GENERAL TERMS AND CONDITIONS OF SALES

1. General Information

1.1 Unless otherwise agreed in writing, the following general terms and conditions of sales (hereinafter referred to as the "General T&C") apply exclusively to any present or future sales (hereinafter referred to as "Sales") of materials, equipment or services of any kind defined with characteristics and prices (hereinafter referred to as the "Products" or "Deliverables") to be supplied to the buyer.

1.2 The standard terms of business of the buyer (hereinafter uniformly referred to as "the Client") shall only apply insofar as FACIL has consented to them in writing. The Client acknowledges that its acceptance of an Offer or Sales entails: (1) an express waiver by the Client of its own standard terms of business, and (2) express acceptance of these General Standard Terms.

2. Scope of application

2.1 These General Terms and Conditions apply to all contracts and orders, including discrete (closed) and open (blanket) orders.

They shall in their entirety form part of each and every contract Facil enters into, including (i) Quality Agreements, (ii) Logistics Agreements, (iii) Offers, (iv) PPAP (Part Production Approval Process) documents including Facil’s acceptance of Client’s product requirements and Client’s validation of the characteristics defined as functional with indication of the used testing and measurement, (v) Delivery orders and (vi) Invoices.

2.2 Any general data, similar information and drawings contained in our brochures, catalogues, documents supporting order, technical, advertising and any other documents shall not be binding and are outside the scope of application of these T&C.

2.3 These General T&C apply for individually operating company belonging to the FACIL Group of companies (incl. FACIL EUROPE bvba, FACIL NA; FACIL Asia and their branches).

3. Ordering

3.1 Orders placed by a Client will be executed under the T&C as agreed between Parties. If an order is strictly in conformity with the Offer of Facil, the order will be assumed to be closed even if it has not been the subject of express confirmation by Facil.

In the event that the order differs from the terms and conditions of the offer made by Facil, the sales contract will only be valid after express acceptance of the order by Facil.

An order from the Client can be expressly accepted by Facil by any written means, including e-mail and telefax. Any order expressly accepted by Facil, whether closed or open, will be deemed to entail the Client’s acceptance of Facil’s offer.

In the absence of an express confirmation by Facil of any order, the burden of proof of acceptance of the order by Facil lies with the Client. In the absence of verification by the Client that Facil recovered its orders via a portal or any other electronic means, Facil will not be held liable for not or not timely recovering the aforementioned orders.

3.2 Under the present General T&C, Parties will be bound by a:

3.2.1 "Closed order" (also entitled as a "Discrete", "Confirmed" or "Released" order):

Closed order specifies the quantities, prices and timeframes in a closed manner.

3.2.2 "Blanket Purchase Order" / "Program of Delivery" / "Order Coverage Time":

A Blanket Purchase Order is an open Order, allowing the Client to purchase Deliverables on the basis of an open ended frame agreement between Parties, including agreed delivery schedules to purchase the Deliverables at the convened price for specified estimated minimum to maximum quantities based on presumed annual market requirements (Forecasts) by the Client.

The Program of Delivery to be specified and communicated by the Client and to be expressly agreed by Facil indicates the period and the quantities that the Client forecasts to call and will include a minimum delivery schedule of 6 months, entitled as Order Coverage Time.

The Order Coverage Time is the time period of 6 months during which Client’s requirements of a part are fixed and thus during which the Client undertakes to purchase the total quantity forecasted during this time period.

3.3 Amendment of orders

3.3.1 Any modification to the contract requested by the Client is conditional upon Facil’s express acceptance.

3.3.2 The quantities mentioned in the delivery schedules are and become fixed, unchangeable and binding Closed Orders for Parties during the term of the first 4 (four) weeks of the delivery schedule.

3.3.3 If the Client adapts the quantities forecasted in the Program of Delivery and/or in the Order Coverage Time by more than 20 (twenty) % upward or downward, Facil is entitled to (re-) evaluate the consequences of the variations on the past and future Sales. The parties must meet to find a solution for consequences of these variations, which could modify the contract’s balance to Facil’s detriment. In the event of variation upward, Facil will make all its best efforts to fulfil the request of the Client within quantities and timeframes compatible with its capabilities (production, transport, subcontracting, human capabilities, financial capabilities, etc.).

