

GENERAL TERMS OF SALE - HENRAD

1. Applicability

All our sales, transactions, works, deliveries and services are performed in compliance with the present terms unless explicitly agreed otherwise in writing and with the exclusion of divergent special or general terms of the buyer.

2. Offers

All our offers are free of engagement from our part and do not imply any commitment as to prices, quantities and periods of delivery and execution, which are always indicated approximately.

3. Concluding an contract – order confirmation

Each agreement of delivery of goods or execution of works is considered to be concluded on the date on which our order confirmation is sent to the buyer, unless the latter disclaims or contests the content of it by registered mail or facsimile message within eight (8) days following the date of sending.

4. Price changes

If after the sending of our order confirmation costs of base material, wages, social security or public administration charges, electricity tariffs, the price of oil, coal, gas or other energy sources should rise unforeseeably, we will be entitled to raise the agreed purchase price correspondingly subject to legal provisions and restrictions relating to the matter. In this case we will present to the buyer an objectively justifying quotation of the increased purchase price, which will be binding upon both parties.

5. Periods of delivery

Our periods of delivery are to be considered only as an indication. If at any occasion such a period should be exceeded, this cannot be used as a reason to cancel the agreement or to claim any compensation from us.

6. Delivery, shipment and risks

Unless explicitly agreed otherwise, delivery of the goods including transfer of all risks to the buyer shall be effected at our warehouses and the goods will always travel at the buyer's expense and risk, irrespective of the conditions of shipment and means of transport and irrespective of the agreed terms and place of delivery.

Reshipment of the goods by the buyer will be accepted only after our prior explicit and written approval and will be effected at the buyer's risk and expense, unless explicitly agreed otherwise.

Unless explicitly agreed otherwise, all expenses and damage of any kind arising during or owing to transportation, loading or unloading, shall never be at our expense, but only and fully at the buyer's expense and risk, who in this respect shall renounce any claim for compensation by us. If after delivery and during transportation to the buyer the goods should be damaged, completely or partially destroyed or lost, this shall not affect the buyer's obligation to pay the full purchase price.

7. Payment

Unless explicitly agreed otherwise in writing, all of our invoices are to be paid within thirty (30) days following the invoicing date, in cash, net and without any invoice amount reduction or discount. If the payment should bring about any costs, taxes, duties, import duties or any other levies relating to the goods, they will be at the buyer's expense, to whom they will be charged. All of our invoices are to be paid at our registered office. Set-off between our invoices and buyer's claims is not allowed.

To all amounts that have not fully been paid on the invoice expiry date by law and without prior notice interests at the rate established in accordance with article 5 of the Commercial Transaction Payment Delay Control Law dated 2 August 2002 and published semi-annually in the Belgian official journal by the finance minister will be due by the buyer by virtue of law and without prior notice. Without prejudice to the obligation to pay these interests a lump-sum compensation to the amount of 10% of the unpaid or overdue paid invoice amounts will be due by the buyer as well as all other applicable legal and extralegal recovery expenses, including any costs relating to bills of exchange, reminders and protest and also legal costs in accordance with the provisions of the Judicial Code and the above-mentioned Law dated 2 August 2002.

8. Complaints

The buyer is obliged to check the conformity, quantity and quality of the goods upon reception. Complaints regarding the conformity of the goods are valid only if we are informed by the buyer immediately and no later than days (8) days following reception of the goods by registered letter or by facsimile message and on the condition that the goods concerned remain available for our inspection effected by us or our representative.

If a complaint regarding the conformity of the goods is considered to be well founded by us, the buyer will be only entitled to either replacement of the goods or price reduction, at our option. Compensation for consequential damage or anything else is excluded.

Any complaint regarding the contents of our invoices shall be considered valid only if notified in writing within eight (8) days following the invoice date.

9. Radiator warranty

9.1.

To the Henrad-products sold by us the following warranty conditions apply:

(a) radiators: 10-year-period warranty starting from the invoicing date against:

- (1) Leakage as a result of faulty manufacture. In case the leakage is caused by faulty installation and/or insufficient maintenance and/or faulty operation, the warranty does not apply. Leaks at an air vent, sealing plug, valve piece and/or equipment connection point are not covered by this warranty.
 - (2) Rust formation on lacquered radiator surfaces, except if the radiators have been installed in a humid room and/or an aggressive ambient atmosphere. The warranty does not apply either to radiators with a starting temperature of higher than 110°C, nor if due to faulty installation and/or maintenance and/or operation and/or any other reason the radiator lacquer surface gets damaged.
- (b) accessories: 1-year-period warranty starting from the invoicing date:
- (1)Malfunctioning as a result of a faulty manufacture. Accessories are air vents, sealing plugs, valve pieces, spacer tubes, mirrors, electric parts, grills, sidepanels, frontpanels etc. Malfunctioning or damage brought about during assembling both during and after the warranty period as a result of faulty installation and/or faulty operation and/or faulty maintenance will not be compensated.
 - (2)The Henrad-accessories warranty will become void completely if the product is connected to and combined with non-Henrad-products.

