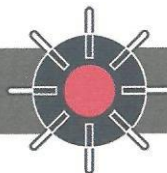


Power Valves & Controls BVBA General Terms and Conditions

1. **Area of application.** The general terms and conditions in question apply to all agreements, offer requests, orders and acceptances that Power Valves & Controls BVBA (hereafter PV&C) concludes with its customers, with the exception of any general or particular (purchase/contracting) conditions of the customer even if they are notified subsequently. Any deviations from these terms and conditions can only be made in writing by PV&C. Special agreements, if recorded in writing, have precedence over these general terms and conditions. To the extent that the general terms and conditions of the customer should prevail over the general terms and conditions of PV&C, we have a supplementary activity. Barring evidence to the contrary, the presumption is made that the invoice with the general terms and conditions was notified to the customer no later than the moment that the goods were delivered.
2. **Formation.** An agreement is formed at the moment that a quotation, offer request or agreement is accepted or confirmed in writing by PV&C. If an order or offer is done through the customer, the agreement is formed at the moment that the customer receives – within five work days – the written confirmation of its order or offer from PV&C.
3. **Information.** Information supplied by PV&C in catalogues, folders, letters, advertisements, images, websites, price lists, recommendations, etc. about matters such as sizes, colours, volumes, ordering numbers, prices, etc. is provided to the best of its ability by PV&C, is entirely without obligation and always indicative. In no case can PV&C be held liable for any errors in the information. It is up to the customer to decide whether or not to make use of this information.
4. **Documentation.** If, in the execution of the agreement, use is made of drawings, models, specification, instructions, user directions, quality procedures, inspection directions or comparable documents that are made available or approved by PV&C then these, together with possible changes made by or on behalf of PV&C, form an integral part of the agreement.
5. **Second hand material.** Second hand material is always sold in the state in which it is in and as known by the customer.
6. **Execution.** Small deviations in the weight or dimensions and deviations in the thickness are always possible and in no case can they result in any compensation for the customer.
7. **Sale.** If PV&C only manufactures / produces the control valves, even if they are made to measure and as per the requirements of the customer, but they only need to be delivered and not installed then this constitutes a sale. In this case, Article 8 of these general terms and conditions does not apply.
8. **Contracting.**
 - a. If PV&C has to perform activities, for example, for the mounting – particularly the positioning, connection and installation of the control valves – then additionally, the below stipulated articles 8.a to 8.i inclusive of these general terms and conditions apply. In this case, Article 9 of these general terms and conditions does not apply.
 - b. **Extra work.** In principle, for each extra work requested, a work order is made for PV&C that is signed for approval by the customer. The requested extra work can however also be established with all resources, indications and presumptions included. As an irrefutable presumption, the invoice used for invoicing the extra work shall apply unless the extra work specified on it is explicitly objected with reasons by way of a registered letter sent by the customer within eight days of the invoice date.
 - c. **Execution deadline.** (1) Barring anything to the contrary in the particular conditions / the agreement, execution deadlines are only provided for information and as an approximation so that PV&C, in this case, is not liable to pay compensation to the customer because of late execution. (2) Furthermore, in no case shall PV&C be liable for any delay when this is attributable to lack of coordination, the late handing over of plans and specifications, strikes, lock-outs, absences of personnel without fault, supplier delays, government decisions, fire and all such circumstances outside the control of PV&C. (3) If, because of poor collaboration or lack of information on the part of the customer, PV&C is prevented from fulfilling its contractual obligations with regard to any execution deadline then any execution deadlines shall automatically be extended by the duration of the said hindrance. The general planning of the main order and the changes to it which are of importance for PV&C shall also be passed on systematically by the customer. (4) A detailed plan will be made between the parties not later than the beginning of the work. In the absence of such a plan, PV&C can never be held liable for any delay.
 - d. **Subcontracting.** The customer accepts that if PV&C deems it necessary, use can be made of any subcontractors that it chooses.
 - e. **Payment.** The work performed is paid for in instalments, as agreed with the customer, and the final balance is paid on delivery. In accordance with the schedule agreed with the customer, PV&C can submit periodic certificates of practical completion to the customer that describe the work performed and the amounts charged for it. Within 15 days, the customer will let PV&C know which work and amounts it accepts. If no explicit acceptance is received within 15 days then it is assumed that the customer accepts the certificate of practical completion.
 - f. **Price.** In accordance with the agreement, the work is performed either (1) against a global fixed price (F.P.) or (2) against presumptive amounts – with both parties present – whereby the sum to be paid is determined based on the unit prices specified in the list attached to the agreement (for the measurement, the standard method of the WTCB is used), or (3) as a mixed order, thus using both fixed prices (items indicated with F.P.) and presumptive prices (items indicated with V.H.) or (4) under direction whereby the particular conditions / the agreement describes the manner in which the prices are calculated. All prices are exclusive of VAT.
 - g. **Price revision.** The price is in accordance with the particular conditions, either (1) against a fixed and non-revisable price; or (2) the prices can be revised because of changes in material prices, wages, social security costs or because of new taxes and levies that are imposed after the closing of the agreement. The revision happens on each certificate of practical completion on which the amounts are adjusted in accordance with the following formula: $p = P (a \frac{s}{S} + b \frac{i}{I} + c)$ where "P" is the amount spent based on the contract prices and "p" is the adjusted amount that takes account of the afore-mentioned data. In the formula, the term $a \frac{s}{S}$ is based on the average wage rate in accordance with the wage scales specified by the Ministry of Public Works. "S" represents this wage rate on the tenth day before the closing of the agreement and "s" is the wage rate at the beginning of the period for which payment is being requested. The term "I" represents the index figure for the materials and raw materials determined by the Price List for Building Materials Committee which determines the value each month, on the tenth day before the closure of the agreement, while "i" represents this figure at the beginning of the period for which payment is being requested. "c" represents the fixed term not liable to revision; or (3) bearing in mind the nature of the work, the special circumstances can determine a specific price revision module. If the subcontractor contract itself does not specify anything about price revisions then (2) is applicable.
 - h. **Hand over.** After the work has been performed, PV&C asks the customer to approve it. The customer checks the work