3.4 Cancellation of orders

Both parties can cancel the order after a written notification and upon following conditions:

- In the event of a cancellation by the Client, the Client’s cancellation of orders require Facil’s explicit written agreement as well as Client’s reimburse for material, wages and indemnification of Facil for all of the expenses incurred, in particular specific equipment, ppap costs, prototyping and tooling cost, research’s costs, supplying’s expenses, tooling, obsolete stock and for all direct and indirect consequences resulting thereof.

- In case of termination by the Client of one or more articles of the Deliverables during the Order Coverage Time, the Client is obliged to buy the volume of the highest 6 months forecast during the Program of Delivery communicated by the Client reduced by quantities purchased of that article during the last 6 months order coverage time.

- In the event of a cancellation by Facil, Facil will guarantee deliveries for 6 months after written notification.

4. Conditions of use, Security provisions

4.1 The Deliverables shall comply with the PPAP in accordance and with the technical regulation and the technical standards as mentioned in the PPAP at the time of ordering and order confirmation. Not Facil but the Client shall exclusively be responsible for all application and use of the products supplied. Facil shall especially not be responsible for
engineering, technical advice or similar services, unless such services are provided for in an explicit written agreement signed by both parties.

4.2 The Client is responsible for ensuring that the product is used in normal and foreseeable conditions of use as well as with industry practice and in accordance with safety and environmental legislation in effect at the place of use. The Client shall be responsible for ascertaining and notifying Facil at the latest when submitting his order of any specific regulations and standards for destined application. The adherence to the general and local security provisions as well as the instruction of Client's staff regarding the use of the products supplied shall be Client's sole obligation. The Client shall remain exclusively responsible for compliance with such specific regulations and standards for any application.

5. Delivery, transport, inspection and acceptance of products

5.1 Delivery Timeframe

5.1.1 The delivery timeframe shall commence as of the latest of the following dates:
- The date of the order’s acknowledgement of receipt
- The date of receipt of all of the materials, equipment, tools, technical points and execution details due by the Client
- The fulfilment date of prior contractual or legal obligations due by the Client or formalities required by any authorities.

5.1.2 Offered and accepted delivery dates shall be observed to the extent possible. The agreed delivery timeframe is specified in the Offer. However, timeframes stipulated are given for information purposes only and can be reconsidered or extended if circumstances that are beyond Facil’s control occur or if Facil, the Client or any third party (especially Facil’s sub-contractors) are subject to obstacles or unpredictable events which are not avoidable (esp. – but not limited to – force majeure, war, international tensions, riots, lack of commodities, breakdowns, epidemics, strikes etc.).

5.1.3 In no circumstance shall a delay of delivery be deemed to justify the termination or cancellation of an Order.

5.1.4 Facil disclaims any and all liability for any damages due to late or short delivery or failure of delivery terms.

5.2 Delivery terms

5.2.1 Facil delivers the Deliverables “ex works” (Incoterms 2010) from the agreed Facil plant, unless expressly agreed otherwise. The Client has the initiative of the transport and bears the transport cost and transport risk.

5.2.2 All risks of loss or damage to the Products are assumed by the Client from the moment they are placed at its disposal by Facil at the agreed upon place of delivery and within the time stipulated in the Order. From that moment on the Client will bear the risks of delay, loss or damage caused, for example, by any carrier, whether or not related transportation of the Deliverables has been arranged by Facil. The Client shall be responsible for all financial consequences for direct action of the carrier against Facil.

5.2.3 In the absence of instructions as to the place of delivery, or in case of impossibility of dispatching the Deliverables for reasons independent of Facil’s will, delivery will be deemed to occur upon notice of the Deliverables’ availability, these products thereupon being at the Client’s disposal in Facil’s buildings, with all risks of loss or damage bearing on the Client, and Facil reserving the possibility of invoicing storage expenses.

5.3 Transport, customs, insurance

Unless otherwise agreed, all operations involving transport, insurance, customs, maintenance and bringing to the site shall be carried out and paid by the Client, at its own risk. The Client shall be responsible for the legal Acceptance and for exercising, if need be, remedies against carriers, even if shipping has been done carriage free.

