with good commercial practice and sufficient to ensure that they are delivered intact to the specified destination.

The Supplier must mark all parcels and containers with instructions for handling or shipping and clearly identify the items that require special care, indicating the precautions to be taken.

The Seller must label every parcel and container with shipping information, Order number, shipping date, and name and address of the sender and the recipient.

The Seller is solely responsible for any damage to the Goods and for extra expenses attributable to insufficient packaging and labelling.

Each shipment and delivery must be accompanied by the required technical documentation and testing certificates, as well as by a shipping document that complies with current regulations and contains the information necessary to clearly identify the Order, the number and type of the Goods contained in it, and the recipient.

At the Seller's expense and in accordance with the procedure set forth in Section 6, below, the Buyer has the right to reject parcels and packaging sent with missing, erroneous, incomplete, or clearly damaged data.

5. EXECUTION AND TERMS OF DELIVERY

The supply must be carried out in accordance with the highest standards and in strict conformity with these Terms and Conditions, the terms of the Order and its attachments, the requirements and technical specifications of the Supplier, and the laws and regulations in effect. The Buyer reserves the right at all times to verify the technical, qualitative, and quantitative characteristics of the supply, including at the Supplier's place of business. Such verifications may also be performed in the presence of the Buyer's end customer. Inspection by the Buyer does not relieve the Seller of its obligations and responsibilities.

The dates and times of delivery indicated in the Order are unconditional and of the essence, failure to observe them entitles the Buyer to terminate the contract, without prejudice to the compensation of any damage, expense, cost, or burden.

Where the Order specifies a fixed date for delivery, the supply cannot be made in advance, unless expressly agreed upon between the parties.

6. RECEIPT, INSPECTION, AND REFUSAL OF THE GOODS

Unless agreed otherwise between the parties in writing, transfer of title takes place at the moment the Goods arrive at the Buyer's facility or other agreed destination. Any clause of the Seller providing for retention of title will be deemed void. Transfer of risk takes place in conformity with the Incoterm rules in effect and applicable to the supply. The Buyer may perform a qualitative and quantitative control following receipt of the supply, and it has the right to refuse Goods that do not conform to the relevant Order and/or the technical specifications and applicable requirements. The Seller must be given written notice of non-acceptance of the Goods.

The Supplier undertakes to deliver to the Buyer, concurrent with the delivery of the Goods, the Declaration of Conformity concerning the Order and the Technical and Quality Requirements in conformity with the standards in CEI UNI EN ISO IEC 17050-1 and -2, unless the Buyer specifically requests otherwise in writing, as well as the Certificate of Origin concerning the Goods.

The Buyer may object to flaws and defects in the supply within 30 (thirty) days of, respectively, delivery in the event that same are obvious or discovery in the event that same are latent.

A supply that is found to be non-conforming, in terms of either quality or quantity, and is not accepted by the Buyer must be taken back by the Supplier at its sole responsibility and expense within seven (7) days of receipt of non-acceptance and be immediately replaced with conforming Goods. Upon expiry of the aforementioned deadline, the Goods will be returned by the Buyer to the Seller at the latter's expense. Acceptance of the Goods in no way limits the warranty set forth in Section 7, below.

7. WARRANTY

Unless agreed otherwise in writing between the Parties, the Seller expressly warrants that for a period of 24 (twenty-four) months following delivery, the supply will be free of flaws and defects and conform to the technical specifications and requirements specified in the Order and that the Goods supplied to the Buyer will function properly and be capable of immediate use.

During the warranty period, the Buyer must give the Supplier written notice of any defect or malfunctioning in the Goods, and the Seller must promptly replace or repair the Goods at its sole expense. The Supplier must provide a warranty of an additional 24 (twenty-four) months for any replacement, repair, or correction undertaken during the warranty period.

In the event that the Supplier does not replace or repair the Goods or correct a defect or malfunctioning, the Buyer has the right in its sole discretion a) to itself perform or have a third party perform the replacement, repair, or correction and charge the Supplier for the related costs and damages incurred, or b) to return the Goods and demand that the Supplier provide a full refund of the price paid, without prejudice to a claim of additional damages suffered.

The Supplier agrees that the warranties provided herein are in addition to any warranties required by law or expressly provided by the Seller and to any other warranties, whether express or implied, that are applicable to the relevant purchase. Such warranties survive any inspection, test, acceptance, or payment by the Buyer.

There is no waiver in the event of acceptance of non-conforming Goods.

In the event that the Buyer, its customers, or the competent authorities should decide to recall from the market a supply or a product, which includes the Goods, on account of any flaw or malfunctioning attributable to a defect in the Goods, the Seller must compensate any damage suffered by the Buyer, including any damage to its reputation, as well as any expenses and/or costs incurred.

The Seller warrants to the Buyer that it will cover all damages and costs that may result from failure to execute the Order and from the consequent inability of the Buyer to meet its obligations to its customers.

The Seller undertakes to obtain product liability insurance from a leading company and to present documentation of same to the Buyer upon request.

8. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

The Supplier warrants that the supplied Goods will in no way infringe any patent, licence, industrial model or design, copyright, or other third-party intellectual or industrial property right. The Seller warrants that it has the full right to use, produce, and sell the Goods and that the Buyer will have the full right to use and resell such Goods. The Seller agrees to indemnify the Buyer against any claim or action and/or compensation for infringement of third-party intellectual or industrial property rights, to pay all costs incurred by the Buyer in defending such claim or action, and to compensate the Buyer for any damage, loss, or detriment suffered as a direct or indirect consequence of such claim or action.

