



## **GENERAL PURCHASE CONDITIONS**

### **for goods and services**

#### A. GENERAL PROVISIONS

##### 1. Applicability and voidability

GALLOO means Galloo Holding nv (BE 0405 484 843) or any subsidiary company of Galloo Holding nv.

1.1 These conditions are an integral part of all current and future agreements between GALLOO and the supplier. These conditions also apply to all (other) acts and legal acts between GALLOO and the supplier, even if these (legal) acts do not lead to, or are not related to, an agreement.

1.2 The special conditions supplement the general conditions. In case of contradiction or incompatibility, the special conditions shall prevail over the general conditions.

1.3 Unless expressly agreed otherwise in writing, GALLOO always concludes all agreements in order to obtain rights for its own benefit, as well as for the benefit of its affiliated companies. These general conditions shall apply to agreements concluded by the affiliated companies of GALLOO with the supplier in their own name, unless otherwise agreed in writing between the respective affiliated companies and the supplier.

1.4 The (general) conditions of the supplier are not opposable to GALLOO, even if they stipulate the contrary, unless expressly agreed in writing.

1.5 Insofar as any provision in these conditions is invalid or unenforceable, this shall not affect the validity of the remaining provisions in these conditions and in the agreement.

##### 2. Definitions

2.1 In these general conditions, the following terms shall have the following meanings:

(a) Supplier: any natural or legal person with whom GALLOO concludes an agreement or conducts discussions or negotiations in view of concluding an agreement;

(b) Products: all goods delivered or to be delivered to GALLOO in execution of an agreement and all results of services;

(c) Agreement: any agreement concluded with the supplier, any amendment or supplement thereto or further arrangement, as well as all (legal) acts in preparation and/or execution of that agreement;

(d) Services: all activities (in whatever form and by whatever name, e.g. order, contracting of work, lending, etc.) performed by the supplier for or for the benefit of GALLOO, whether or not in connection with the delivery of products;

(e) Specification(s): the description of the products or services ordered from the supplier, mentioned or referred to in the agreement. In the absence thereof, the description shall be that which exists between the parties, or in the absence thereof, that which is generally accepted in the industry;

(f) Defect: any deviation of the products or services from the specification and any other inadequate functioning of the products or any service that was not performed correctly in any other way;

### 3. Conclusion of the agreement and amendments

3.1 All requests from GALLOO to make an offer are not binding.

3.2 The submission by the supplier of a quotation, estimate, pre-calculation or similar information, whether or not designated as an offer or proposal, shall be considered an offer. This offer by the supplier implies a term of acceptance by GALLOO of at least two months. Offers and quotations by the supplier are fixed and binding and cannot be changed. The agreement is concluded as soon as the written acceptance of the offer by GALLOO or the written assignment or order from GALLOO has reached the supplier.

3.3 All data regarding (technical) specifications, applications, prices, delivery times and other information included in the offer, proposal or agreement, price lists and other descriptions provided by the supplier to GALLOO are binding for the supplier.

3.4 The supplier cannot derive any right from the placement of an order with regard to follow-up orders in any form whatsoever, unless expressly agreed in writing.

3.5 Amendments and supplements to any provision in an agreement and/or the conditions can only be agreed upon in writing. If an amendment and/or supplement is agreed upon, this amendment or supplement shall only apply to the agreement in question.

### 4. Timely execution

4.1 All terms of delivery are binding, unless the parties have expressly agreed in writing that the term or date of delivery is indicative and therefore without obligation. The supplier is in default due to the mere fact of exceeding the times agreed with GALLOO for the performance of services, and therefore without notice of default. For the purpose of this provision, a performance with a defect shall be equivalent to a performance not rendered.

4.2 The execution period commences on the date on which the supplier has accepted the agreement or – if this is later – on the date on which the supplier has access to the information, models, materials or tools that GALLOO is required to provide according to the agreement, which the supplier absolutely needs to start the execution of the agreement and of which he has informed GALLOO.

4.3 In case of late delivery by the supplier, GALLOO has the right to suspend or refuse payment, without prejudice to the right to claim compensation for all damage of any kind suffered by it, without prejudice to the right to dissolve the agreement without prior notice of default.