5.4 Checking of the products and acceptance

5.4.1 All of Facil’s warranties shall be subject to Client’s inspecting the products supplied upon delivery according to the order. The Client must, at its expense and under its responsibility, check or make check the products conformity to the PPAP drawing at the delivery time. The Buyer shall be presumed to have taken delivery of the Products within fifteen (15) days of the initially agreed upon delivery date. Thereafter, the Buyer shall be presumed to have accepted the Products with all possible defects apparent therein.

5.4.2 Client shall give notice to Facil’s sales manager in charge of the Order or to the person in charge of quality control at the factory that delivered the Products, regarding any defects immediately, or – at the latest – within eight days after completion of the service rendered or discovery of the defect. All Client’s complaints and Facil’s warranties shall be subject to the statutory periods of limitation. Any complaint shall be effected by means of registered mail. Upon receiving the complaint Facil shall be entitled to examine the defect or damage claimed through its own employees or any expert appointed at Facil’s discretion.

5.4.3 Any Products returned by the Client must be addressed to Facil’s entity that delivered the Products. The Client shall bear all risks concerning the return of any Products until it finally arrives in Facil’s entity. Facil will not accept return of any Product without its prior written authorization.

5.4.4 Any claimed defect must be established by evidence. If the Products are found to be defective, Facil reserves the right to cure said defect(s) by one of the three following modes: (a) by replacing the defective Products in the Client’s premises; (b) by repairing the defective Products; or (c) by refunding the price invoiced and paid by the Client for the defective Products. If mode (b) or (c) is chosen, the replaced or refunded Products will, at Facil’s discretion, again become its property.

5.4.5 Unless otherwise specified in the commercial agreements between FACIL and the client, for delivered PPMs level, FACIL refers to the ISO-16426. PPM level takes in to consideration the monthly volume of all delivered parts (all references).

5.4.6 Requalification process for purchased parts will only be performed in case it is explicitly requested by the client and a commercial agreement is available.

5.5 Handling and storage, traceability

5.5.1 The Client shall respect the recommendations relating to storage and handling including, but not limited to, reconditioning of pallets, change of conditioning by the non-utilization of the products fallen on the ground, or the inventory turnover to ensure the availability of the latest index in force after the modification of the Deliverables.

5.5.2 Facil fulfills its traceability obligations for the products supplied by providing the respective information on the packaging label. After delivery of the products supplied, the Client shall bear the responsibility to insure that Facil can be traced as the supplier of Deliverables.

6. Establishment of the price
6.1 Prices are on the basis of EX WORKS (EXW, Incoterms 2010) and excluding VAT.

The prices refer to the price, products and services specified in the applicable offer. Payment shall be effected in the same currency. Facil reserves the right to adjust prices without notice due to demonstrated currency exchange rate fluctuations. Facil’s price lists and offers shall only be binding within the respective terms (if any) specifically offered therein.

6.2 Prices are always stated as net amounts, excluding taxes and any other charge, for unpacked Products placed at the Client’s disposal on the Facil’s premises.

All costs of packing, handling, shipping, (whether surface, maritime or air), placing on board, insuring, etc., will be invoiced in addition. The Buyer will pay for all rights, taxes and other official charges, as well as the duties and expenses for customs formalities for export and import of Products and, if necessary, transit abroad. The Client will advance to Facil for whatever part of said costs, charges or expenses the latter may be required to pay, so that the amount paid to and retained by Facil is the price net of taxes. The taxes due at the time of invoicing are invoiced and payable in full at the time of delivery. To take advantage of provisions suspending the payment of taxes, the Client may have to provide Facil with the export documents officially required at the time it places its Order. Late submission of said documents shall not be used by the Client to withhold payment of invoices in accordance with the Contract, including taxes, whether in whole or in part. Refund of exonerated taxes and accounting revisions will occur only after receipt of such documents.

6.3 The Client is responsible for paying any increase in the cost of rights, taxes, levies and stamps occurring after placement of the Order. Prices of the Order shall be adjusted as a result of an increase in costs or / and of extension of the time schedule due to the execution of any new law or regulation or of any change in existing laws and regulations which occur after the Order confirmation date.

