

## GENERAL TERMS AND CONDITIONS OF SALE (see also [www.utexbel.com](http://www.utexbel.com))

Unless otherwise specified, all our sales are subject to the following general terms and conditions of sale. These shall replace all previous terms and conditions of sale as of September 1<sup>st</sup> 2016. The electronic version of these terms and conditions of sale shall be equivalent to "writing" as stipulated in Article 23.2 of Council Regulation (EC) No 44/2001. The Purchaser acknowledges knowledge thereof or having had the possibility to gain knowledge thereof by the fact of having placed an order or negotiated to place an order.

1. Offers–order confirmation. Verbal and written offers made by the seller shall remain free of obligation until an order confirmation has been sent by the seller. The order is always confirmed subject to coverage by a credit insurer. Only the general sales terms and conditions of the seller have force of law. Any orders placed by an agent, broker or representative and ensuing agreements shall remain free of obligation until the seller has confirmed the order.
2. Risks. The Purchaser shall be answerable for all the risks related to the merchandise sold as soon as these leave the seller. It is the Purchaser's responsibility to take action against the carriers or insurers, without this entitling him/her to refuse, decrease or delay payment to the seller.
3. Delivery – compliance. For enforcement of legal rules in the event of a conventional dispute, the place of execution of UTEXBEL's obligations is always UTEXBEL's factory, regardless of the actual place of delivery. Unless stipulated to the contrary, the goods are transported at the expense and risk of the buyer. The time of delivery (i.e. ex-works) is usually the time at which the fabrics leave UTEXBEL's factory. The buyer is obliged to examine the goods for conformity and any defects within the 15 calendar days that follow the time at which the goods leave UTEXBEL's factory. UTEXBEL places its laboratory at the buyer's disposal, free of charge, in order to determine any kind of nonconformity. The disadvantages inherently associated with tissue structure or the composition of the agreed type of upgrading/finishing cannot give cause for complaints of non-conformity or defects. On fabrics of white or clear colours, contamination may occur due to vestiges of coloured fibres, that are technically unavoidable and which do not give cause for complaints of non-conformity or defects. UTEXBEL cannot guarantee total correspondence between delivered and ordered quantities. Deviations of up to 10 % are agreed to by the buyer. No complaints at all will be entertained relating to UTEXBEL-fabrics that, after leaving the factory, have undergone any machining or other treatment. No complaints at all will be entertained once 15 calendar days have elapsed after the date on which delivery, as defined above, took place. Once that term has lapsed, the vendor will be released of all liability, including liability for hidden defects. In the event of a timely and well-founded complaint, the damage to be compensated shall be limited to the direct diminution in value of the sold merchandise. That right to compensation shall, on no account, be greater than the net price that was billed by UTEXBEL for those goods. UTEXBEL will always be entitled, as it thinks fit, to replace or re-treat the nonconforming or faulty goods, instead of paying out compensation. The vendor's liability for deliveries within the framework of public works contracts and assimilated transactions shall, on no account, exceed 2% of the share of the sold fabric in the total contract value. Disputes about the conformity, inadequacy or deficiency of the sold merchandise do not affect the exigibility of the UTEXBEL invoices relating thereto.
4. Delivery deadlines. Delivery dates are always "ex works the seller" factory; if the delivery date is expressed as a number of weeks refers to a numbered week, the last working day of the week in question is intended. Unless specifically agreed upon otherwise in writing, with both parties having given their explicit agreement,, for the seller the delivery dates always concern a best efforts obligation and not an obligation to achieve a result. Consequently, the mere fact that a delivery date is not respected does not constitute legal grounds for damage compensation, regardless of the

nature or the scope of the damage claimed due to delay in delivery. No delay in delivery entitles the buyer to postpone or suspend his payment obligations. Any form of compensation due to a delay in delivery is legally excluded. Any delays in delivery caused by the Purchaser shall authorise the seller either to accordingly put off all deadlines agreed upon, or to cancel contracts, or to invoice the merchandise and keep it at the disposal of the Purchaser at the Purchaser's costs, risks and responsibility. Unless otherwise agreed the expiry date of the statutory contract delivery is fixed on one year, on which the seller has the right but not the obligation either to claim the compulsory execution or consider the contract as null with applying the compensation as foreseen in art 9, or to postpone the delivery date, with a contractual compensation of 1% per month for the balance of the contract.

