

GENERAL TERMS AND CONDITIONS OF SALE

1. APPLICATION AND INTERPRETATION

These terms and conditions exclusively cover all contractual relations between NEW MICROFIL SA, with its registered office at Chemin Al Goffe, 15 B-4910 Theux in Belgium, hereinafter referred to as "NEW MICROFIL", and the client. The client's general or special terms and conditions are not enforceable against New Microfil. Any contract signed by the parties automatically implies the acceptance of these terms and conditions by the client. Only any special conditions indicated in the contract or purchase order, or agreed in writing by the parties, can override them.

Depending on the context, and unless otherwise stipulated, (i) the word "*Client*" in these terms and conditions must be understood to refer to any customer, buyer, prospect, distributor, partner or any other party; (ii) the word "*Contract*" to any proposal, quote, purchase order, sales contract, sub-contract or any other contract between the parties; (iii) the word "*Product*" to any small precision metal part, piece, equipment, item or accessory designed, manufactured and/or marketed by New Microfil or any service provided by the latter.

2. PROPOSAL, ORDER AND CONFIRMATION

Any quotes or proposals produced by New Microfil are without obligation and valid for a maximum of 30 days following the document date.

Any order or request made by the Client, in writing or orally, makes it immediately and irrevocably binding. It must then be confirmed by New Microfil and will only be deemed effective on the date given with this confirmation.

3. PRICES, PAYMENT AND TERMS OF DELIVERY

Unless otherwise agreed by the parties, prices are EXW (Ex Works – from the factory, New Microfil's commercial address), subject to VAT and any other taxes, duties, fees, transport and costs in general which are not specifically detailed in the Contract.

Unless otherwise agreed by the parties, all payments must be made into New Microfil's account within 30 days from the end of the month when the invoice has been sent to the Client. They must be made in Euros by bank transfer into the account number indicated on the invoice.

Any queries relating to invoices must be sent, with justification, within fifteen (15) calendar days of the relevant invoice date. After this time, queries will not be accepted and the invoice will be deemed to have been accepted.

If the Client does not settle received invoices within the given deadline, a standard late payment interest will be applied as of right and without formal notice at a rate of 1% per month, with a supplement of €200 to cover management costs. For the purposes of interest, any month begun will be considered a full month. Administrative and legal charges incurred for collection will be borne in full by the Client.

If a single payment is not made by its due date, New Microfil reserves the right to suspend its own obligations and even to terminate the Contract, keeping any part-payments already made by the Client to New Microfil.

4. RETENTION OF TITLE

Ownership of Products ordered by the Client will only be transferred to the Client when the total price has been paid in full by the latter to New Microfil, even if the Products have already been delivered to the Client. In no circumstances can the Client make use of them, alter, sell, use or pass them on to a third party until payment for all amounts due has been made in full.

If amounts due are not paid in full, New Microfil can exercise its right to ownership and the Client must allow New Microfil to recover the Products without any difficulty.

5. DEADLINES AND EXTENSIONS

The deadlines for the fulfilment of New Microfil's obligations are those agreed by the parties but are not compulsory. New Microfil can only be held liable if the delay is considerable and exclusively due to its intentional gross negligence. The Client does not have the right to refuse Products, demand compensation or termination of the Contract if the Products are delivered late unless this is due to New Microfil's intentional gross negligence.

Any later modification demanded by the Client which digresses from the initial agreement may result in an increase in price and extend the completion deadline.

6. COMPLIANCE AND GUARANTEE

The Products are manufactured in accordance with the norms and standards in force in Belgium and in the European Union, and according to the specifications detailed in the order.

As soon as the Products are available to the Client, the latter must examine them carefully within fifteen (15) calendar days, and give specific details of any apparent examples of non-compliance for which New Microfil is responsible.