6.4 Unless otherwise stipulated in the Order, prices are subject to adjustment by Facil so as to take into account unforeseeable variations, for instance in the costs of materials, energy and labor occurring between the date of the last Offer and the contractual delivery date. The Client hereby recognizes and acknowledges this fact, and that such price adjustments are valid without its prior agreement. Nevertheless and insofar as possible, Facil will, within a reasonable time, inform the Client of its intent to make such adjustments before they become effective, giving the Client all reasonable information in its possession concerning the need for, and methods used, in computing them.

7. Force majeure, clause of hardship

7.1 The occurrence of an event of force majeure will lead to the suspension of Facil’s obligations with regard to the Client. Facil will inform the Client as soon as possible of the occurrence of a case of force majeure and Facil will endeavor to remedy the situation as soon as reasonably possible. It is expressly agreed that the Parties shall meet in order to agree to the postponement of Facil’s obligations which are affected by the event of force majeure. Pursuant to this contract, it is expressly agreed that events of force majeure shall be, in particular: the occurrence of incidents, as upheld by effective legislation or by case law, but also war, strikes or blocking labor unrest at the manufacturer or supplier of the goods, paralyzing bad weather, blocking road accidents or incidents, fires, shortage of raw materials or generally, the fact, in spite of all due care taken, of not being able to make the delivery in accordance with the instalment dates as a result of a ban on, or non-receipt, of carriage authorizations by the relevant authorities for all the plants concerned by the issuance.

In case of a persisting or non-repairable force majeure, Facil shall be entitled to dissolve the sales contract. Facil disclaims any and all liability for any damages due to a situation of force majeure.

7.2 Clause of hardship

The Parties recognize that the Facil Offer constitutes a reasonable and equitable basis for their co-operation at the moment of offering. If the data on which this contract is based are modified by supervening events, unforeseeable or unforeseen by the Parties on the day of the Offer or of the Order with the result that Facil encounters serious and unforeseeable difficulties, then Facil, after prior and written notification, will make the adjustments in good faith and in order for the contract to be balanced (i.e. price adjustment, delivery schedule or price index formula changes).

8. Payment

8.1 Term of payment

Unless otherwise expressly agreed in a specific agreement, payments are made by the 30th day following the date of invoicing, net and without discount.

8.2 Delay of payment

8.2.1 Non-payment of a fraction of the price when due, or non-observance of any payment’s due date, shall trigger Facil’s right to demand immediate payment of all sums then still due, (bills of exchange included), and to retain Products held by Facil as well as any other items in Facil’s custody, until full payment of all sums due.

8.2.2 As compensation for the prejudice suffered as a result of said late payment(s), the Client will pay to Facil without delay a sum equal to the annual rate of interest of 10% above European Bank refinance rate (Euribor) applied to the entire outstanding unpaid balance, such sum to be due upon the day following the invoice date of the late payment in question, without necessity of a reminder. In addition to this sum, the Client will reimburse Facil of the corresponding collection expenses, with a minimum fixed compensation of 40€ (or its equivalent in the invoiced currency) per unpaid invoice.

8.2.3 Notwithstanding resort to the sanction provided for in 8.2.2, non-payment of an invoice when due, whether partial or in full and for whatever reason, entitles Facil to cease delivering Products and/or to stop all work, without notice or other formality. Such a decision, a matter of entitlement attributable to the Client, entails the right retroactively to cancel existing contracts, without affecting Facil’s right to compensation for termination, or possible damages together with interest.

8.3 Compensation of the payments

The client undertakes not to engage into any illicit debiting or crediting or not to invoice Facil for any amount that has not been expressly acknowledged by the latter as being its responsibility. Any automatic debit shall constitute an outstanding payment and shall give rise to the application of the provisions of Article 8.2 with respect to delay in payments.

8.4 Reservation of title

8.4.1 The transfer of title to delivered Products shall occur only after Facil receives full payment of the price and auxiliary charges. This reservation of title does not prevent transfer to the Client, upon the Products’ delivery, of all risks of loss and deterioration, as well as of damage they might occasion.
8.4.2 If the Client fails to make a payment when due, Facil may reclaim specific Products, or all products of the same kind and quality held by the Client. In case Facil repossesses said Products, the Client will be credited with their price after deducting, on one hand, the costs of repossession and, on the other, their possible loss of value between the Contract and repossession dates.

