

STANDARD TERMS AND CONDITIONS OF PURCHASE

1 - General terms

These Standard Terms and Conditions of Purchase ("STCP") are applicable to all purchases of products, raw materials, goods, equipment, machinery and services, regardless of the nature, importance and characterization of the order (order, purchase, contract) and may not be amended unless by a written, express consent signed by both the Buyer and the Seller. Absent such a writing, these STCP may not be disregarded in any manner whatsoever and shall form part of the sale agreement as a matter of right.

Any provision set forth on a separate document, not expressly agreed to in writing by Seller and contrary to, or incompatible with, these STCP shall be disregarded and given no force or effect.

"Buyer" means the specific entity belonging to the BEL Group indicated on the order, it being understood that nothing herein shall obligate Buyer's parent company or affiliates.

"Seller", "Supplier" or "Service Provider" means any person or legal entity, (including their heirs, successors, contractors and agents) selected by the Buyer to perform the order.

"Products" means any products, goods, equipment, facilities, mock-ups or prototypes.

"Services" means any supply of services of any nature whatsoever, including any associated documents.

2 - Orders

The orders issued by the Buyer, whether on a special form or on any other written medium, shall give rise to the preparation of an acknowledgment of receipt signed by the seller, within the maximum period indicated in the order. Absent any reservation stated in acknowledging receipt, the sale shall be deemed made in accordance with the terms stated in the order. If no response is given by the Seller within the indicated time period, the order shall be deemed accepted and the sale made subject to the stipulated terms.

3 - General Obligations incumbent on the Seller

The Seller agrees to deliver products or perform services in accordance with (i) the specific features and/or quantitative or qualitative performance indicated in the order or the specifications, (ii) professional standards, (iii) generally accepted standards of good workmanship, and (iv) any applicable statutory or regulatory rules.

The Seller is, in its capacity as a professional trader, subject to an advisory obligation vis-à-vis the Buyer and agrees to use its professional know-how and deploy any necessary resources, to reach the results indicated in the contract. The seller shall deliver the products and services corresponding to the requirements, needs and specific features expressed by the Buyer, without any flaws or defects.

The Seller shall supply the Buyer with the detailed blueprints, diagrams, instructions, descriptions and calculations, controls, conformance and quality certificates and any other required documents necessary for the products or services.

4 - Sustainable Development - Obligations of both Parties

The Buyer is committed to sustainable development and has assumed a number of commitments in this respect.

The Buyer is in particular a signatory to the United Nations' Global Compact aimed at ensuring compliance with the fundamental principles related to human rights, working conditions and the environment.

The Buyer intends (i) to act responsibly in its commercial practices and relationships with its suppliers, (ii) intends to develop responsible procurement practices to support compliance with fundamental rights and the protection of the environment and (iii) to enforce responsible procurement criteria on all of its markets.

The Buyer agrees to enforce the above principles in its contractual relationship with the Seller, relying in particular on integrity and mutual respect, and agrees to support the Seller to the greatest extent possible in this approach.

The Seller agrees to comply with the above principles and agrees to deploy the resources necessary to ensure, whether by itself or by its subcontractors, compliance with the applicable laws, the protection of the health and safety of employees, compliance with ethical conduct rules with customers and suppliers and the protection of the environment.

The Seller agrees to receive on an ad hoc basis auditors appointed by the Buyer and responsible for ascertaining the proper compliance with the commitments forming the subject matter of this Article.

5 - Assignment and Subcontracting

The Seller may not assign the contract in whole or in part or subcontract all or part of its performance, unless with the Buyer's prior written consent.

The Seller shall remain fully liable vis-à-vis the Buyer as regards the performance of its contractual obligations.

6 - Confidentiality - Intellectual and Industrial Property

6.1 - Confidentiality

The Seller agrees to treat in confidence and not to disclose or let disclose to any natural or legal person any such document or information as may be communicated to the Seller by the Buyer, whether in writing or orally, in connection with the performance of the order or contract.