within fifteen (15) days – in the presence of PV&C – or after it has been invited to in a timely way and within fifteen (15) days it presents a statement of (non-)acceptance to PV&C. Only if fundamental deviations and/or serious defects are established shall a statement of non-acceptance be produced in which the fundamental deviations established are listed. The work is considered to be tacitly and unconditionally accepted 1/ in the absence of a statement of (non-)acceptance or 2/ if the customer does not make an appearance on the proposed handover date or 3/ if the work of the subcontractor was approved by PV&C or 4/ the customer pays the invoice without reservation or protest in accordance with article 24 or /5 if the customer uses that which has been delivered or issued on an operational basis. This acceptance covers both the visible and the hidden defects.

- i. **Consequences of acceptance.** The statement of acceptance or an equivalent acceptance has the consequence that: the risks are transferred, that any penalties because of delay are suspended, the visible and lightly hidden defects have been discovered and the ten year liability period of PV&C begins to run. Furthermore, any surety set by PV&C is released completely as of this moment. PV&C requests the customer for the release of the security (which can also be done via invoicing) after which the customer must notify his reasoned rejection as quickly as possible and certainly within 15 days. In the absence of a reasoned refusal, the security is considered to be irrevocably released.
- j. **Unilateral cancellation.** Under article 1794 B.W., the customer always has the right to cancel the order at any time provided that it reimburses PV&C for the work handed over and the materials which have been delivered. Furthermore, the client should reimburse PV&C for loss of profit, which is automatically fixed at 50% of the amount of the work still to be carried out as specified in the particular conditions / agreement, without prejudice to the right of PV&C to claim higher losses. Goods purchased by PV&C do not fall within the loss of profit and should be compensated separately by the customer.
- k. **Termination.** PV&C always has the right to cancel the contract automatically and without the intervention of the judge by means of an ordinary registered letter in the event of a serious failure on the part of the customer in the relationship with PV&C or with other parties to the contract in other agreements.

A serious shortcoming includes but is not limited to the non-payment of invoices within the due period, convictions for criminal offences and generally any shortcoming on the side of the customer for which the necessary response is not given within seven (7) days of the sending of a registered notice of default. In this case, the customer is – automatically and without the requirement of a notice of default – liable for damages fixed at 20% of the amount of the work still to be performed as specified in the particular conditions / agreement without prejudice to the right of PV&C to claim a higher damage amount.