### 5. Additional work and reduction of work

5.1 GALLOO has the right to make changes to the specification before or during the execution of the agreement, or to demand additional delivery of products and/or extension of services after the execution of the agreement. The supplier declares, as far as he is able to do so, in advance that he is prepared, under the same conditions and prices, to execute the amended agreement referred to in this paragraph and/or to deliver products and/or services.

5.2 If the services to be performed by the supplier as a result of the amendment are demonstrably reduced, this shall constitute a reduction of work. In case of reduction of work, GALLOO and the supplier shall determine a reasonable reduction of the remuneration due, on the assumption that the remuneration shall be reduced pro rata to the reduction of the services to be performed by the supplier.

5.3 If, as a result of the changes referred to in paragraph 1, the services to be performed by the supplier on the basis of the agreement are significantly increased or extended, this shall constitute additional work for which the supplier may receive additional remuneration. Additional work shall not include additional work which the supplier could or should have foreseen when accepting the agreement. If the supplier believes that he is entitled to a remuneration for additional work, he shall make an offer prior to the execution with regard to the extent of the expected additional work as a result of this change and the related costs for GALLOO. GALLOO is not obliged to pay for additional work for which GALLOO has not given a written and express order or agreement.

5.4 In the case of additional work or reduction of work, the date of delivery of the products or of acceptance of the results of the services shall be re-determined. Unless deviating terms were agreed upon in writing, the originally agreed terms shall remain in force.

## 6. Outsourcing to third parties

6.1 The supplier is obliged to execute the agreement himself, unless GALLOO has agreed in writing to the outsourcing, subcontracting or purchasing from third parties.

6.2 The supplier is fully responsible for any possible contribution by third parties to the execution of the agreement, as if it were his own performance.

6.3 The supplier shall guarantee GALLOO against any claims from third parties involved in the execution of the agreement.

## 7. Quality guarantee and compliance

7.1 The supplier is obliged to execute the agreement strictly according to the specifications.

7.2 The supplier guarantees the soundness of the products delivered and/or services performed by him. This guarantee includes at least that:

(a) the products and/or services are suitable for the specific purpose for which GALLOO has concluded the agreement, as far as the Supplier was aware of that purpose or could have been aware of it by timely inquiry with GALLOO;

(b) the products are new, of good quality, and free from defects in design, processing, manufacture, construction and dimensions, as well as free from defects in the materials used, and offer the safety that one may expect from them;

(c) the products are manufactured and the services are performed in accordance with the latest state-of-the-art and in compliance with the requirements of outstanding workmanship;

(d) all applicable national and international regulations relating to the products and/or services have been complied with;

(e) the products and services comply with national regulations and legislation concerning the safety and health of workers;

(f) the products and services comply with international, national and regional environmental regulations;

(g) the products and services otherwise meet the requirements that can reasonably be expected of them and possess all other properties that GALLOO may reasonably expect;

(h) the products are provided with accurate instructions for use and instructions concerning, among other things, maintenance and assembly; and

(i) during the technical lifetime of the products, all spare parts that may be required are available on demand.

7.3 In the event of non-compliance with the aforementioned conditions, the products shall be returned at the expense and responsibility of the supplier. All damage suffered by GALLOO, including loss of production, shall be at the expense of the supplier.

7.4 Products and services shall in any case be considered unsound in the sense of the previous paragraph if defects occur within two years after delivery, unless the supplier demonstrates that this is due to normal wear and tear or can be imputed to GALLOO. Without limitation to GALLOO's rights to compensation of costs, damage and interest, the aforementioned guarantee implies that the defects found within two years after delivery shall be immediately and fully repaired by the supplier, free of charge and at the request of GALLOO, if necessary through replacement of the products or parts thereof, or through again performing the relevant services. If the supplier or his subcontractor usually gives a guarantee for a longer period than two years, this longer period shall apply to GALLOO.

7.5 Repairs shall always be carried out on site, unless this is impossible. If repairs cannot be carried out on site within the term to be specified by GALLOO, the supplier shall take care of the transport from and to the location suitable for repair at his expense and risk. At the request of GALLOO, the supplier shall provide a suitable replacement free of charge during the period required for repair.

7.6 After the defects have been repaired, a new guarantee period as described in paragraph 4 shall commence and the supplier guarantees the soundness of the products replaced or repaired as described in paragraph 2.

