



THE SPECIALIST IN MEDIUM VOLTAGE SWITCHGEAR

GENERAL CONDITIONS OF SALE AND BILLING TERMS SGC NV

The following conditions apply to all sales, unless expressly stated in writing otherwise conditions were accepted.

1. Parties and order of priority.

In the present general conditions of sale, the public limited company SGC nv is referred to as "the vendor". All contracts are governed by the present conditions, to the exclusion of all others. The present conditions have priority over any terms specified on the buyer's order to the contrary or in conflict therewith. Derogation clauses and/or additional provisions are not binding upon the vendor unless agreed to in writing.

2. Quotation, orders and delivery times.

Our quotations, tenders, bids and tender specifications are free of engagement and are not binding upon the vendor until confirmed in writing. Bids and quotations are subject of alteration at any time, without prior notice. The time-limits for delivering goods or for assembly/installation work, agreed upon with the client, shall apply provided, that no cases of force majeure occur. In the case of the latter, the order can then be lawfully cancelled, in whole or in part. Quoted delivery dates are extended, without prior notice, by the total number of calendar days that the client is found to be late in paying its invoices. In any event, the delivery period does not begin to run until the vendor possesses all the information necessary for the fabrication and, if appropriate, the first instalment as provided for in the terms of payment. If the buyer does not take up the consignment in time, storage costs shall, after a period of 14 days, be charged at a rate of 2 thousandths/week of the book value of the merchandise and this until such a time when said goods leave the vendor's premises. In addition, if the consignment is not taken up in time (i.e. by the specified date, as agreed between parties), we reserve the right to adjust the price as stipulated in the adjustment calculation formula of the 'model tender specification 101', published by Belgian Ministry of Public Works. 80%, anyhow, of the value of the goods will be billed to the buyer when the order is handed over in our workshops; the other 20% is charged when it is assembled on site. If an agreement is cancelled or set aside by the client, and this within 24 hours of placing the order, we reserve the right to sue for 35% of the purchase price by way of compensation for cancellation. After this 24-hour period, the compensation sought will lie somewhere between 50 and 80% of the principal sum.

3. Plans, documents and permits.

If necessary, the vendor shall, after taking the order, deliver the plans of the installation and the requisite foundations. The dimensions of the foundations are indicative only. Notice should be paid, instead, to the dimensions shown on our final working drawings which, as ever, comply with the requirements of the local electricity distribution company, i.e. in the place where the goods are to be assembled and/or installed. We are not answerable for any delays sustained during the approval of the plans by the client or the competent body. We always start from the general assumption that the plans and dimensions of the rooms, buildings, foundations..., and the like, provided by the client (if he does furnish any) are complete and accurate. We cannot, therefore, be held liable if this input from the client does not correspond with the actual situation on site. Any additional construction costs which arise herefrom are, therefore, chargeable to the buyer. The (machine) bases should always be present, be perfectly level and have a smooth finish. If constructed incorrectly, the additional cost for remedial action will be charged to the buyer.

4. Transport.

Our goods must be transported by paved roads ONLY. The goods are always transported at the client's expense and risk, even if the consignment is carriage paid. The vendor is not liable for waiting- and/or unloading times, of any kind, that are considered to be longer than normal and occur after the goods have left the plant. As a consequence, unnecessary journeys and/or avoidable delays will be charged to the buyer's account. The vendor is prepared, on the buyer's written request and at the latter's expense and risk, to arrange insurance, on the buyer's behalf, to cover the transport risks (to be specified by the buyer).