8.4.3 Before acquiring title to the Products, the Client may neither grant any security interest therein to a third party, nor transform or resell them, without the Facil’s prior written consent.

8.4.4 The transfer of risks being effective as of delivery, the Client shall assist Facil in any action the latter may be required to take in order to protect its rights of ownership. The Client commits itself to ensuring the Products as of their delivery, with Facil as beneficiary, against all risks that they might encounter or cause. The Client commits itself, under all circumstances, to maintaining delivered Products in such a manner as to avoid any confusion about their ownership by Facil.

9. Cancellation – Termination

9.1 A simple delay in delivery, nonobservance of a procedure, or any cause beyond Facil’s reasonable control, such as one attributable to a third party, which makes it impossible for Facil to fulfill its contractual obligations, shall be deemed to justify neither a request for any sort of compensation, nor the cancellation or termination of all or part of an Order by the Client.

9.2 Facil shall have the right to terminate the Contract if the Client is in bankruptcy or liquidation proceedings, or in the event a significant change occurs in the Client’s legal circumstances undermining its solvency.

However, termination of a Contract shall not reduce the Client’s debts to Facil.

9.3 Client’s complaints with regard to product quality and quantity etc. shall not give Client the right to cancel the balance of any order.

9.4 Moreover, whatever may be the cause of termination of one or more Order(s), whether or not attributable to Facil, the Client is obligated to take delivery and pay for Products manufactured and stored, or in the course of manufacture, as of the date of termination and, upon presentation of supporting documents, without delay, to refund, compensate and indemnify Facil for any sums the latter is eventually required to pay its suppliers or subcontractors for any such termination. Any payment received by Facil for any such terminated Order, such as an installment, remains Facil’s property and may under no circumstance be restituted to the Client or viewed as compensation by the latter.

10. Responsibility/Liability

10.1 Definition of Facil liability

Facil’s responsibility is strictly limited to complying with the drawings and specifications as submitted in the PPAP. The Client, as a professional in his field of competency, shall be able to define with precision the specifications according to his own industrial data or data of his clients and consequently shall be able to appreciate that the PPAP fully corresponds to its expectations.

If Facil comments on questions regarding construction and / or assembly, this opinion is based solely on the details provided to us by the Client. Facil’s descriptions and other information are based upon theoretical considerations or research results which are acquired under laboratory conditions. They shall be checked under field-experienced conditions by the Client.

Facil shall also not be liable:

- For defects resulting from materials furnished by the Client
- For defects resulting from design carried out or recommended by the Client or definition of components of the Products. The Client shall, in any event, bear the entire responsibility for the industrial result of the Products, including responsibility for errors or omissions in technical specifications, criteria or standards; unless expressly agreed otherwise in writing, all responsibility for choice of Products is incumbent upon the Buyer.
- For defects that result partially or completely from all defects attributable to normal wear and tear, faulty use, defective maintenance, incorrect handling, over-exertion and intervention by third parties and damages or accidents attributable to the Client or to a third Party.
- In the case of abnormal or atypical use or use that is inconsistent with the product’s intended use, industry practice, or Facil’s advice or recommendations.
- For defects or damages resulting from storage or use of Products by the Buyer or its customers under conditions either anomalous or not in conformity with accepted norms.
- In case of loss of traceability of the product by the Client
- For the inaccuracy of any documents supporting Client’s orders, especially drawings, material specifications and documents of similar nature.

10.2 Limitation of Facil’s liability

10.2.1 Facil’s liability shall be limited to direct material damages caused to the Client that result from fault attributable to Facil in implementing the Contract. In no case may Facil be held responsible for indirect or consequential damage ultimately suffered by the Buyer, including but not limited to loss of use, loss of product, loss of profit or business interruption. This means that under no circumstance Facil will be required to compensate immaterial or indirect damages, included but not limited to: losses in productivity, losses of chance, losses of benefit, commercial damage, shortfall.

Facil shall not be liable for damages resulting from the Client’s use of technical documents, information or data from the Client or imposed by the latter.