After the performance of the contract, at the request of the Buyer, the Seller shall return any and all documents transmitted to it in connection with this contract.

The Seller shall not use the name of the Buyer or the Buyer's trademarks as credentials for advertising or promotion purposes in connection with the Seller's operations, unless with the Buyer's prior written consent.

6.2 - Intellectual and Industrial Property

Each party shall retain title to all of its rights (in respect of any and all patents, trademarks, models, blueprints and documentation) used by the other party or necessary for the other party in connection with the performance of the contract.

All creations, data, results, know-how, methods, processes, products, blueprints and documentation, whether patentable or not, obtained in connection with the performance of any order, shall be owned exclusively by the Buyer. Accordingly, any industrial and intellectual property rights likely to accrue in connection with the performance of any order shall be held by the Buyer.

The Seller agrees to hold the Buyer free and harmless against any and all claims and legal proceedings asserted or instituted on grounds of unfair competition or infringement in relation to any industrial or intellectual property rights related to the delivered goods or products or the services supplied in accordance with the order or in relation to the goods, products or services used for the purposes of the performance of the order.

The Seller agrees to hold the Buyer free and harmless against any and all direct or indirect losses, whether tangible or intangible, and shall bear all expenses, including legal costs arising out of any related claim or legal action.

7 - Delivery / Acceptance

7.1 - Delivery

"Delivery" means the execution by the Buyer or by the designated recipient of the delivery note evidencing the availability of the acquired Products in accordance with the order, on the premises designated in the order, and within the lead time indicated in the purchase order or the contract implementation schedule.

For each delivery, the Seller shall send forthwith to the Buyer or to the designated recipient indicated in the order, the original of the shipment statement.

If the Seller is responsible for transporting the supplies and/or Products covered by the order, the Seller shall ensure the relevant transportation at its sole risk and expense, to the delivery point indicated in the order. In such event, the Seller shall, unless otherwise set forth, be responsible, at its own risk and expense, for transporting the purchased Products to the premises indicated in the order. The Buyer shall bear only the expenses and risks associated with the unloading operations and the performance of the customs formalities upon import and the payment of the import duties and taxes where applicable.

The Seller agrees to be responsible, at its sole risk and expense, for all such complaints or actions to be filed or asserted with the carrier as the Seller itself or the Buyer shall deem necessary.

Notwithstanding the above paragraph, in the event of spoilage or total or partial loss during loading or transportation, the Seller shall be required, at the option of the Buyer and during the time period determined by the Buyer, either to wholly indemnify the loss or identically replace any Products that have been damaged or that have been partly or totally lost.

7.2 - Acceptance

"Acceptance" means the acceptance, with or without reservation, of supplies and/or services covered by the order on the sites indicated in the purchase order or in the contract.

The lack of any reservations stated to the carrier shall be deemed acceptance of the quantity of delivered parcels and pallets but shall not be deemed acceptance of the quantity and quality of the delivered Products.

In any event, failing any indication contained in the order, the Buyer or the designated recipient may, within three (3) days from the date of signing of the delivery note, issue to the Seller's authorized units any and all reservations and protests on grounds of any partial average and/or loss.

The conformance of the Services and Products with the specifications indicated in the order shall be checked in accordance with the procedure agreed by the Buyer and the Seller. Following the verification, a report stating any reservation, where applicable, shall be prepared. In the event of any reservations made by the Buyer, the report shall determine a reasonable time period during which the Seller must remedy any observed defects.

Absent any reservation, or after the lifting of the reservations within the applicable time periods, the Buyer shall announce the acceptance in coordination with the Seller.

In case of nonconformance, or in the event of nonlifting, within the applicable time period, of the reservation issued on grounds of nonconformance, or if any defects observed have not been corrected, the Buyer may decide to reject the Services, or Products. In such event, the Services or Products shall be recovered by the Seller at its own risk and expense, without prejudice to any application of any penalties for late payment and/or any termination of the contract.

8 - Timetable - Penalty for late performance

The delivery deadlines indicated in the order are imperative and are of the essence of this contract. Absent such deadlines, the Buyer would not have entered into this contract.

