

GENERAL TERMS AND CONDITIONS

General terms and conditions governing sales, delivery and payment of Wouter Witzel EuroValve BV, hereinafter referred to as Wouter Witzel EuroValve, which has its registered office in Losser, the Netherlands.

Lodged with the Chamber of Commerce in Enschede, The Netherlands under Number 08137831 on 15 februar 2007

Article 1 General

1.1 Unless explicitly agreed to otherwise, these general terms and conditions shall apply to all offers, deliveries and agreements made, effected or entered into by or with Wouter Witzel EuroValve, irrespective of the origin of the goods or materials supplied.

1.2 In so far as these general terms and conditions are also drawn up in a language other than Dutch, in the event of any dispute the Dutch text shall be decisive.

Article 2 Buyer's terms and conditions (governing procurement or otherwise)

2.1 Wouter Witzel EuroValve explicitly precludes the application of the buyer's general terms and conditions of procurement or otherwise.

2.2 Reliance on a departure from these terms and conditions shall only be permitted in the event that Wouter Witzel EuroValve has explicitly agreed to same in writing.

Article 3 Offers and confirmation

3.1 Any offer made or selling price quoted by Wouter Witzel EuroValve or its representatives shall be free of obligation and shall not be binding. If an order is accepted by the buyer, Wouter Witzel EuroValve shall be entitled to revoke the offer within two working days after having received its acceptance.

3.2 Any order shall only be binding on Wouter Witzel EuroValve in so far as the latter confirms it in writing. Without prejudice to the provisions of Clause 3.7, an agreement shall only be concluded once Wouter Witzel EuroValve has confirmed the relevant order in writing.

3.3 Any samples, illustrations, catalogues and the like which are supplied to the buyer, shall be valid subject to any product changes and shall therefore not be binding.

3.4 Any quotation provided by Wouter Witzel EuroValve shall only be valid for a period of no more than 30 days, unless otherwise agreed in writing.

3.5 In the event that the buyer requires information and/or advice other than a standard offer, or any other specifications, Wouter Witzel EuroValve shall be entitled to charge the buyer a fee for this additional work, if the offer does not lead to an order.

3.6 In the event that the buyer wishes to cancel or amend an agreement after it has been concluded, for any reason whatsoever, Wouter Witzel EuroValve shall only be bound by such cancellation or amendment, after it has explicitly agreed to same in writing. In the event of such cancellation or amendment Wouter Witzel EuroValve shall at all times be entitled to charge the buyer for any costs it incurs pursuant to same, which shall be deemed to include any harm suffered, including loss of earnings, all in the broadest sense of the term and calculated in accordance with principles of equity and fairness.

3.7 In the event that Wouter Witzel EuroValve offers terms of payment based on an outstanding invoice, the relevant agreement shall only come into effect, provided that Wouter Witzel EuroValve is able to obtain credit insurance covering the buyer. Where payment by means of a letter of credit is agreed, the relevant agreement shall only be concluded after Wouter Witzel EuroValve has accepted the relevant irrevocable (confirmed) letter of credit in writing.

Article 4
Prices

4.1 Unless otherwise stated, all prices quoted by Wouter Witzel EuroValve shall be exclusive of packaging and shall be based on ex works in Losser, the Netherlands (EXW, Incoterms 2000). These prices shall not include value added tax and shall be stated in euros.

4.2 In the event that one or more of the factors determining cost is affected by an increase after the date on which an offer is made, even if this occurs as a result of foreseeable circumstances, Wouter Witzel EuroValve shall be entitled to amend the agreed price accordingly. The aforementioned factors determining cost shall be deemed to include, amongst other things, tax, excise and import duties, freight costs, the purchase price for raw materials, devaluation, revaluation, an export prohibition, strike or danger of war.

4.3 Packaging shall not be included in the price, unless Wouter Witzel EuroValve explicitly stipulates otherwise in writing.

