peruweld sa-nv

#### **PURCHASE OF SERVICES – 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. About the services

The service provider will provide the service at the agreed location. Without agreement on an exact location, the service provider will provide the service at the place where the goods being serviced are located, otherwise at service providers place.

The conformity of the service refers to :

- The specifications mentioned on the purchase order and/or the contract.
- The industry standards relating to the service.

The binding contract between the service provider and the customer is made of the following document in decreasing order of priority :

- The purchase order
- These general terms
- Any other document from the service provider dully accepted in written by the customer

#### 3. Qualification

The service provider certifies that he fulfills all required legal and fiscal autorisations, certifications, licenses and any other to provide the service requested by the customer. He also certifies that he has no social debts.

The service provider will provide at first customer's request all documents proving his allegations. The service provider is responsible for their subcontractors on the above matters.

#### 4. Termination at customer's request

As pet the article 1794 from Code civil, the customer has always the right to terminate the contract at any stage of execution. In case the termination takes place before the contractual delivery date, an invoice will be made on the basis of actual performances and related payments will be made.

If the termination takes place after the contractual delivery date, no indemnity of any sort will be paid.

#### 5. Purchase order's modification

The customer is entitled to request in writting modifications to the service provider.

The service provider must inform the customer as soon as possible and in any case not later than 7 opening days after the modification request, of the impact on the delivery date, on the negotiated price and any other knock-on effect of such change on the order.

The service provider will make sure that the requested changes do only take place after a written customer's agreement on the consequences of the changes.

#### 6. Access to customer's premises

The service provider has access to customer's premises during opening hours.

It is up to the service provider at the time of purchase order acceptance, to specify his needs in terms of electrical supply, water and other specific conditions required for the execution of his work.

The service provider has the obligation to request the security rules prevailing at customer's premises, and to inform accordingly all his employees and potential subcontractors. In case of security rules breach at customer's premises, the customer is allowed to forbid the access to his premises to the person that has breached the security rules and the service provider will support alone all financial and other consequences thereof.

The service provider will provide all goods and material that he needs to do his work. No goods nor material will be borrowed from the customer without his explicit agreement, and in case of agreement, the service provider will be assumed able to use such goods and/or material and will be owned responsible for the utilization being done. The customer will not have any supervision duty and the service provider will be owned responsible for any direct or indirect damages to the borrowed goods and/or material as well as to any other customer's property or 3<sup>rd</sup> party goods/material in deposit at customer's premises.

The service provider will be correctly insured against all possible damages on the goods/material being serviced as well as on the customer's property.

## 7. Price

Unless otherwise stated the price is fixed and covers all costs and benefits related to the service required.

## 8. Delivery time and penalties

Unless otherwise stated :

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

In case the service is linked to a good, the service is achieved as from when the good is ready to be used by the customer and its related documentation is complete and dully approved by the customer. Otherwise the service is achieved as from when the documentation is complete and dully approved by the customer.

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 meaningfull 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.

# 9. Transfer of risks

The transfer of risk takes place at the effective delivery of the service.

## 10. Confidentiality

The service provider will keep confidential at any time and will not disseminate any information regarding production methods, organisation or any non-public information he may have received from the customer during the execution of the contract.

The customer will keep confidential at any time and will not disseminate any information regarding production methods, organisation or any non-public information he may have received from the service provider during the execution of the contract. This confidentiality obligation from both the service provider and the customer remains valid even after the end of the contract.

The service provider certify that he has the intellectual property or associated rights for the service ordered so that the customer has the right to use or transfer the service. The service provider will indemnify the customer for any claim made by 3<sup>rd</sup> parties for the non-respect of intellectual property rights linked to the service rendered.

In case the service rendered includes items like plans, notices and documents bearing intellectual property rights, the service provider authorizes the customer to use, copy, translate and adapt these to its own needs.

## 11. 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 14, the service provider will not be allowed to claim any penalty.

# **12. Reception of the service - Reclamations** Without breaching article 13, 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.

# 13. Warranty

The service provider will have to repair or replace, at its own cost, any defects appearing within the 12 months from the installation start-up with a maximum of 18 months after the delivery of the service. The customer is obliged to inform without delay and in writing the service provider for any defect he may find.

For engineering and calculation, the warranty is extended to any material damages to the goods for which the engineering/calculation work has been made, to any indirect damage to the customer or the final owner of the material being engineered/calculated, including any revenue loss claimed by any 3<sup>rd</sup> parties towards the customer. The service provider has the obligation and responsibility to ask to the customer any information he needs to execute his work within the state of the art rules.

Unless otherwise stated in the purchase order, the service provider and all its subcontractors have to be insured for the below amounts, to submit related proofs and to maintain these insurance at its own cost as long as the warranty is valid.

- Workmen compensation and employers liability insurance covering 2.500.000 € each occurrence

- General liability insurance covering bodily injury to or death of persons and/or loss of/or damage to property of parties other than customer with a single limit of 2.500.000 € for any one occurrence.
- Automobile liability insurance according to law.
- Any other compulsory insurance required by applicable laws to the service rendered.

The warranty period is extended for a period equal to the non-availability of the material linked because of the defect.

The warranty of the service provider is limited to defect resulting from a normal usage of the material. It does not cover defects resulting from normal wear and tear.

In case the service provider refuses to comply with its obligation or if it takes too long after being warned by registered letter, the customer can, at service provider's cost, proceed himself with the work or request a 3<sup>rd</sup> party to do it.

## 14. Exclusion clauses

Are considered as exclusion clauses, events and circumpstances independant 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 writting. 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. In such a case the service provider is entitled to charge the rendered services so far on an actual basis performance base.

## 15. Applicable law – Juridiction 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.