7.7 GALLOO is at all times entitled, if it deems it reasonably necessary, to carry out or to have carried out (temporary) repairs at the expense of the supplier, after GALLOO has given the supplier the opportunity to carry out the repairs himself or to have them carried out, and the supplier has failed to do so within the term set by GALLOO.

## 8. Delivery

8.1 Ordered products must be delivered DDP (Incoterms), carriage paid, at the place of destination specified by GALLOO. The supplier is obliged to ensure proper packaging in accordance with all applicable regulations, as well as security, insurance and proper transport. Deliveries of products in partial shipments shall only be permitted if this is expressly noted in the agreement or after GALLOO's written approval.

8.2 The delivery (including unloading and transport to the place of destination) is entirely at the risk of the supplier, also if the supplier deploys staff or uses material of GALLOO in the performance of any act of delivery.

8.3 At the request of GALLOO, the supplier is obliged to collect and take back all (packaging) materials used for the delivery, and to process them or have them processed at his expense and in accordance with the applicable regulations for that purpose.

8.4 GALLOO has the right to postpone the delivery of products ordered and/or the execution of services ordered for a maximum period of sixty calendar days by means of a written statement to that effect to the supplier. If GALLOO uses this right, the supplier shall store the products separately in a suitable location for the benefit of GALLOO, insure them and take all appropriate measures to prevent loss of quality. GALLOO shall pay the supplier a reasonable remuneration for the costs of such storage, measures and insurance.

## 9. Acceptance

9.1 GALLOO shall inspect the products delivered or services rendered within a reasonable term after delivery or execution at the request of the supplier or, in case of service contracts, provisionally accept them. Taking possession in full or in part does not constitute provisional acceptance.

The period between the provisional and final acceptance is one year.

9.2 Acceptance has no further meaning than that, in the provisional opinion of GALLOO, the apparent condition of the products or the visible performance or apparent result of the services is in accordance with the agreement. In particular, acceptance shall not prevent GALLOO from subsequently invoking non-compliance by the supplier with his guarantee obligations or any other obligation towards GALLOO.

9.3 The term of the ten-year liability runs from the final acceptance.

## 10. Transfer of property and risk; resale of products

10.1 GALLOO shall acquire the property of the products at the moment on which they are delivered and accepted. The supplier shall bear the risk of damage or loss of the products ordered until acceptance by GALLOO.

10.2 As soon as the property of the products has been transferred to GALLOO, GALLOO shall be entitled to alienate, encumber, pledge or otherwise transfer the products to third parties in any form whatsoever.

## 11. Items of property provided by GALLOO

11.1 GALLOO shall remain the owner of all items of property that it provides to the supplier in connection with the agreement. The supplier shall refrain from any action or omission with regard to the items in such a way that GALLOO loses ownership of the items through specification, accession, mixture, or in any other way, except with GALLOO's written approval. Furthermore, the supplier guarantees that the items shall not be burdened or encumbered with third party rights.

11.2 The supplier shall insure the items at his own expense on usual conditions against any losses resulting from total or partial loss or damage, regardless of the cause. GALLOO has the right to demand inspection of the relevant policy (policies).

11.3 The supplier shall return the items to GALLOO in good condition, unless GALLOO instructs otherwise. The supplier shall use the items entirely at his own risk. Except for intentional act or wilful recklessness on the part of GALLOO or its staff, GALLOO shall not be liable for any prejudicial effects of the use of the items for the supplier or third parties. The supplier shall not use the items for, nor shall he authorise or allow them to be used by third parties or in connection with any other purpose than the correct execution of the agreement.

## 12. Prices, VAT, payment and settlement

12.1 All prices quoted by the supplier are fixed, expressed in euro and exclusive of VAT. All prices are inclusive of the costs of delivery, including transport, handling and packaging, shipping and insurance up to and including delivery, unless the agreement states otherwise.

12.2 Agreed prices can never be increased during the term of the agreement, unless otherwise agreed in writing. Under no circumstances shall the supplier be entitled to pass on a price increase to GALLOO, unless this has been accepted by GALLOO in writing in advance. The prices of services always include all travel and accommodation costs, costs for preparatory work, as well as all other costs.