Article 5
Force majeure

5.1 In the event that compliance (timely or otherwise) cannot be expected on the part of Wouter Witzel EuroValve as a result of *force majeure* of either a permanent or temporary nature, Wouter Witzel EuroValve shall be entitled to cancel all or part of the relevant agreement or – at its own discretion – to suspend its further execution without any judicial intervention merely by means of a written notice to this effect and without any duty to effect compensation. *Force majeure* shall be deemed to have occurred in the event that Wouter Witzel EuroValve can no longer be reasonably expected to comply with its obligations (any further) due to any circumstances, even if these circumstances were foreseeable at the time when the relevant agreement was concluded. Amongst other things, *force majeure* shall be deemed to include fire, rioting, war or the danger of war, natural disasters, transport difficulties, the prohibition of imports, exports or transit, strikes, above average sick leave of personnel or a boycott of Wouter Witzel EuroValve or its suppliers, as well as in the event of non-compliance (or a failure to comply on time) on the part of a supplier or any other disruption of the business of Wouter Witzel EuroValve or its suppliers.

5.2 In the event that Wouter Witzel EuroValve has already executed part of an agreement, the buyer shall be required to pay the selling price of the goods that have been supplied.

Article 6
Suspension and cancellation

6.1 In the event that the buyer fails to fulfil any duty he may have pursuant to an agreement which he has entered into with Wouter Witzel EuroValve, or fails to do so properly or on time, or where there is serious doubt that the buyer is capable of complying with his contractual obligations, as well as in the event that he is granted a suspension of payments, goes bankrupt or is in liquidation, Wouter Witzel EuroValve shall be entitled either to suspend execution of the relevant agreement(s) or to cancel all or part thereof without the need for any notice of default or judicial intervention, or any obligation on its part to effect compensation, and without prejudice to any other rights it may have.

6.2 While such suspension occurs, Wouter Witzel EuroValve shall be entitled to choose whether to execute or to cancel all or part of the suspended agreement(s), but shall be required to do so upon termination of the suspension.

6.3 Any claim made by Wouter Witzel EuroValve in respect of the execution of part of an agreement and/or any harm suffered pursuant to its suspension or cancellation, which shall be deemed to include loss of earnings, shall fall due with immediate effect.

Article 7 Deliveries

7.1 Under no circumstances shall any specified delivery times be deemed to be material deadlines. In the event of any failure to effect delivery on time, Wouter Witzel EuroValve shall not be in default in respect of the relevant delivery time, until it has been notified to this effect in writing by the buyer, the latter has afforded it the opportunity to effect delivery within a reasonable period of time, and Wouter Witzel EuroValve fails to do so.

7.2 Any failure on the part of the buyer to fulfil his duty to effect payment (or to do so on time) shall have the effect of suspending the relevant obligation of Wouter Witzel EuroValve to effect delivery by the same number of days as the buyer exceeds the deadline for payment.

7.3 Wouter Witzel EuroValve shall not be liable for any harm suffered due to late delivery, if and in so far as such late delivery may be attributed to circumstances which are beyond the risk and expense of Wouter Witzel EuroValve, and which shall be deemed to include non-compliance (or late compliance) on the part of its suppliers.

7.4 Unless otherwise agreed in writing, the relevant term of delivery shall commence at such time as the agreement concerned is concluded in accordance with the provisions of Article 3, all of the documents which are relevant for the purposes of executing that agreement, are in the possession of Wouter Witzel EuroValve, and the buyer has complied with all of his obligations pursuant to any agreed security for payment, such as the receipt by Wouter Witzel EuroValve of advance instalments or the opening of an irrevocable letter of credit which then needs to be accepted by Wouter Witzel EuroValve in writing, following which the relevant term of delivery shall commence.

7.5 Unless otherwise agreed in writing, all deliveries shall be effected ex works in Losser, the Netherlands (EXW, Incoterms 2000).

