



**GENERAL CONDITIONS FOR THE SUPPLY AND ERECTION
OF MECHANICAL, ELECTRICAL AND ELECTRONIC PRODUCTS
Brussels, September 2001**

PREAMBLE

1. These General Conditions shall apply when the parties agree In Writing or otherwise thereto. When the General Conditions apply to a specific contract, modifications of or deviations from them must be agreed In Writing.

DEFINITIONS

2. In these General Conditions the following terms shall have the meanings herein assigned to them :

- **"Contract"** shall mean the written agreement between the parties concerning performance of the Works, and all appendices, including agreed amendments and additions to the said documents.

- **"Contract Price"** shall mean the payment to be made for the Works. If erection is to be carried out on a time basis and has not been completed, the Contract Price for the purposes of Clauses 17, 40, 41 and 47 shall be the price for the Plant with the addition of 10 per cent or of any other percentage that may have been agreed by the parties.

- **"Gross Negligence"** shall mean an act or omission implying either a failure to pay due regard to serious consequences, which a conscientious contracting party would normally foresee as likely to ensue, or a deliberate disregard of the consequences of such act or omission.

- **"In Writing"** shall mean communication by document signed by the parties, or by letter, fax, electronic mail and by such other means as are agreed by the parties.

- **"Plant"** shall mean all machinery, apparatus, materials and articles to be supplied by the Contractor under the Contract.

- **"Site"** shall mean the place where the Plant is to be erected, including as much of the surrounding area as is necessary for unloading, storage and internal transport of the Plant and erection equipment.

- **"Works"** shall mean the Plant including the erection and other work to be carried out by the Contractor under the Contract. If the Works according to the Contract shall be taken over by separate sections intended to be used independently from each other, these Conditions shall apply to each section separately. The term "Works" shall then refer to the section in question.

PRODUCT INFORMATION

3. All information and data contained in general product documentation and price lists, whether in electronic or any other form, are binding only to the extent that they are by reference expressly included in the Contract.

DRAWINGS AND DESCRIPTIONS

4. All drawings and technical documents relating to the Works submitted by one party to the other prior or subsequent to the formation of the Contract shall remain the property of the submitting party.

Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the submitting party, otherwise be used or copied, reproduced, transmitted or communicated to a third party.

5. The Contractor shall, not later than at the date of taking-over, provide free of charge information and drawings which are necessary to permit the Purchaser to commission, operate and maintain the Works. Such information and drawings shall be supplied in the number of copies agreed upon or at least one copy of each. The Contractor shall not be obliged to provide manufacturing drawings for the Plant or for spare parts.

TESTS BEFORE SHIPMENT

6. If tests before shipment are provided for in the Contract they shall, unless otherwise agreed, be carried out at the place of manufacture during normal working hours.

If the Contract does not specify the technical requirements, the tests shall be carried out in accordance with general practice in the appropriate branch of industry concerned in the country of manufacture.

7. The Contractor shall notify the Purchaser In Writing of these tests in sufficient time to permit the Purchaser to be represented at the tests. If the Purchaser is not represented, the test report shall be sent to the Purchaser and shall be accepted as accurate.

8. If the tests show the Plant not to be in accordance with the Contract, the Contractor shall without delay remedy any deficiencies in order to ensure that the Plant complies with the Contract. New tests shall then be carried out at the Purchaser's request, unless the deficiency was insignificant.

9. The Contractor shall bear all costs for tests carried out at the place of manufacture. The Purchaser shall however bear all travelling and living expenses for his representatives in connection with such tests.

PREPARATORY WORK AND WORKING CONDITIONS

10. The Contractor shall provide in good time drawings showing the manner in which the Plant is to be erected, together with all information required for preparing suitable foundations, for providing access for the Plant and any necessary equipment to the point where the Plant is to be erected, and for making all necessary connections to the Works.

11. The Purchaser shall provide in good time all installations, and ensure that the conditions necessary for the erection of the Plant and for the correct operation of the Works are fulfilled. This shall not apply to preparatory work which according to the Contract shall be performed by the Contractor.