12.3 GALLOO shall not owe any payment before full and correct execution of the agreement. Only after full and correct execution of the agreement shall the supplier be entitled to send an invoice, which shall be paid by GALLOO within thirty days after receipt. The invoice shall contain at least a description of the performance(s) rendered as well as the order number (if applicable). The invoices shall be payable at GALLOO's registered office. In case of late payment, GALLOO shall owe, in addition to the outstanding amount, interest at the legal interest rate, but only upon receipt of a written reminder, specifying a reasonable term for payment.

12.4 GALLOO is entitled to set off any claim that the supplier has against it or against an affiliated company, against any claim of GALLOO or an affiliated company, regardless of the reason and whether or not due and payable by the supplier.

## 13. Liability, force majeure and guarantee

13.1 The supplier shall execute the agreement entirely at his own risk. Any damage suffered by GALLOO or by third parties as a result of or in connection with the execution of the agreement shall be compensated by the supplier, regardless of whether such damage is caused by the supplier himself, by his staff or by other natural or legal persons engaged by the supplier in the execution of the agreement. The supplier shall at all times be liable for any damage suffered by GALLOO as a result of late delivery. This damage shall also include the compensation owed by GALLOO to its possible customers for the order accepted by GALLOO, corresponding to the order placed by GALLOO, as well as the loss of profit incurred by GALLOO for this particular accepted order. The supplier shall guarantee GALLOO against claims from third parties made against GALLOO.

13.2 Except in the case of non-attributable fault ("force majeure"), the supplier shall be fully liable for all damage that GALLOO or third parties may suffer as a result of any defects in products delivered

and/or services performed. In any case, force majeure shall not include: fire, water damage, occupation of a factory, import and export restrictions, government measures, disruptions in the supply of energy, failure to comply with a guarantee, lack of staff, strikes, illness of staff, late delivery and/or unsuitability of materials and raw materials, attributable fault or wrongful acts of subcontractors or third parties engaged by the supplier and/or liquidity and/or solvency problems on the part of the supplier. Nor shall force majeure be deemed to exist if the supplier himself is unable to render the performance, but such a performance can be rendered by a third party. In that case, the supplier shall have the performance rendered by that third party at the supplier's expense. If the period of force majeure lasts longer than two months, GALLOO is entitled to dissolve the agreement.

13.3 The supplier shall take out and maintain adequate insurance for civil and professional liability.

#### 14. Intellectual property

14.1 At the conclusion of the agreement, the supplier shall transfer to GALLOO all intellectual property rights that have been or will be acquired or developed by the supplier with regard to the products within the framework of the execution of the agreement.

14.2 If and insofar as the parties have agreed in writing that no transfer as referred to in the previous paragraph shall take place, the supplier grants to GALLOO a non-exclusive licence. Under this licence, GALLOO shall have the right to use the products or to allow them to be used (including altering, processing, transforming and repairing), and GALLOO is furthermore entitled to deliver the products, whether or not as a part of other goods, or to give them into use of third parties. The fee for this licence is included in the price.

14.3 GALLOO shall retain all rights, including, but not limited to intellectual property rights, to all items of property provided to the supplier by GALLOO or by third parties. The supplier is only entitled to use these items for the execution of his obligations under the agreement.

14.4 The supplier guarantees that the products and/or services shall not infringe any intellectual property right and guarantees GALLOO and its customers against any such infringement.

14.5 In case of violation of this obligation, the supplier is obliged to pay compensation, whereby the minimum compensation is fixed at 5% of the total contract price; any surplus amount must be proven in concrete terms.

#### 15. Confidentiality

The supplier, his staff and third parties engaged by him are obliged to observe strict confidentiality with regard to all information concerning GALLOO that they may obtain in connection with the agreement or its execution, including the existence of the agreement and its nature, the reason and the result of the activities carried out. The obligation to maintain confidentiality shall remain in effect after termination of the agreement.

The supplier is expressly forbidden to commercialise activities carried out within projects, designed or developed by GALLOO, or jointly designed or developed with GALLOO, to other customers without GALLOO's express written approval.

In case of violation of this obligation, the supplier is obliged to pay compensation, whereby the minimum compensation is fixed at 10% of the total contract price; any surplus amount must be proven in concrete terms.