- l. **Limitation.** Each legal claim, with the exception of those relating to the ten year liability, connected with the execution of this agreement should be established by the customer within one year of the handing over as specified in article 8.i.

9. **Conformity and hidden defects (sale).** The customer should accept the goods immediately on delivery and check them. Complaints are only valid if sent to PV&C via registered letter:

- a. In the case of a complaint because of non-conformity or visible defects within eight (8) days of the delivery of the goods;
- b. In the case of hidden defects within eight (8) days of the discovery of the defect and no later than six (6) months after delivery.

Any reimbursement shall not exceed the price of the goods. In no case shall the guarantee be more extensive than the guarantee granted by the producer of the goods.

10. **Deadlines.** The delivery deadlines given are only provided for information and are not binding on PV&C. As such, PV&C can then also never be liable to pay any compensation in the event of a delivery delay nor can the agreement be terminated to its disadvantage for this reason.

11. **Reservation of ownership.** PV&C reserves ownership for itself. Irrespective of the consensus about the modalities of the agreement, ownership will only be transferred when the entire purchase sum / contracting price and the price of any fittings, increased by any compensations and interest has been received by PV&C. Any delivery of the sold object does not rescind this reservation of ownership.

Notwithstanding the reservation of ownership, the customer bears the risk from the formation of the agreement (as stipulated in article 2 of the formation of the agreement terms and conditions in question).

12. **Subrogation right.** The customer may resell or sell on the goods – processed or not – except where PV&C itself should oppose this in writing. In all cases of reselling, PV&C is automatically subrogated in the claim of the customer against the third-party buyer of the goods, even if the goods have been processed. The customer binds itself without delay, at the simple request of PV&C, to notify the name and the particulars of the party to whom the goods have been sold so that PV&C, if necessary, can exercise its subrogation right.

13. **Retention right.** Without prejudice to the stipulation in articles 12 and 13, it is agreed by the parties that PV&C can exercise a right of retention at least on the already produced but not delivered / issued or processed goods over which PV&C exercises the material custody for the customer and this as further guarantee for the payment of all the invoices due in accordance with these conditions. In such a case, a custody fee can be applied on top of the normal rate.

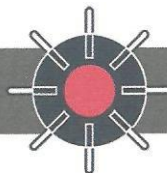
14. **Compensation.** The customer and PV&C declare that they agree that their mutual, indisputable, certain and due and payable claims – present and future – are always compensated with respect to each other.

15. **Prices.** Unless agreed otherwise in writing, all prices are net prices in Euros, exclusive of VAT and, except when specified otherwise, exclusive of delivery, transport and insurance costs. The prices are based on values for wages, materials, energy and raw materials which are applicable at the moment of request / notification. If these undergo changes, also after the formation of the agreement, PV&C reserves the right to adjust the prices in a proportional manner. In such a case, the new price as specified on the front of the invoice applies.

16. **Delivery, storage, risk and transport.** All risks are always transferred to the customer as from the formation of the agreement. The storage of the goods in anticipation of the delivery or collection is always done at the risk of the customer. Unless agreed otherwise in writing, deliveries are always ex works. Any Incoterms used should be interpreted based on the text of the ICC applicable at the moment the agreement is formed. The goods are always sent/transported at the customer's risk and the transport costs are to be borne by the customer. If the customer fails to collect the goods on the notified date or if it refuses to accept them then PV&C retains the right to apply a custody fee on top of the usual rate, without prejudice to its right to consider the agreement automatically terminated without notice of default.

17. **Packaging.** All packaging (with the exception of returnable containers, oil drums and material that can be considered as chemical waste which remains the property of PV&C), shall become the property of the customer at the moment of delivery. This does not give the right to return transport and/or packaging material or to demand that PV&C collect this material at the cost and risk of PV&C.

18. **Cancellation.** Each cancellation of an order should be made in writing and is only valid if accepted by PV&C. In the case of the



cancellation of an order, the customer is liable to pay damages amounting to 50% of the value of the order without prejudice to the right of PV&C to claim a higher damage amount. These damages cover the fixed and variable costs and the possible loss of profit. If, at the moment of the cancellation, the production has already begun or was ended then cancellation is not possible. Furthermore, cancellation is not possible if, at the time of the cancellation, PV&C is no longer able to cancel its order with its supplier. The damages of 50% do not include reimbursement of the goods already purchased by PV&C which will be settled separately.