Article 8 Call-off and receipt

8.1 A call-off order is deemed to refer to an order where the delivery time is made dependent on a call from the buyer. In the event of a call-off order Wouter Witzel EuroValve shall have a duty to effect delivery, if the buyer's call is so timely, that it is possible to observe the contractually agreed delivery time. In the event that the buyer fails to call in time, he shall be entitled to an additional call-off term of eight working days commencing on the first working day on which he receives a written demand for him to call from Wouter Witzel EuroValve. He shall not be entitled to be granted a call-off term, if a fixed time has been agreed for him to call.

8.2 In the event that the buyer fails to take receipt in time, he shall be entitled to an additional term of eight working days in which to do so, commencing on the first working day on which he receives a written demand for him to take receipt from Wouter Witzel EuroValve. Should the buyer also fail to take receipt within this additional term, Wouter Witzel EuroValve shall be entitled to cancel the relevant agreement that has been concluded, by merely giving notice of this to the buyer and without any judicial intervention. In this case Wouter Witzel EuroValve shall be entitled to seek compensation for any harm which it suffers due to such failure to take receipt (or to do so and time).

Article 9

Retention of title

9.1 In the event that delivery occurs before payment of the entire sum due pursuant to the agreement concerned, Wouter Witzel EuroValve shall retain title to the goods that have been delivered, until such time as all of the amounts for which Wouter Witzel EuroValve has issued an invoice, along with any interest, penalty and costs, as well as any claim it has against the buyer on the grounds of the latter's failure to comply with the obligations arising pursuant to the agreement entered into by the parties or any other contract, are paid in full.

9.2 Payment by the buyer of an amount payable by means of a bill of exchange or cheque shall only be valid after it has been cashed by or paid out to Wouter Witzel EuroValve unconditionally.

9.3 Should the buyer fail to effect payment, Wouter Witzel EuroValve shall be entitled to recover the products that have been delivered, from the buyer. The latter shall at all times afford Wouter Witzel EuroValve every opportunity to do so.

9.4 The buyer shall be required to store any goods which are subject to retention of title, separately from any other goods, so as to be able to distinguish the goods belonging to Wouter Witzel EuroValve from the rest of the goods.

9.5 As long as any goods that have been delivered, are subject to retention of title, the buyer may not alienate, encumber, pledge or otherwise surrender control over them to any third party beyond the scope of his normal business operations. However, the buyer shall not be entitled to alienate such goods for the purposes of his normal business operations at such time as he applies for a suspension of payments or has been declared bankrupt.

Article 10

Payment

10.1 Unless explicitly agreed otherwise in writing, invoices shall be paid in euros or any other currency that is agreed on, within 30 days after the relevant invoice date. Where it is not explicitly agreed in writing or stipulated on the invoice concerned, no discount shall apply. All payments must be effected without any deduction or set-off by depositing the relevant amount in an account designated by Wouter Witzel EuroValve or by paying it at the latter's office.

10.2 The value date on which Wouter Witzel EuroValve receives payment, shall be deemed to be the date of such payment. Where payment is effected via giro or bank, the date of payment shall be deemed to be the date on which the giro or bank account of Wouter Witzel EuroValve is credited.

10.3 In the event that the buyer fails to effect payment within the agreed term, he shall be deemed to be in default by operation of the law and Wouter Witzel EuroValve shall be entitled to charge him the legally stipulated interest as of the date on which payment is due, without the need to give him notice of default. Furthermore, Wouter Witzel EuroValve shall be entitled to seek payment by the buyer of all judicial and extrajudicial collection costs which arise due to his failure to effect payment on time, in addition to the purchase price and interest. Any payment effected by the buyer shall first serve to reduce the relevant costs, followed by any entitlements that have matured, and only then the principal sum and current interest.

10.4 Where an order is executed in stages, Wouter Witzel EuroValve shall be entitled to demand payment for each part delivery before proceeding with the remaining part deliveries.

10.5 When or after entering into an agreement but before commencing or effecting further performance, Wouter Witzel EuroValve shall be entitled to demand security from the buyer to ensure compliance with the latter's duty to effect payment and any other obligations pursuant to the agreement concerned. Any refusal on the part of the buyer to tender security as requested shall entitle Wouter Witzel EuroValve to suspend its obligations and ultimately to cancel all or part of the relevant agreement without notice of default or judicial intervention and subject to its right to compensation for any harm that it has suffered.