Unless otherwise stated in the order, any late delivery shall give rise to the application of penalties for late payment in accordance with the terms of the purchase order or specifications. Failing any indication in the order, the penalties shall be equal to 1% of the order net including VAT or any other type of tax (herein referred to as "Taxes") per week of delay, capped at 10% of the total amount of the order, such penalties shall be without prejudice to the Buyer's right to claim damages if the Seller fails in whole or in part to perform the order within the contractual lead times and/or the Buyer's right to terminate the contract in accordance with its terms.

9 - Price

The agreed prices stated on the order are firm, final, not subject to review and may be amended only by way of an amendment signed by both parties. The said prices include all costs incurred in connection with the manufacture, packaging, wrapping, loading, transportation and unloading of the Products. The said prices are not inclusive of Taxes unless otherwise specified. The Seller shall bear all payments of any such duties, taxes, withholdings and royalties as may be due where applicable.

10 - Invoicing / Payment Terms

Any payment shall be made by the Buyer upon submission of an invoice issued by the Seller and stating any indications mandated by statute as well as the references of the order.

The payment terms of the invoices are stated on the purchase order. By default, the payment date shall be sixty days from the date of issuance of the invoice, unless otherwise mandated by applicable regulations.

In no event shall any amount be due absent any delivery of the order.

In the event of any warranty withholding provided for in the order or specifications, the said withholding shall not be less than 5% of the total amount of the order. The withholding shall be released by the Buyer after the lifting of the conditions precedent provided to that end in the contract.

Any late payment shall entitle Seller to the payment of interest for late payment calculated on the basis of the applicable statutory rate, from the issuance of an undisputed invoice and starting from the day following the stipulated due date until actual and full payment to the Seller's account.

11 - Conformance / Warranty

In no event shall the signing of any delivery acknowledgment or the payment of all or part of the invoice signify acceptance of the delivered Products or supplied Services or the Buyer's waiver of its right to exercise any legal or equitable remedies to seek specific performance by or damages from Buyer. In addition to any other warranty provided for by law, the Seller represents that the Products shall be of merchantable and fit for its purpose. The Seller indemnifies the Buyer against any defect or nonconformance likely to affect all or part of the products or services. During the warranty period, the Seller shall, immediately upon request from the Buyer, replace any defective products or make any modifications or adjustments or supply any additional services required in order to bring the Products or services into conformance with the contract or order. The Seller shall bear the cost of any repairs, disassembly and reassembly, replacement, packaging or services, as well as any related moving and transportation expenses. Any product or item repaired or replaced shall be covered by a warranty during the same period and in accordance with the initial contractual terms.

12 - Transfer of risks and title

Unless otherwise stated in the order or contract:

- as regards domestic contracts, the Seller shall bear the risks related to the products / services until their delivery at the place indicated in the order

- as regards international contracts, risks shall be transferred on the basis of the ICC Incoterms agreed between the parties, at the delivery place indicated in the purchase order or contract.

Title to the Products / Services shall be transferred upon delivery, at the place indicated in the order or contract. The Seller waives any right to rely on any title retention clause and warrants that all suppliers and subcontractors included in its supply chain waive the same right accordingly.

13 - Insurance - Liability - Indemnification

13.1 - Insurance

The Seller, acting in its own name and in the name of any subcontractor or other person for whom the Seller might be liable, agrees to bear and assume any and all financial consequences of the liability assumed by it in connection with or in relation to the performance of the Services, or delivery of the Products or supplies, or manufacture and delivery of the Products, and in relation to any damage or loss of any nature whatsoever, including any tangible, physical and intangible loss, whether vis-à-vis the Buyer or any third party, including during any assembly or commissioning period.

To that end, the Seller agrees to take out with a leading insurance company, generally known as solvent, an insurance policy that shall be in force during the term of the contract and the warranty period and that shall cover the Seller's professional and general liability towards the Buyer and third parties for any damages to individuals and to tangible and intangible assets. The Seller must be able to supply the Buyer immediately upon request with an insurance certificate.