10.2.3 Facil’s civil liability, all causes taken together except for personal injuries and for gross misconduct liability, is limited to the amount of the selling price of the batch to which belongs the non-conform products that caused the material damages.

10.2.4 Facil shall not be required to compensate harmful consequences due to the faults of the Client or of third parties in connection with the implementation of the contract.

The Client guarantees waivers of remedy by its issuers or third parties in a contractual relationship wither, against Facil or its insurers that is above and beyond the aforementioned limits and exclusions.

10.2.5 This limitation of liability also applies to Facil’s contractual and statutory liability with regard to damages, based upon activities or defaults by its statutory representatives, staff and agents as well as to the personal contractual and statutory liability of these persons.
11. Security provisions

11.1 The adherence to the general and local security provisions as well as the instruction of Client’s staff regarding the use of the products supplied shall be Client’s sole obligation.

11.2 The Client shall be responsible for ascertaining and notifying Facil at the latest when submitting his order of any specific regulations and standards for destined application. However, the Client shall remain exclusively responsible for compliance with such specific regulations and standards for any application.

12. Confidentiality and Intellectual property

12.1 All documents provided by Facil such as offers, quality plans, schedule of conditions, certificates of control and conformity, software, qualification dossiers, statistical analysis and all documents produced by Facil remain Facil’s intellectual property and may not be transmitted to, or otherwise shared with, third parties without Facil’s prior written consent.

12.2 The Client shall indemnify and hold Facil harmless against all claims of third parties concerning intellectual property rights to components the Client entrusts to Facil, or that Facil uses at the Client’s request, within the framework of the Order, and commits itself to indemnifying Facil and taking responsibility for all consequences of such claims, including legal expenses and financial judgments. These guarantees, and their resulting obligations upon the Client, will continue in effect as long as the delivered Products continue to be used commercially or industrially.

12.3 Unless expressly agreed otherwise by the Parties, Facil shall have and retain exclusive intellectual property rights to all “Results”, (as hereafter defined), obtained by Facil prior to as well as during the execution of the Order.

12.4 Unless expressly agreed otherwise by the Parties, delivery of Products shall not be deemed to convey to the Client any license to Facil’s intellectual property rights.

12.5 The Client’s participation in financing the expenses of design, creation, manufacture and development of the needed tools for Products will be the subject of a separate preliminary order. Facil keeps full ownership of these tools.

12.6 Unless expressly agreed otherwise by the Parties, neither the receipt of payments by Facil, nor the delivery of tools, or prototypes, or information relating thereto, by Facil to the Client, shall be deemed to affect Facil’s rights of intellectual property. In this regard, Facil shall not be deemed to have relinquished its right to bring counterfeiting and/or infringement proceedings against the Client, its customers and its subcontractors, for keeping, repairing, or using tools, prototypes and information concerning the Products delivered by Facil to the Client in accordance with the Order.

13. Amicable attempt to resolve disputes

The parties undertake to attempt to resolve their disputes amicably prior to refer to the court with jurisdiction.

The term “Results” includes, without limitation, results of studies, developments, and services obtained or provided in accordance with execution of the Order, such as all inventions, documents, software, materials (ingots, samples, outlines, prototypes, etc.), information, data and specific know-how, whether or not technical. The Client commits itself to taking all measures needed to prevent infringement, whether directly or by third parties, of Facil’s intellectual property rights in said Results.

14. Applicable law – Attribution of jurisdiction

In the absence of amicable agreement, it is expressly agreed that any dispute relating to the contract shall be subjected to the Belgian law and shall be of the exclusive competence of the commercial court of Antwerp, division Tongeren, even in the event of appeal and of plurality of defendants. The application of the conflict of laws IPR provisions and the UN sales law is excluded. Facil only shall also be entitled to choose the jurisdiction at the place of its operational branch or at the Client’s place. In the event of deviations between the English version of these terms and conditions and any version in another language, the English text prevails.

15. Severability clause

In the event that any clause of these Terms and Conditions or other elements of the contract should be or become invalid this shall not affect the validity of the remaining clauses.

If any provision of an agreement or these conditions turns out to be void or otherwise unenforceable, you and we will enter into good faith negotiations to replace such provision with an valid and enforceable provision that comes as close as possible to the original intent of such provision.