New Microfil guarantees that the Products are free from have any invisible material faults and against any invisible manufacturing faults for which it is

exclusively responsible, for a period of twelve (12) months of the date on which the Products are delivered to the Client, provided however that such defects are not due to external cause, wear and tear, alteration, abuse, negligence, misuse, non-reasonable use, transport, loading/downloading, abnormal conditions of temperature or humidity, dirt, or in an otherwise improper manner, either intentional or otherwise, caused by the Buyer or by a third party.

If there are faults which are reported according to the terms of the last two paragraphs, New Microfil must exchange (in part or in full) the faulty Products. The replaced products will be sent to the Client with the next order made by the latter, unless otherwise agreed by the Parties. They will continue to be covered by the guarantee for the remaining period of the original guarantee but no longer than this.

7. CLIENT REFERENCES

Unless otherwise agreed in writing, New Microfil can quote the Client's name as a reference in any format (brochures, websites, displays, posters etc.), as well as general information in the public domain about the Products sold by New Microfil to the Client.

8. LIMITATION OF LIABILITY

If New Microfil is found to be liable, it will only be liable for direct damage caused exclusively by its intentional gross negligence, to the exclusion of any other damage including, but not limited to, loss of earnings, a rise in general costs, a loss of profit, customers or monetary discounts or any other indirect damage or loss. The total amount of damages for which New Microfil is liable cannot exceed 10% of the value of the Contract.

9. FORCE MAJEURE

The Parties are not liable for failure to fulfil any contractual obligation which is due to events of *force majeure* which are out of their control, and which they could not have been expected to foresee when the Contract was signed or prevent or overcome, even if the event does not make execution of the Contract impossible but merely substantially more difficult or more expensive. *Force majeure* includes fire, strike, accident, sickness, natural disaster, destruction of plants or equipment, computer bugs, changes in IT environments, general lack of supplies or means of transport, delay or failure to fulfil obligations on the part of New Microfil's suppliers or subcontractors.

In such circumstances, the defaulting party must inform the other party of the situation in writing as soon as possible. The parties' obligations which are impossible to fulfil because of *force majeure* can be temporarily suspended or renegotiated. Should the case of *force majeure* lasts more than 6 months, the Contract will automatically be terminated or rescinded, without any compensation, unless otherwise agreed by the parties.

10. TERMINATION OF THE CONTRACT

New Microfil can terminate the Contract or suspend its own obligations at any time and without notice or any compensation for the Client, as of right and without prior notice:

- if the Client fails to fulfil one of its contractual obligations or if it turns out that he will fail or there is a risk that he will fail to fulfil one of his obligations, even if this happens before this obligation is due to be fulfilled. In this case, any payment(s) made or due from the Client is/are definitively acquired by New Microfil, without prejudice to any damage or interest if the total amount of the damage actually suffered by New Microfil turns out to be higher.
- in the event of incapacity, bankruptcy, insolvency, inability to make payments, a request to defer payment, voluntary or compulsory bankruptcy or any other event demonstrating the Client's financial difficulties.
- if New Microfil ceases trading or makes substantial changes to its activities.
- in the event of an instance of force majeure which lasts for more than 6 months.

If the Client terminates the Contract without intentional gross negligence on the part of New Microfil, the latter will automatically be entitled to lump-sum compensation worth 50% of the cost of the work still to be done by New Microfil, without prejudice to any damages and interest if the total value of the damage actually suffered by New Microfil turns out to be higher.

11. APPLICABLE LAW AND JURISDICTION

The Contract and these terms and conditions are exclusively governed by Belgian law.

The parties agree to resolve any dispute arising from the Contract, or any later modifications thereto, in an amicable fashion.

If this is not possible within the month following the beginning of the dispute, the parties will refer to the regulations of the CEPANI (Centre Belge de l'Arbitrage et de la Médiation – Belgian Arbitration and Mediation Centre, www.cepani.be) which relate to Mediation for any dispute arising from the Contract or relating to it either directly or indirectly. This Mediation must take place in Brussels and the process will take place in English.

If no settlement can be arrived at during the mediation process, or if the parties agree to abandon the mediation process, any dispute, disagreement or claim which arises from or relates to the Contract will be ruled on by the courts of Liège.