13.2 - Liability and Indemnification

The Seller shall indemnify the Buyer and hold the Buyer harmless against and from any and all damage, claim and losses (including costs and expenses for property loss or damage or bodily injury or death) as the Buyer or any third party may suffer following, directly or indirectly, the performance or non performance by the Seller of its obligations and for any and all damage, losses, demands of every nature and kind or liabilities (including without limitation attorneys' fees, expertise costs or any disbursement incurred), resulting from the use of the products after delivery, or from Products which become a part of any goods or equipment, insofar as such damage arises out of the actions or inactions of Seller.

The Seller shall also indemnify the Buyer and hold the Buyer harmless against and from any defective packaging and for any and all damage or losses occurred during transport, and shall replace or repair the products at its own expense.

During the performance of services on the Buyer's premises, the Seller shall be responsible for any damage caused by its employees or the employees of its subcontractors or by its equipment to the employees of the Buyer or any third party present on the site. During the performance of services on the Buyer's site or the delivery of the products, the Seller shall comply with the rules and standards applicable on the Buyer's premises, in particular as regards safety, health, working conditions and the environment.

At the Buyer's request, the Seller agrees to communicate to the Buyer the information enabling the Buyer to identify the origin, place and date of manufacture of any products, ingredients, and merchandise, in addition to the relevant batch numbers and any available traceability data.

The Seller shall be responsible vis-à-vis the Buyer for any contractual nonconformance attributable to its subcontractors and/or associates involved in the performance of the contract and for any damage resulting from such nonperformance.

The Buyer or its authorized representatives may upon request inspect the Seller's manufacturing or warehousing premises, provided that such inspections shall not hinder the Seller's operations or imply any acceptance of the products or merchandise by the Buyer.

14 - Force Majeure

In case of occurrence of any event that is unforeseeable, irresistible and external, and that prevents either party from performing its contractual obligations, the order or the performance of the contract shall be suspended for a maximum period of thirty (30) days, and its expiration date shall be delayed by a period equal to the suspension period. The obligations related to these standard terms and conditions of purchase and to the order shall be suspended during the said period, except for any obligations related to confidentiality and intellectual property. The effects of the order shall resume immediately upon disappearance of the cause of the suspension.

After the said period of thirty (30) days, the order or contract may be deemed finally terminated at the request of either party, without any indemnity or compensation whatsoever to be paid by either party, the Seller being solely obligated to return to the Buyer any amount advanced by the Buyer including any down payment.

15 - Governing Law - Jurisdiction

The order shall be governed by the laws of the jurisdiction where the Buyer's main place of business is located, excluding its choice of laws provisions. Failing an amicable settlement, any dispute concerning the interpretation, execution or performance of the contract shall be referred exclusively to the courts having territorial jurisdiction over the place where the Buyer's main place of business is located, excluding any other court. The Vienna Convention on the international sale of goods shall not apply to this contract.

16 - Termination

If either party breaches its obligations, including during the contractual warranty period, the other party shall give the breaching party notice by registered mail or by any other written means (fax, e-mail). Failing an agreement between the parties concerning an action plan to be implemented, or if the defaulting party does not react within fifteen (15) business days from the date of the notice, or if the other party fails to comply with the action plan aimed at remedying the breach, the other party may terminate the order or the contract, without prejudice to its right to receive the payment of penalties or damages that it might claim following such termination.

Either party may also terminate the contract in the event of insolvency, receivership or liquidation of the other party, pursuant to applicable regulations or, in the case of the Buyer, in the event of any such change affecting the structure of the Seller's share capital and/or voting rights as may trigger a change of control of the Seller's company or affect the Buyer's legal, commercial or financial interests or have an impact on the completion of the order or contract.

17 - Variation or Modification

No variations or modifications in the provisions of the order, including without limitation the delivery schedule, price, quantity and specifications, will be effective unless agreed to in writing beforehand by the Buyer.

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