

Ettem Engineering s.A. Ltd - General Terms & Conditions of Sale

Effective 16 January, 2011

Ettem Engineering S.A. Ltd (hereinafter: "**the company**") specializes in the field of mechanical sealing, slider bearings and rotary equipment for various industrial sectors. The company actively designs, manufactures and supplies catalog or engineered products to meet customer needs. The terms and conditions below ("**the terms**") constitute an integral part of ordering products and/or services (hereinafter "**the order**") by the customer from the company (both together: "**the parties**").

Placing an order entails the following:

1. The customer has read this document and agrees to its conditions.
2. The company's quote and order approval are subject to terms of mutual technical and business confidentiality and ethics of the highest level. Contents of company's proposals, quotes, technical data, material or business information are not to be transferred to a third party without the company's written consent. These terms apply to all document and/or product items originating from the company.
3. Customer's order confirmation and execution are subject to the terms of quote, standard company's terms of sale and standard customer's purchasing terms. In the event of a conflict between the standard terms of the parties, the terms of sale override the terms of purchase. Any other agreement must be settled in writing and in advance.
4. The quote is based among other things, on customer compliance with the terms.
5. Unless agreed otherwise in writing, only the terms - whether technical or administrative, are legally binding for the company.
6. The company is legally committed to meeting technical specifications and administrative requirements as quoted and subject to the terms. Unquoted customer expectations are not legally binding.
7. The customer is to specify in its RFQ/P (request for quote/proposal) the complete and detailed description of the nature of the order, including application of materials and/or products, intended condition of use including adaptation of equipment, changes and/or additions, thermal conditions, chemicals and workloads including detailed exceptional and/or unusual usage. The company shall not be legally bound to meet unquoted performance parameters.
8. The customer bears full responsibility for proper use and application of the complete unit or of any part of the complete unit under order. Proper use constitutes installation and operation according to professional standards, drawings, specifications and industry norms. The customer bears full responsibility for any application of any part or of the complete unit supplied under order. Presence of company representatives in either installation and/or operation of customer equipment shall not constitute a waiver of customer responsibilities.
9. Order delivery times are estimated and subject to events, some of which are not under the control of the company. However, the company is committed to every possible effort to meet promised delivery times specified in the confirmed order.
10. The company shall not be responsible for late deliveries for reasons beyond company control.
11. The customer undertakes to pay the company the full value of the order in accordance with the terms of the confirmed order.
12. The company's accounting books constitute deciding evidence to customer unpaid debt.
13. Customer's late payments shall carry interest rate specified by over-draft interest terms of Israel Discount Bank.
14. Order price is calculated, among others, on the basis of known taxes, levies, duties and their equals. Prices are quoted net, ex-works and exclude any sales or VAT taxes. Any change in a.m. known taxing structure shall be reflected in a legally binding amended order confirmation and invoice to be fully honored by customer.
15. Order deliverables stay in sole ownership of the company until the order invoice is paid in full.
16. The customer bears full responsibility for maintaining the original value of order deliverables until the order invoice is paid in full.
17. Upon reception of order deliverables, the customer shall inform the company immediately and in writing of any discrepancies, either in quality or quantity. Having stayed intact in their original containers, the customer shall inform the company immediately and in writing of any discrepancies, either in quality or quantity, of the exposed goods. Having failed to inform the company within one year of delivery or five (5) working days of product exposure, all deliverables shall be considered to fully meet order specifications.

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18. In the event that a defect in quality or quantity is discovered and the company recognizes its failure to meet any of the order terms, the company shall repair or replace the faulty item and/or complete the missing items as quickly as possible and within a reasonable period of time. To remove any doubt, it is further clarified that the company shall not be responsible for any direct/indirect/consequential damage associated with a defect supply of order deliverables. Repair of defect items shall take place in company or customer facility, to be determined by company.
19. The company shall not be responsible towards the customer or any third-party for any consequential and/or other damages that may arise from order deliverables. Company responsibility is limited to terms only.
20. The company's liability on any claim of any kind, including negligence, for any loss or damage arising out of, connected with or resulting from this order, or from the performance or breach thereof, or from the manufacture, sale, delivery, resale, repair or use of any item or services covered by or furnished under the order shall in no case exceed the price allocable to the item or service or part thereof which gives rise to the claim. In no event shall the company be liable for special or consequential damages.
21. In any event that the order contains products and/or services and/or materials that are not company standard and/or are tailored to the specific customer needs and/or are not contained in the standard catalog products, the customer agrees that order cancellation may cause damage of full order value to the company. In such event, the customer shall pay the full order value and/or any excess company expenditure resulting from order cancellation.
22. The company is not responsible for fitness of order deliverables to customer needs in any form of application unless otherwise specified in order confirmation.
23. Acceptance and/or silence on the part of the company is not considered as a change of order and/or terms, unless written and signed by the parties.
24. Unless agreed otherwise in writing in advance, any quote and/or confirmed order is final. Any change in any of the elements of the quote, price, terms and/or order by the customer releases the company from any obligation to provide contents of order.
25. An advance order payment in full renders the order deliverables the customer property. Order deliverables shall be held by company and shipped to customer upon demand and within an agreed upon time limit.
26. Unless otherwise agreed, the company shall charge the customer for shipping of order deliverables per order specifications. The parties agree that company designated shipper is considered equal to a company representative, limited to the sole process of delivery. The company shall not bear any responsibility for any shipper action or inaction not explicitly linked to completing the shipping assignment.
27. Unloading deliverables at any customer specified site is under full customer responsibility. The company bears no responsibility for damage associated with unloading and/or consequent handling or storage of deliverables.
28. Return of product is possible only with prior company approval, at its sole discretion, in accordance with order terms and up to 10 days after date of delivery. The parties shall agree on the conditions of return, including payment for expenses, cancellation of discounts and handling/return charges at a rate of 5% of the returned item value.
29. The company will not authorize return of customer specific order deliverables.
30. The customer may not offset payment due against any outstanding debt/balance/claim against the company.
31. The company honors only written and signed orders. The order must be signed by the authorized customer department/individual only. In the event of customer failure to meet his obligations, the company is entitled to postpone the delivery, cancel it entirely or take any other legal action.
32. The customer bears full responsibility to use deliverables in accordance with professional standards, norms and specific company instructions.
33. Disputes between the parties shall be settled by an arbitrator agreeable on both sides. The cost of arbitration shall be born by the parties in accordance with the arbitrator's ruling and subject to the arbitration results.
34. Place of jurisdiction is the city of Acco, Israel. This is not to prevent the company from suing the customer in any other jurisdictions in Israel or elsewhere, according to its sole discretion.