12. The preparatory work shall be carried out by the Purchaser in accordance with the drawings and information provided by the Contractor under Clause 10. The work shall be completed in good time. In any case the Purchaser shall ensure that the foundations are structurally sound. If the Purchaser is responsible for transporting the Plant to the Site, he shall ensure that the Plant is on the Site in good time.

13. If an error or omission in the drawings or information referred to in Clause 10 is discovered by the Contractor or notified to him In Writing before expiry of the period referred to in Clause 52, the cost of any necessary remedial work shall be borne by the Contractor.

14. The Purchaser shall ensure that:

a) the Contractor's personnel are able to start work in accordance with the agreed time schedule and to work during normal working hours. Provided that the Purchaser has been given notice In Writing in reasonable time, work may be performed outside normal working hours to the extent deemed necessary by the Contractor.

b) he has, in good time before erection is started, informed the Contractor In Writing of all relevant safety regulations in force at the Site. The erection shall not be carried out in unhealthy or dangerous surroundings. All the necessary safety and precautionary measures shall have been taken before erection is started and shall be maintained.

c) the Contractor's personnel are able to obtain suitable and convenient board and lodging in the neighbourhood of the Site and have access to internationally acceptable hygiene facilities and medical services.

d) he has made available to the Contractor free of charge at the proper time on the Site all necessary cranes, lifting equipment and equipment for transport on the Site, auxiliary tools, machinery, materials and supplies (including fuel, oils, grease and other materials, gas, water, electricity, steam, compressed air, heating, lighting, etc...), as well as the measuring and testing instruments of the Purchaser available on the Site. The Contractor shall specify In Writing his requirements concerning such cranes, lifting equipment, measuring and testing instruments and equipment for transport on the Site at the latest one month before the start of the erection.

e) he has made available to the Contractor free of charge necessary storage facilities, providing protection against theft and deterioration of the Plant, the tools and equipment required for erection, and the personal effects of the Contractor's personnel.

f) the access routes to the Site are suitable for the required transport of the Plant and the Contractor's equipment.

PURCHASER'S DEFAULT

15. If the Purchaser anticipates that he will be unable to carry out in time his obligations necessary for completion of the Works, including complying with the conditions specified in Clauses 11, 12 and 14, he shall forthwith notify the Contractor In Writing, stating the reason and, if possible, the time when he will be able to comply with his obligations.

16. Without prejudice to the Contractor's rights under Clause 17, if the Purchaser fails to fulfil, correctly and in time, his obligations necessary for completion of the Works, including to comply with the conditions specified in Clauses 11, 12 and 14, the following shall apply:

a) the Contractor may at his own discretion choose to carry out or employ a third party to carry out the Purchaser's obligations, or otherwise take such measures as under the circumstances are appropriate in order to avoid or alleviate the effects of the Purchaser's default.

b) the Contractor may suspend in whole or in part his performance of the Contract. He shall forthwith notify the Purchaser In Writing of the suspension.

c) if the Plant has not been delivered to the Site, the Contractor shall arrange for storage of the Plant at the Purchaser's risk. The Contractor shall also, if the Purchaser so requires, insure the Plant.

d) if performance of the Contract is delayed by the Purchaser's default, he shall nevertheless pay any part of the Contract Price which, but for such delay, had become due.

e) the Purchaser shall reimburse the Contractor for any costs not covered by Clause 44 or 45, which are reasonably incurred by the Contractor as a result of measures under a), b) or c) of this Clause.

17. If completion of the Works is prevented by the Purchaser's default as referred to in Clause 16, and this is not due to any such circumstance as mentioned in Clause 67, the Contractor may also by notice In Writing require the Purchaser to remedy his default within a final reasonable period.

If, for any reason for which the Contractor is not responsible, the Purchaser fails to remedy his default within such period, the Contractor may by notice In Writing terminate the Contract.

The Contractor shall then be entitled to compensation for the loss he suffers because of the Purchaser's default. The compensation shall not exceed the Contract Price.

LOCAL LAWS AND REGULATIONS