9.2.

And without prejudice to the above-mentioned provisions the following rules for installation and/or operation are to be thoroughly observed:

- (a) max. installation pressure 10 bar, max. installation water temperature 110°C;
- (b) professional radiator installation (NBN D 30-100, VDI 2035, BS 5449, DTU 65);
- (c) Before putting the heating system (conduit-pipes, radiators, etc.) into operation it should be cleaned with a universal cleaning agent. Next, fill the system with fresh water to which an inhibitor is added in order to effectively avoid the appearance of problems like internal corrosion, kettle scale deposit etc.
- (d) All plastic sealing plugs have to be removed from the radiator connection points and replaced by metal (Henrad) sealing plugs.
- (e) During and after filling the heating system the functioning and water-tightness of all seals (valve, air vent, sealing plug etc.) of the radiators and the connections between the radiators and other parts of the heating system must be checked.
- (f) All supplied suspension brackets and accessories (plugs, screws, saddle strips, etc.) have to be used.
- (g) The mounting wall has to be sufficiently stable.

(h) After filling the unit has to be completely air-vented by air-venting each single radiator individually.

The unit has to be and stay free of oxygen. Oxygen/air penetration has to be impossible.

(i) Never clean radiators with an agent containing solvents, acids or other corrosive substances.

(j) No ceramic humidifiers or other wet or water-permeable objects or elements should be in direct contact with the lacquered radiator surface.

(k) If radiators prove to be damaged when delivered, the manufacturer should be notified immediately (within 8 days) using the provided procedure (ref. par. 7).

(l) Radiators shall be used only as radiant and convective heating units.

(m) (For safety reasons) using (towel) radiators as climbing frames or ladders is not allowed.

(n) The radiator design shall not be changed without prior written approval of the manufacturer.

9.3.

In any case only the installer shall be responsible for any faulty installation or installation failures.

9.4.

In addition we give some points of advice for installation and maintenance that will certainly be favourable to the lifetime of your radiator:

(a) Handle/transport radiators with special care. The radiator should not drag on the ground.

Radiators must be moved in upright position. During transportation the radiator corners shall not be loaded.

Scratched lacquer and other damage can cause formation of rust on short or long term.

(b) Thorough maintenance of the unit shall be effected at least once per year. Check the functioning of the unit and check the elements and connections for leakage.

(c) After putting the radiators into operation they should always be filled with water. This avoids contact between the radiator inside surface and air and formation of internal corrosion.

(d) Radiators shall not be stocked in open air (rain) or humid rooms. If penetrated moisture is visible, the packing has to be opened immediately for the radiators to dry.

(e) In order to avoid frost damages the radiators must be kept running during the winter season.

9.5.

In no way warranty coverage can be considered if the radiators have been exposed to water jets, excessively high air-humidity or chemical or other aggressive substances unless according to our provisions the radiators specifically comply with the environment-related requirements.

9.6.

This warranty coverage includes only repair or replacement of the radiators or the components that we recognise to be defect excluding all expenses related to labour, handling and transportation and excluding any compensation for damages. In no way the buyer will be entitled to any compensation for consequential damage.

If the established defects are due to damaging or unprofessional use or insufficient maintenance by the buyer or third parties, and if the radiators have been repaired, transformed or altered by the buyer or third parties without our prior written approval, the present warranty is cancelled by law.

9.7.

If present warranty is subject to additional conditions, these may be the object of a separate warranty certificate.

Non-panel radiators are exclusively, and excluding all aforementioned warranty provisions regarding Henrad radiators, governed by the warrantyprovisions submitted by the manufacturer, on the understanding that the buyer can only address himself exclusively directly to the manufacturer.

10. Liability for Product Details

Any information and technical data on our products stated in catalogues, brochures and other written material shall be treated as approximate indications and shall not be binding for us.

We do not assume any liability for the buyer's selection of the product, including product compatibility, or for the use and results thereof, unless expressly agreed in writing.

We do not assume any liability for the buyer's selection of any supplementary equipment, service or installation required to be used together with the products, or for the use and results thereof.

This article shall in no way detract from the "radiator warranty" as stipulated in article 9 of these General Terms of Sale.

11. Liability for Defects

Subject to compliance with the agreed terms of payment and punctual filing of the complaint, we shall remedy defects notified to us in writing, by registered letter or by facsimile message, on discovery without undue delay, under the express condition that the goods remain available for inspection effected by us or by our representative.

This liability shall not include defects owing to causes that have arisen after the passing of the risk to the buyer, except for defects that fall within the warranty conditions under article 9 of these General Terms of Sale.

If the complaint is considered to be well founded by us, the buyer will only be entitled to either replacement of the goods or a price reduction, at our option.

If the goods have been modified or serviced by others than us or a repairer indicated by us, or if the goods have been damaged or applied for purposes other than intended, or in the event of non-compliance of the installation, operation, and maintenance with our instructions, we may refuse to remedy the defects and we will not in any case be liable for the defects.

