

GENERAL PURCHASING CONDITIONS OF
Quadrant EPP Europe NV
Located in B-8700 Tielt Belgium
Registered with the Commercial Court of Bruges

a) Introduction

The purchaser shall be committed to his orders only upon his confirmation of them in writing. By his acceptance of this order, the supplier agrees to these purchasing conditions and waives application of his own sales conditions. Any deviation from this provision shall be invalid unless explicitly accepted by us in writing.

b) Acceptance of the order

In case the vendor fails to react within 10 business days following the date of the order, the purchaser shall conclude that the order has been tacitly accepted at the stated conditions.

c) Delivery

1. The vendor shall guarantee that the deliveries will be in compliance with the currently valid government provisions and that he will not be in breach of the rights of third parties, such as copyright, patent rights, trademark rights, and trade name law. The vendor shall fully indemnify the purchaser for all eventual and possible costs, loss and damage inflicted upon the latter in consequence of any such infringements.
2. The goods or services that are delivered or rendered shall take place within the parameters of such environmental and safety prescriptions as are currently in effect and prescribed in Belgium and with Quadrant EPP Europe NV. Within this context, they shall comply with the current ISO norms if no other stipulations are indicated on the order or accompanying documents such as plans, drawings, models, and the like.
3. In the event of a non-conform delivery, the purchaser shall be entitled to nullify the purchase and return the goods to the vendor at the latter's own expense. All costs occasioned by this action shall be charged to the vendor's account. The vendor shall not be entitled to tacitly replace the rejected goods without the purchaser's written consent to that effect.
4. The delivery term as agreed upon must not be exceeded. In the event that this should happen nonetheless, the purchaser shall be entitled to refuse acceptance of the goods and to return them at the vendor's own expense. In such an instance, the purchaser shall be entitled to claim compensation of all costs, loss and damage he might or could incur as a result.
5. The delivered goods shall be accompanied by a delivery slip. The services rendered shall be accompanied by a work docket.

d) Force majeure

1. In the event that the vendor finds it impossible to deliver an order, or cannot deliver it in time, or can deliver it only partially, and this as a result of a force majeure situation, it shall be incumbent on him to inform the purchaser accordingly via fax within 24 hours following the start of the force majeure condition. In such an event, the purchaser shall be entitled to cancel the agreement without the need for a notice of default or recourse to a court procedure.
2. In the event that the vendor neglects to inform the purchaser in writing as indicated in the previous paragraph, he shall relinquish his right to invoke the force majeure situation and he shall consequently remain liable to deliver the goods within the term as agreed upon, in default of which the purchaser shall have right of recourse as stated in article c)3.

3. The vendor shall not be entitled to invoke force majeure on the ground that one or more of his own suppliers have remained in default of their obligations.

e) Transport

1. Until the moment that the goods have been unloaded at the delivery address as provided by the purchaser, or have been loaded by the purchaser at the pick-up and collection address as agreed upon, the goods shall be conveyed at the risk of the vendor, even in case of CARRIAGE FORWARD delivery. We reserve the right to deduct from our payments the costs resulting from any eventual and possible damage that was noted on or following receipt of the goods, such as, for instance, breakage caused by defective packaging.

2. Carriage paid delivery invariably means that the goods will be received at our warehouse free of carriage charges.

3. In the event of return shipments for reasons attributable to the vendor, the latter shall invariably assume the risk for the goods from the moment that they have been loaded at the delivery address, as well as the costs associated with their return shipment.

4. The delivery of goods on pallets needs to be done exclusively on solid 4-way pallets measuring 1 x 1.2 m or 1.2 x 0.80 m, unless otherwise agreed to.

5. In case of delivery on pallets, no return deposit can be charged, unless otherwise agreed to.

6. The vendor shall, on delivery of a subsequent shipment, take back any possible empty packaging that remains present under a return deposit agreement. In the event that the vendor fails to do this, the purchaser shall be entitled to return this packaging to the vendor at the latter's expense.

7. The goods need to be shipped in packaging that is proper and specific to the type of goods in question. In case specific packaging requirements have been instructed by the purchaser, these need to be complied with. Failure to do so on the part of the vendor may result in the purchaser's refusal to accept the shipment.

8. In the event the goods are being transported in a manner that is non-conform to the purchaser's instructions or, in default thereof, deviates from a normal and careful mode of shipping, any possible resulting extra costs and possible damage shall be charged to the vendor.

9. The vendor shall appropriately identify the content and coding on the outside of the packaging, as well as the safety regulations pertaining.

f) Payment modalities

1. The term of payment shall only commence on the date when the goods, wholly in accordance with the order, have been unloaded at the delivery address, and the payment shall be made within the term that was agreed upon beforehand.

2. We shall make payment at our preference, net in 90 days end of month of date of receipt of the invoice. Dispositions about our cash payments shall not be accepted. Any purchasing agreement shall, as of 1 January 2000, be concluded in Euro currency, except for explicit deviations as stated on the order form.

3. Payments shall be made by bank transfer of funds or by cheque, at the purchaser's preference. A late payment surcharge shall not be accepted and must not be mentioned by the vendor on his invoices.

4. Return shipments, return packaging, and discounts as agreed upon can immediately be settled at the time of payment of the goods or with a subsequent payment.

5. In the event that the discounts mentioned in point 4 were not applied by the purchaser, it shall be incumbent on the vendor to make such payments by immediate transfer of the moneys owing at the purchaser's first simple request.

6. In the event that the return of charged packaging has not been carried out as mentioned in article e)6, the purchaser shall be entitled to deduct the value of the prepared and readied packaging from the sums owing to the vendor.

g) Bankruptcy

In the event of bankruptcy or liquidation of the vendor, the purchaser shall be entitled to cancel the order wholly or partially without the need for a default notice and without being liable to the payment of an indemnity as a result. All receivable claims that the purchaser might or could in such cases hold against the vendor in the form of moneys or goods on consignment, or goods that are owned by the purchaser and are in process of execution, shall instantly become collectable in full. The matrices and tools or production equipment made available by the purchaser for the execution of the tasks as described in the orders shall at all times remain the possession of the purchaser. In the event that the supply company should change ownership in the course of the contract term, the purchaser shall be entitled to cancel the purchasing agreement or to substitute it with a new agreement.

h) Compliance

1. The vendor shall identify and revise the status specifications, drawings, process requirements inspection/verification instructions and other relevant technical data.
2. The vendor shall follow the requirements regarding the need of the supplier to;
 - Prevent the use of counterfeit parts (avoidance and detection)
 - Notify the organization for non-conforming product disposition
 - Obtain organization approval for non-conforming product
 - Notify the organization of changes in product and/or process of changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval, and flow down to the supply chain the applicable requirements including customer requirements.
3. The vendor shall comply with Record retention requirements, and right of access by the organization, their customer and regulatory authorities to the applicable areas of all the facilities, at any level of the supply chain, involved in the order and to all applicable records.
4. It is Quadrants intention to be ethical in its business practices and to work with business partners who share similar standards. Quadrant requires their business partners to develop and maintain a code of conduct in which they demonstrate these values and ethical commitment.

i) Concluding provision

The business relationship between the purchaser and the vendor shall be governed exclusively by Belgian law. All disputes shall be heard and entertained by the competent courts in Bruges, likewise in cases of introduction of third parties or majority of respondents.