9. CONFIDENTIALITY

All data, technical and commercial information, designs, materials, components, samples, processes (collectively, the "Information") of one party of which the other party in any way gains knowledge or comes into possession in connection with performance of the contractual relationship associated with the Order are to be kept strictly confidential. Accordingly, each party and its employees, assistants, and collaborators must keep such Information in confidence, refrain from disclosing it to third parties, refrain from using it for purposes other than the subject of the contract in effect between the parties, and, where requested, promptly return it to the disclosing party without keeping any copies.

10. CANCELLATION

The Buyer has the right to cancel the Order: (a) prior to receiving confirmation of the Order by the Seller and (b) upon the occurrence of one of the following events: (i) the Seller fails to deliver the Goods by the dates specified in the Order; (ii) the Supplier fails to honour its warranty obligations; (iii) the Seller is in breach of one of its obligations under these Terms and Conditions and fails to cure such breach within 15 (fifteen) days of receipt of written notice thereof from the Buyer; or (iv) insolvency, bankruptcy, or other composition proceedings are initiated against the Supplier.

Moreover, the Buyer has the right to cancel the Order at any time, either in full or in part, without prejudice to compensation of the duly documented costs incurred by the Supplier in executing the Order. Upon receipt of the request to cancel the Order, the Seller must immediately suspend all activities relating to such Order and take all steps to minimise the costs and losses resulting from cancellation.

11. PLACE OF JURISDICTION – APPLICABLE LAW

Hasselt (Belgium) is the exclusive place of jurisdiction for any and all disputes arising under or related to the contracts for purchase of the Goods, as well as for the interpretation, performance, and validity of such contracts and these Terms and Conditions. Belgian law is applicable.

12. RIGHT OF ACCESS

Subject to reasonable advance notice, the Buyer reserves the right to enter the Supplier's site for the purpose of verifying fulfilment of the contractual obligations and the conformity of the supply. During such inspection visits, the Buyer may be accompanied by the end customer and by any consultants.

During the inspection visit, the Supplier must support the Buyer and ensure access to all relevant documents, records, and information.

In the event that the Supplier refuses to grant access to its site or to relevant information, the Buyer may terminate the contract with immediate effect, without prejudice to compensation of additional damages suffered.

13. TECHNICAL SPECIFICATIONS AND CHARACTERISTICS

The Supplier undertakes to supply the Goods described in the purchase Order in conformity with the characteristics specified in the purchase Order and its attachments and with the technical specifications. The Supplier must comply with the technical requirements concerning the product, samples, tests, inspections, verifications (including verification of the production process) as specified in the purchase Order and its attachments and in the Supplier's technical documents. Changes to the documents applicable to the supply, either by the Buyer or by the Supplier, must be suitably documented. The Supplier must comply with the legal and regulatory provisions in force in the country in which the Goods are produced that are applicable to manufacture, packaging, and delivery. Except where indicated otherwise in the purchase Order, the Goods must be produced in conformity with the most recent standards for the relevant technical specifications and industrial processes.

14. CHANGES OF TECHNICAL SPECIFICATION

In the event of any changes to the technical specifications for the Goods, to processes, or to production sites, including any changes in the supply chain, the Supplier must immediately notify the Buyer, at the latest, prior to delivery of the Goods, and obtain its approval to implement such changes. In the event that the Buyer does not accept the changes, it may, at its sole discretion, cancel the purchase Order without incurring additional costs, expenses, or obligations of any nature.

15. QUALITY MANAGEMENT SYSTEM AND RECORDS

The Supplier warrants that it is in possession of a quality management system suitable for its business and the sector in which it operates. Such system must be regularly certified by the recognised competent bodies. The Supplier agrees to periodically submit to an audit to verify that the relevant procedures, times, and methodologies do not conflict with laws in force and, where the outcome of the checks is positive, to be included in the Buyer's vendor list.

Acceptance of the Order constitutes an obligation on the part of the Seller to ensure that paper and/or electronic records are maintained for all documentation for a period of at least 10 (ten) years, unless expressly specified and/or requested otherwise by the Buyer.

16. CODE OF ETHICS

By expressly or tacitly accepting the order, the Supplier acknowledges the rules set forth in the Code of Ethics adopted by the Buyer (available at www.elemaster.com), which form an integral and substantive part of the Order, accepts them in full, and undertakes not to engage in conduct that is contrary to them. Failure on the part of the Supplier to meet such obligation constitutes a material breach of the contract justifying its anticipatory termination.

17. MISCELLANEOUS

In the event that one or more provisions of these Terms and Conditions should be null, ineffective, or invalid, they are to be considered void, and all other provisions remain in full force and effect.

The Seller undertakes to comply with all laws, regulations, and government decrees concerning its business in connection with fulfilment of the Order and to hold harmless the Buyer of all liability resulting from any violation of such laws. Failure by the Supplier at any time during execution of the supply to comply with applicable laws concerning occupational health and safety, as well as with the requirements concerning the safety of the Goods, constitutes grounds for anticipatory termination and entitles the Buyer to suspend the contract with immediate effect.

Absent the Buyer's prior written consent, the Order may not be assigned to subcontractors, nor may the supply be entrusted to same.

Expressly accepted by The Supplier (seal and signature)

The Supplier (seal and signature)