5. Warranty after delivery.

After the delivery has been made, our warranty, as vendor, only covers hidden defects which could not be detected in the factory or which the buyer, normally, should not have expected to find, under articles 1641 to 1649 of the Civil Code. It is incumbent upon the buyer to perform the requisite inspections and tests himself (or get a professional to do them) and pronounce the goods 'fit for use'. Any complaint in respect of hidden defects must be transmitted in writing (and stating the grounds for the claim), to arrive at the registered office of SGC nv within three months of the delivery date; no recourse for claims will be entertained after that deadline. Claims for compensation for consequential or indirect loss (of any kind) cannot be brought. The vendor's liability is totally at an end the moment the buyer, himself, carries out repair or replacement work (or gets a professional to do it). The vendor's liability is also totally at an end whenever evidence emerges of rough or injudicious use of the machines (or equipment) by the buyer.

6. Return shipments.

The goods that are sold are, in principle, never taken back or exchanged for something else. This rule may be deviated from but subject to written agreement, beforehand, between the parties. In that event, a discount is applied in respect of administrative costs, fixed at 15 % of the amount to be credited. The goods are returned carriage paid. In no event shall return shipments be accepted of units, systems or installations that were made to order (i.e. to a customer's particular and personal requirements).

7. Price, billing and settlement of the invoices.

The invoices are payable in Nevele, at the registered office of SGC nv. Unless otherwise agreed in writing, the billing conditions and the price are fixed as follows: 50 % to be paid at the time of the order and 50% upon delivery. The figure shown on the invoice is always the net amount. Under no circumstances may a discount or security deposit be deducted from that amount, unless expressly stipulated to the contrary in the contract. We reserve the right to charge for all goods that are actually delivered, even if some of these were only partial deliveries. If payment is not made by the stipulated dates, interest at 8% per annum will become payable, ipso jure, on the unpaid amounts and with no prior notice of default being required nor demand for payment. On top of that, in case of non-payment by the due date, the principal sum will be increased by a fixed amount (10% of the principal sum) with a minimum amount of EUR 50, by way of indemnification for the extrajudicial collection charges of the claim for compensation. This indemnity is owed over and above the interest on overdue payments and the cost of litigation (if any) and this without prior notice of default. In case of default of payment of an invoice by the due date, all other outstanding invoices will become forthwith due and payable. In case of any disputes about invoices, they should be sent back to the registered office, within 8 days of receipt, stating one's grounds for doing so; otherwise they will be declared inadmissible. The vendor reserves the right, at any time, to demand security for making payment, thereby guaranteeing proper fulfilment of the buyer's obligations. If the client fails to pay, we reserve the right to cease all future deliveries, to suspend them by law or to end them completely with no notice of default being required.

8. Compensation.

The setting-off of debts and settlement of claims which arise from reciprocal sales, are effected legally, ipso jure, even if this is unknown to the debtors (C.C. 1290).

9. Ownership rights.

The goods supplied by us (whether they be investment goods or otherwise and whether they be destined for resale or an outsourced order) will remain our exclusive property until all the corresponding invoices have been settled in full.

10. Execution works.

All works, deliveries and man-hours which are not explicitly mentioned in our tender specifications will be billed separately. Our quotations are always exclusive of certain works (earthworks and other building operations, as well as deep grounding, costs of inspection & testing...) unless expressly stipulated to the contrary. Every client is obliged to provide us, free of charge, with a power source which we can run our light-duty tools off. The man-hours are based, as ever, on the normal working hours of our personnel. For work done outside these hours, the surcharges under current law shall apply. For work on a cost-plus basis (viz. day work) the travel time and travel expenses shall be billed to the buyer, as will the transport of the materials, tools & equipment. The rates per worker and per day will be calculated based on the applicable salary scale prescribed by the joint industrial committee for that particular sector.

11. Jurisdiction and applicable law.

The courts of the judicial district in which SGC NV is domiciled shall have sole jurisdiction relating to any disputes or cancellation of a contract. Only Belgian law shall apply to this contract.

12. Language.

The general conditions of sale in a language other than Dutch are provided for your information only; only the Dutch text stands good in law.



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General conditions: unless otherwise agreed in writing, the terms and conditions of SGC nv, listed on the backside, are applicable. The customer declares to be aware of them and accept them.