19. **Payment.** All invoices become payable to the registered office of PV&C on the agreed due date. Unless otherwise agreed in writing, the due date is set as 30 days from the invoice date. The amount of the invoices should always be paid as the net amount. All costs, also discount, exchange rate and bank costs, are payable by the customer. A discount for immediate payment can only be applied if this is explicitly agreed in advance in writing (and not later than the formation of the agreement). If PV&C grants payment terms to the customer and the customer does not respect one of these due dates then it loses the advantage of these terms and the total price, including the default interest and any damages becomes due immediately together with any invoices still not yet due.
20. **Non-payment.** If an invoice remains (partially) unpaid on the due date then – automatically and without prior notice of default – as from this due date, late payment interest amounting to 1% per started month of the (outstanding) invoice amount will be payable. Furthermore, in such a case – automatically and without prior notice of default – damages amounting to 10% of the (outstanding) invoice amount will be payable, with a minimum amount of 100 EUR, without prejudice to the right of PV&C to claim a higher damage amount. It is explicitly agreed that these damages only cover the extrajudicial recovery costs, such as internal administration, reminders, etc., as well as the other contractual damages such as bridging credits, emotional damage, etc., but they exclude the legal costs, the statutorily prescribed contribution towards the other party's legal representation costs and lawyers' costs and fees. The latter, if necessary, shall be the object of a separate estimate in accordance with the act regarding the contesting of payment arrears on commercial transactions. Also not included in the damages are costs connected with unpaid bills of exchange or cheques. Non-payment of a single invoice on the due date makes the balance owed from all the other invoices, including those not yet due, immediately claimable, automatically and without notice of default. The drawing of bills of exchange or other negotiable documents does not imply any novation and does not constitute a deviation from the general terms and conditions or other agreements. Partial payments are assigned first to the compensation, costs and interest and only then to the principal amount (in conformance with article 1254 B.W.). If a single invoice is not paid on the due date, PV&C reserves the right not to make any further deliveries. Furthermore, PV&C reserves the right – automatically and without notice of default – to regard the contract as terminated in its entirety or for the unperformed part.
21. **Termination.** PV&C retains the right to consider the agreement as terminated in the case of death, bankruptcy, a request for protection from creditors through the WCO, liquidation, settlement, dissolution, apparent insolvency and also as the result of any change in the legal status of the customer.
22. **Force majeure.** When PV&C as the result of force majeure, strike, lock-out and so forth is unable to execute the agreement then PV&C retains the right to terminate the agreement without it being liable to the payment of any damages.
23. **Protest.** Without prejudice to the stipulations in articles 8.h and 9, an invoice should be objected by registered letter within eight (8) days of the invoice date along with reference to the date and the invoice number.
24. **Liability.** The liability of PV&C for losses because of its own error and/or negligence in the execution of the agreement or any other liability is in each case limited to the price of the delivered / produced / issued goods. This limitation does not apply to physical harm. Any liability for indirect losses or loss of profits is explicitly excluded.
25. **Confidentiality.** The customer guarantees confidentiality concerning all information from and with regard to PV&C, irrespective of how it has become known to the customer. The disclosure of information is only permitted with the prior written permission of PV&C. The customer is not permitted to duplicate information made available by PV&C, including but not limited to, models, drawings, instructions and specifications unless it is intended for the execution of the agreement.
26. **Invalidity.** The invalidity of a stipulation in the general terms and conditions in question or any other particular conditions or agreement to which these general terms and conditions apply by no means invalidates the entire agreement or all general / particular terms and conditions.
27. **Applicable law and competent court.** The formation, validity, interpretation or execution of this agreement is governed exclusively, with the exception of the Vienna Sales Convention, by the Belgian court. All disputes connected with the agreement – direct, indirect or peripheral – shall be settled before the Belgian courts having jurisdiction over the registered office of PV&C at the time of the introduction of the claim without prejudice to the right of PV&C to make the claim before another court that is competent in accordance with the regulations in the Belgian Judicial Statute Book or the Brussels-I Regulations.