## 16. Non-acquisition of staff and non-exclusivity

16.1 During the term of the agreement, as well as for one consecutive period of 12 months, the supplier shall not recruit any employee of GALLOO, either as an employee, temporary employee, or in the form of an independent cooperation agreement, or through a subsidiary company of the supplier, or directly or indirectly enter into any other type of business relationship with these persons, except with GALLOO's written approval. In case of violation of this clause, the supplier will owe a lump sum compensation of 18 months' gross salary for each staff member involved.

16.2 Unless otherwise agreed in writing, the agreement is not exclusive and both parties are entitled to conclude agreements with other parties.

## 17. Duration and dissolution

17.1 In case an agreement can be considered as a continuing performance agreement, this agreement can be terminated by GALLOO with a notice period of one month, without GALLOO owing any compensation (for damages) in connection therewith.

17.2 If the supplier does not properly execute the agreement or if a term is exceeded in the execution of an agreement, GALLOO has the right, without prejudice to its other rights, to suspend or dissolve the agreement in whole or in part by mere notification and without prior notice of default to the supplier.

17.3 In case of (temporary) suspension of payment, bankruptcy, cessation or liquidation of the supplier's business or (in case of a natural person) upon his death, or in case of a legal merger of the supplier, or in case a substantial part of the control of the supplier comes into other hands, GALLOO has the right to dissolve the agreement without prior notice of default, and the supplier shall not be entitled to claim any compensation in any form whatsoever.

17.4 If GALLOO dissolves the agreement, the supplier must immediately reimburse all payments received as being unduly paid. Insofar as the performances already rendered by the supplier cannot be undone, the value shall be set at a reasonable value to be determined by GALLOO. As far as undoing is possible, GALLOO has the right, at its discretion, either to retain the performances rendered at a reasonable value, to be determined by GALLOO, or to return them to the supplier at his expense and risk. By the dissolution, GALLOO shall be released from its payment obligation, and the supplier shall not be entitled to claim any compensation in any form whatsoever.

## 18. Transfer of rights and obligations

18.1 The parties are not entitled to transfer the rights and obligations or any part thereof arising from the agreement without the prior written approval of the other party. GALLOO is entitled to transfer the rights and obligations to another company belonging to its group without the prior approval of the supplier.



## 19. Applicable law, competent court

19.1 Belgian law shall apply to all agreements and any disputes arising from them. The applicability of the Vienna Sales Convention 1980 (CISG) is excluded.

19.2 Insofar as applicable national or international legal rules do not imperatively prescribe otherwise, all disputes between the parties shall at first instance be exclusively submitted to the competent court of Kortrijk (Courtrai).

## 20. Safety Requirements

See Annex 1

## 21. Supplier certificate

See Annex 2

## Safety requirements : Annex 1

### ORDERING OF INSTALLATIONS, STEEL CONSTRUCTIONS, MACHINES, MECHANISED TOOLS, COLLECTIVE PROTECTIVE EQUIPMENT COMPLIANCE WITH SAFETY AND HYGIENE REQUIREMENTS

This order must comply with the following requirements :

- 1) The laws and regulations in force concerning safety and hygiene,
- 2) The following additional conditions concerning safety and hygiene, not necessarily imposed by the laws and regulations in force concerning safety and hygiene, but indispensable to achieve the objective set by the dynamic risk management system referred to in art. 3 of the Royal Decree (RD) of 27/03/1998 on the Policy of Well-Being of Workers, namely :

.....  
.....

- 3) The following conditions resulting from specific working conditions :

.....  
.....

- 4) All applicable EC Directives transposed into Belgian law, in particular the Machinery Directive 2006/42/EC and certainly the minimum requirements set out in the RD of 12/08/1993 on the use of work equipment, unless the General Regulations concerning Protection at Work (ARAB) and its annexes provide for specific provisions. If the following directives are applicable, they must also be complied with : the Noise Emission Directive 2005/88/EC (noise emission by equipment for use outdoors), the Low Voltage Directive 2014/35/EU, the Electromagnetic Compatibility Directive 2014/30/UE, the Simple Pressure Vessels Directive 2014/29/EU (atmospheric pressure), the Pressure Equipment Directive (PED) 2014/68/UE (all pressure vessels, piping, safety valves, overpressure and underpressure), the ATEX Directive 2014/34/EU

- 5) For the machinery : the RD Machinery of 12/08/2008, namely :

- the presence of the CE marking;
- the existence of an EC declaration of conformity;
- instructions for use, including the complete assembly, commissioning, operation, operating, inspection, maintenance and safety instructions drawn up in Dutch and French;
- the complete, original manual;
- the manufacturer's detailed spare parts list with order details.