5. Payment conditions. The seller invoices are payable on due date to the the seller head office and do not constitute debt to be collected in person even if bills of exchanges or other commercial papers have been drawn up. In the event that invoices are not settled by their due date, the Purchaser shall be, ipso jure and without any formal notice, required to pay interest amounting to 10% per year and legitimate compensation for recovery costs amounting to 10% with a minimum of 250 € and to reimburse fees in the event of legal recovery. When appropriate, and on the seller's demand, the Belgian law of August 2nd 2002 on the fight against payment delays in commercial transactions can be applied. The seller has the right to demand reasonable payment guarantees during the course of the execution of the agreement. In case the customer's payment is delayed, the requested guarantees postponed, the credit insurance reduced or cancelled, the seller has the right to suspend without prior notice all deliveries and extend all delivery dates for he same period, cancel the contracts, invoice the goods and keep them available for the buyer at his expense, risk and danger and claim its payment.
6. Reservation of title. The merchandise sold shall remain the property of the seller until the full payment of the invoice and any costs. Where appropriate, a reservation of title shall apply and shall cover the price at which the Purchaser has re-sold the merchandise or the recovery of the resulting claim for the Purchaser. The pledging or the securing of unpaid merchandise may only take place following the seller's formal agreement. The buyer has to take every measure which is foreseen by the law, also inform third parties about this situation. Nevertheless the title of retention, the cost for the loss or deterioration of the goods are at the buyer's account. The Purchaser must inform the seller of any seizure of Merchandise. The retention of title will also apply when the seller's customer already has passed on the goods (made up or not) to a third party who has not yet paid the seller's customer. Advance payments may be maintained to cover potential losses at resale
7. Force majeure. By agreement between both parties, the following shall be considered as force majeure: wars, strikes, lock-outs, riots, serious supply problems of raw materials or transport, fires, breakages of machines at the seller or at its major commision workers ect. ...and releases The seller from any responsibility and The seller will have the right to extend the final delivery term of the contract with a period equal to the suspension of his activity. Any delays in delivery resulting from one of these circumstances or events shall grant the seller an extension of the delivery deadlines for the duration, as agreed, of the case of force majeure without the Purchaser being capable of laying claim to compensation and without derogating from what is stipulated to this effect in Article 4.
8. Exchange rate fluctuations. For contracts and orders in foreign currency, we shall reserve the right to adjust the selling price proportionally if, between the time of reception of an order or an invoice and payment thereof if the rate of the currency fixed by the ECB has changed with more than 3%
9. Breach – termination of contract. In the event the Purchaser announces explicitly or implicitly that s(h)e do not want to accept the purchased merchandise either fully or partially, s(h)e shall be obliged, following the first request, to pay

the seller compensation of 30% of the agreed invoice value, unless the seller makes it known that the contract must be executed in full, in which case the Purchaser shall not be entitled to derogate from it. In the event a judge breaks the contract to the benefit of the Purchaser, the parties agree that the damages paid to the seller following the breach of the contract shall be limited to 30% to the agreed invoice value agreed.

10. Sale on sample – invitation for tenders. In the event of a sale on sample, the merchandise's conformity shall be solely established on the basis of the quality of the sample without taking into account other references such as prior sales, technical sheets, etc. When the Purchaser buys a limited quantity of fabric from the seller with particular characteristics or that is developed for a particular use of the customer or by a third party or requests a particular commercial or technical file (e.g. lab-reports,...) with a view to compete in one way or another in a public tender procedure or other and is then awarded the public contract order, s(h)e shall be obliged, before executing said order, to source this fabric from the seller at the same rates as those used when purchasing the limited quantity of fabric or those of the specific offer, made for this tender. The Purchaser shall be entitled to unilaterally terminate this contract by paying compensation to the seller amounting to 30% of the invoice value of the whole order. The seller shall be authorised to invoice this compensation and this invoice shall be payable the day the Purchaser places an order elsewhere. This dissuasive rule shall apply even if the Purchaser informs the seller of his use of the fabric and even though the technical or commercial development of the fabric is done fully, in part or not by the seller at all. The Purchaser acknowledges having being informed by the seller that no fabric shall be sold/delivered without his/her having accepted these conditions.
11. Homologation - Certification. On request of the buyer or candidate buyer the seller can grant a certificate of standard conformity of its fabric issued by an officially recognised body that will allow the buyer to obtain homologation of its product by his customer. When the buyer or candidate buyer signs an agreement with this purchaser for delivering products after using that the seller's certificate, he is obliged to take all fabrics necessary for the production from the seller. In case the buyer or candidate buyer wishes not to or only partially buy the fabrics from the seller, he has to pay a participation in the development and certification costs of this fabric, being 25 times the price of the certificate. This participation is due from the moment the buyer or candidate buyer has started supplying his customer. Claiming such cost participation does in no way undermine the right of the seller to undertake legal proceedings against the buyer or candidate buyer for not recognizing the seller's intellectual rights in the broadest sense in relation to the certified fabric.
12. Dispute settlement. the seller shall be entitled to take action in the competent court in the location of its head office in Renaix, Belgium or in the location of the Purchaser's head office. Belgian law and by extension the Commercial Treaty of Vienna from 11-4-1980 shall apply.
13. Language. In case of contestation due to translation in the various languages of these conditions, the original Dutch text will prevail.
14. Contract Work. If the buyer gives contract work to the seller, this legal relationship is subject to the terms and conditions of the contract work which are available on our website.