Our obligations/liability in respect of defects shall be limited to the above. We shall not be liable for any direct or indirect losses, including consequential losses, loss of profits, and similar, costs or damage.

12. Liability for Damage

We shall only be liable for personal injury, if it is proven that the injury is caused by our failure or negligence or committed by others for which we are liable and provided that a causal link between injury/damage and defect can be established.

We shall not be liable for damage to property or movables caused by the goods after delivery has taken place and whilst in the possession of the buyer, including, but not limited to, damage to products manufactured by the buyer, or to products of which the buyer's products form a part. Apart from this, we shall be liable for damage to property on the same conditions as liability for personal injury.

In any event, we shall not bear any liability if the goods have been modified or serviced by others than us or a repairer indicated by us, or if the goods have been applied for purposes other than intended, or in the event of non-compliance of the installation, operation, and maintenance with our instructions.

We shall not be liable for loss of operations, loss of earnings, or other financial, consequential, or indirect losses.

To the extent we incur liability towards a third party, the buyer shall indemnify us to the same extent that our liability is limited in accordance with the above mentioned clauses and the buyer will hold us free and harmless against any and all claims of such third party.

This article shall in no way detract from the "radiator warranty" as stipulated in article 9 of these General Terms of Sale.

13. The buyer's obligations

The buyer-wholesaler shall be obliged to provide all technical documents, which it received from us together with the Product (such as mounting instructions, technical documentation, ...), to its own clients (consumers, installers and others)

14. Reservation of title

The title in the goods shall pass to the Buyer only when payment in full has been received by the Seller for all goods whatsoever supplied (and all services rendered) at any time by the Seller to the Buyer. The Buyer shall permit the servants or agents of the Seller to enter on to the Buyer's premises and repossess the goods at any time prior thereto.

As long as payment has not been effected the Buyer cannot sell, pledge or offer goods as guarantee or collateral security.

Should the goods (or any of them) be converted into a new product, whether or not such conversion involves the admixture of any other goods or thing whatsoever and in whatever proportions, the conversion shall be deemed to have been effected on behalf of the Seller and the Seller shall have the full legal and beneficial ownership of the new products, but without accepting any liability whatsoever in respect of such converted goods in relation to any third party, and the Buyer hereby indemnifies the Seller in relation thereto.

In the case of non-payment at the due date and upon demand the Buyer must return forthwith to the Seller all merchandise unpaid for.

The reservation of title does not affect the risk transfer to the buyer as provided by article 6. During the reservation of title period the buyer shall be responsible for storing and keeping the delivered goods in good condition, any loss and damage being at his risk. The buyer undertakes to insure the goods against all risks at his expense and to store the goods in such a way that they cannot be confused with other goods and that they can always be recognised as our property. Each payment effected by the buyer will be first deducted from the invoices concerning the goods used, processed or resold by the buyer.

15. Express dissolution clause

In case of non-execution of a concluded agreement or of any of the commitments included in an agreement by the buyer or through his fault and in case of bankruptcy of the buyer, the agreement shall be dissolved by law and without prior notice to the buyer, which can be confirmed by us by sending a registered letter stating the dissolution of the agreement. In this case the buyer will be bound to immediately send back to us at his expense and risk all delivered goods and to compensate us for any damage suffered and expenses made, including any consequential damage and loss of profit.

16. Force majeure on the part of Henrad

If we should be unable to fulfil the whole or part of this agreement by reason of force majeure or circumstances beyond our control, we will be entitled, at our own option, either to dissolve the agreement or to consider it dissolved completely or partly, or to postpone execution until

the force majeure circumstances no longer exist, not being obliged in any of both cases to pay compensation for damages to the buyer.

Will be considered as force majeure: any circumstance that by force of law or public opinion cannot be ascribed to our will or our fault, including but not limited to: war, civil war, revolt, mobilisation, confiscation, embargo, industrial conflicts, strikes and lockouts, transport difficulties, raw material supply difficulties, energy supply restrictions or difficulties, operating trouble and machinery accident, import or export measures or restrictions imposed by government, serious currency exchange rate changes, bad weather making it impossible to work, fire, floods or other natural disasters, and even if it should be our suppliers or subcontractors that suffer from these circumstances.

17. Applicable law – competent court

All transactions and agreements with the buyer, independently from which country the latter is located in, shall be controlled by Belgian law with the explicit exception of the United Nations Convention on Contracts for the International Sale of Goods, Vienna, 11 April 1980, and approved by the Belgian Statute dated 4 September 1996.

Any disputes that should arise between the buyer and the seller as a result of the conclusion, interpretation, execution or termination of any agreement or transaction shall be settled by the competent court of the Turnhout legal district (Belgium) unless we, in the capacity of plaintiff, should prefer to bring the case before another court. No circumstances like free-of-charge shipment, drawing of a bill of exchange or acceptance of payment shall alter this competence clause.