



PURCHASE OF GOODS - GENERAL TERMS

1. Introduction

These general terms are fully applicable unless both parties agree otherwise in written.

By accepting the order, the present or later general terms (or whatever different name may be given to all such provisions) of the service provider shall be deemed not to exist, even if these have not been objected to.

2. Control

The customer or its representative are authorized, at any stage of the fabrication process, to control and check the quality of the raw material and any parts entering in the fabrication process of the purchased goods.

Not having made any remarks during such controls does not prevent the customer to refuse later the goods as not conform.

3. Delivery

Unless otherwise stated, the delivery is « delivery duty paid at Peruweld » (DDP) as per Incoterms 2000. The supplier is responsible for the marking and packing of the goods in line with up to date industry standards. In any case the packaging has to protect the goods during transport and unloading at customer.

4. Delivery date

Unless otherwise stated :

- the starting date is the date of customer's purchase order
- the respect of the delivery time is compulsory

The supplier has the obligation de warn immediately and in writing the customer of any forecasted delivery delay with a due justification. Without a written agreement from the customer on a revised delivery schedule, the contractual delivery date will remain valid.

If the agreed date or delivery time is over, a penalty of 2,5 % per week of delay with a maximum of 7,5 % of the total value of the order will be applied without any other formality being required.

The delivery date reference used for the calculation of the penalty will be the day of the effective and full

delivery of the service, including all required pieces of documentation.

As soon as the delay reaches 3 weeks, the customer has the right to cancel the contract in absence of a meaningful reaction from the service provider within the 5 working days to a registered letter. In that case, no indemnity of any sort will be paid by the customer to the service provider and the customer reserves the right to ask indemnities to the service provider.

5. Transfer of property and risks

The transfer of property and risk takes place at the effective delivery of the goods by the supplier or by the transporter he contracted.

In case of partial or total payment of the goods prior to the delivery, the transfer of property takes place as soon as the goods can be identified and the customer may ask for a bank warranty.

6. Payments

The payments will be done in line with the payment information on customer's purchase order.

In case of late payment as the result of any circumstances referred in article 9, the service provider will not be allowed to claim any penalty.

7. Reception of the goods - Reclamations

Without breaching article 8, the customer has a period of 30 days as from the latest of the next 3 dates :

- the date of the effective delivery of the service
- the date of the reception of the invoice
- the date of the reception of certificates, test reports or any other documentation requested on the purchase order

To introduce any reclamation on the conformity or quality of the service rendered.

8. Warranty

The supplier will correct immediately any defects on the goods within a period of 12 months from the effective delivery date.

The supplier will indemnify the customer for any prejudice he may have had.

9. Exclusion clauses

Are considered as exclusion clauses, events and circumstances independent from the will of both parties that pops-up after the contract signature and makes the execution of the contract impossible as fire, war, requisition, embargo, national strikes, lack of means of transport, lack of raw material, energy consumption restrictions etc...

The party wanting to invoke the exclusion clause has to warn the other party immediately and in writing.

In that case the planning is extended for a period equal to the associated circumstances, unless it becomes unreasonably long in which case both parties have the right to terminate the contract via a registered letter to the other party.

10. Applicable law – Jurisdiction clause

Any litigation will be dealt through « arbitrage ». See the french version for an extended jurisdiction clause.

In case of any dispute relating to the interpretation and/or implementation of the present general terms, solely the French version is valid.