Article 11

Warranty and complaints

11.1 Unless otherwise agreed in writing, all goods supplied by Wouter Witzel EuroValve shall be warranted against faulty manufacture for a period of 12 months after delivery, provided that they are treated appropriately. The relevant products are not designed to withstand the effects of traffic, wind, earthquakes, reactive forces and incidents caused by supports, accessories, conduits and so forth, corrosion, erosion and constant vibration, and also the breakdown of unstable liquids.

11.2 The buyer shall be required to submit any complaint in writing to Wouter Witzel EuroValve within eight days following receipt. Any defect which is discovered at a later stage (a hidden defect), must be disclosed to Wouter Witzel EuroValve immediately after it has been discovered. As soon as these periods have elapsed, the buyer shall be deemed to have approved the relevant consignment and no further complaint shall be considered.

11.3 The assessment of any complaint submitted by the buyer shall be the exclusive preserve of Wouter Witzel EuroValve. The return of any product shall be effected at the buyer's risk and expense and may only occur with the prior written consent of Wouter Witzel EuroValve.

11.4 In the event that the buyer submits a complaint to Wouter Witzel EuroValve in time and the latter is of the opinion that it is well-founded, Wouter Witzel EuroValve, acting at its own discretion, shall either refund a proportional part of the purchase price plus any transport costs incurred by the buyer or replace the goods supplied free of charge.

11.5 Any difference in quality, quantity, dimensions or finish and the like which is deemed to be tolerable in the trade or is unavoidable in technical terms, may not constitute grounds for any complaint. In the event that the buyer repairs or modifies what has been delivered, he shall forfeit any right of complaint against Wouter Witzel EuroValve.

11.6 Under no circumstances shall Wouter Witzel EuroValve be liable for any other direct, indirect or consequential harm.

Article 12

Liability

12.1 The liability of Wouter Witzel EuroValve shall be explicitly confined to compliance with the warranties set out in these terms and conditions.

12.2 Subject to the provisions of Clause 12.1 and legal liability pursuant to the provisions of mandatory law, and with the exception of a deliberate act or gross negligence, Wouter Witzel EuroValve shall not be liable for any other form of harm, which shall be deemed to include any direct, indirect or consequential harm, or harm due to loss of earnings.

12.3 Wouter Witzel EuroValve shall not be liable for any costs, harm or interest which may arise as a direct or indirect result of:

- the infringement of any patent, licences or other third-party rights pursuant to the use of information supplied by the buyer or on his behalf;
- any act of negligence on the part of the buyer, his subordinates or any other person who is put to work by the buyer or on his behalf;
- any failure to observe a term of delivery.

12.4 Under no circumstances shall the liability of Wouter Witzel EuroValve pursuant to the occurrence of harm amount to more than the invoice value of the product or products supplied, or that part of the net invoice value to which the relevant claim for compensation directly or indirectly relates.

12.5 The buyer shall indemnify Wouter Witzel EuroValve against any third-party claim for compensation for harm in respect of which Wouter Witzel EuroValve is not liable in accordance with these terms and conditions.

Article 13

Intellectual property rights

13.1 Wouter Witzel EuroValve reserves all of its intellectual property rights in respect of the products which it supplies.

13.2 The buyer shall not be permitted to modify all or part of any products that are supplied, to substitute their trademark or packaging, to use the relevant trademark in any other way or to register it in his own name.

Article 14

Competent court of law

Any dispute, which shall be deemed to include any which is considered to be such by one of the parties, which may arise between the parties pursuant to an agreement which is fully or partially governed by these terms and conditions or any other agreement, shall only be brought for adjudication before and by a competent court of law in the district in which Wouter Witzel EuroValve has its registered office, subject to the latter's right to bring such dispute before another court of law, if it so desires.

Article 15

Governing law

The legal relationship between the buyer and Wouter Witzel EuroValve shall be solely governed by and construed in accordance with the law of the Netherlands.