- 6) For the steel constructions :

- the constructor must be FPC2+ certified
- steel constructions must be executed according to EN1090-2, standard EXC class 2, unless otherwise stated
- design and engineering of the steel constructions according to Eurocode 3
- declaration of performance = DOP to be delivered
  - DOP method 2 – if calculations are carried out in-house by the steel construction contractor
  - DOP method 3a – if calculations are carried out externally with indication of the contractor + EC3 on DOP
- calculation note to be delivered
- documents to be delivered concerning the steel constructions :
  - material certificates 3.1 – drums
  - material certificates 2.2 – all other
- execution of adaptations on site must comply with EN1090-2
- all bolted joints with EN bolts (EN 15048-1 or EN 14399-1)
- all materials S235, unless otherwise stated
- all welds according to :
  - EN ISO 3834-3 for EXC class 2
  - EN ISO 3834-2 for EXC class 3

- drawings and documentation : drawings to be delivered concerning the steel constructions :
- 3D drawings with extension .STEP or .PKG : all detail parts defined as elements in the tree structure
- all wear parts in 2D format : dwg

Date : ...../...../.....

Stamp Prevention Adviser

## Supplier certificate: Annex 2

CERTIFICATE of the SUPPLIER/CONSTRUCTOR

### ORDER IDENTIFICATION

Supplier : .....

Order object : .....

Construction year/number : .....

### Purchase conditions :

In addition to the stipulations on the order form itself, the order object must comply with the requirements contained in this safety declaration. The delivery of the order object is considered complete if all requested documents are delivered, all forms signed and completed have been sent to our Internal Service PPW (Prevention and Protection at Work). Only then do we accept your invoice. The costs of a possible conformity assessment before commissioning to be conducted by an External Service for Technical Control shall be borne by the supplier.

To be completed and signed by the SUPPLIER/MANUFACTURER and to be returned to the Internal Service PPW of Galloo, together with the documents requested in points 2, 3, 4, (where appropriate 5).

The undersigned confirms with this certificate that the order object described above complies with all laws and regulations currently in force concerning safety, health and hygiene, including those listed in the General Regulations concerning Protection at Work (ARAB), the Codex on Well-Being at Work and, when electricity is used, the General Regulations on Electrical Installations (AREI), their annexes and additional decisions as last amended and supplemented. He confirms that the order object also meets the conditions concerning safety, health and hygiene, not necessarily imposed by the laws and regulations in force, but indispensable to achieve the objective set by the dynamic risk management system referred to in article 5 paragraph 1 of the Law on well-being of workers (general principles of prevention : eliminating or reducing the risks inherent to the nature of the work, preferring material measures to other measures and adapting the work to the people). That the work equipment, i.e. the machines, apparatus, tools, installations, complies with the applicable EC Directives transposed into Belgian law or, if they do not (yet) exist or are not (yet) applicable, at least the minimum requirements set out in the RD of 12/08/1993 on the use of work equipment (transposition of the EC Directives 89/655/EC and 2001/45/EC) and any specific provisions of the ARAB + annexes.

1. He confirms that the order object complies with the applicable EC Directives with an EC declaration of conformity (original and, where appropriate, its translation into Dutch).
2. He also declares that it bears the CE marking affixed in accordance with the regulations and that it is accompanied by an EC declaration of conformity (original and, where appropriate, its translation into Dutch).
3. He confirms that the order object is delivered with the instructions for use, maintenance and safety in Dutch, together with all technical diagrams, e.g. pneumatic, hydraulic, mechanical, electrical, electronic, ...
4. He also confirms that any additional requirements included in the order form/order have been met.
5. The electrical and/or electronic diagram shall be attached to the documents or the machine/apparatus, when electricity is used.

Date: ...../...../.....

Stamp supplier/constructor

Signature

Name and Position

