

GENERAL TERMS & CONDITIONS OF SALE



1. OPPOSABILITY

Unless expressly agreed in writing by the Supplier, all orders imply unconditional acceptance by the Distributor of the Terms & Conditions of Sale herein, notwithstanding any provisions to the contrary which may appear in the Terms & Conditions of Purchase or in any other Distributor's documents.

2. ORDERS

All orders are construed as an offer to buy. It becomes binding for the Supplier only after the written acceptance of the said order with order confirmation.

3. PRICE

The price of the goods is understood as being: ex-works, unpacked and on the date of order confirmation.

The Supplier is expressly entitled to modify such prices for purposes of placing them in line with any new economic, social or taxation conditions to be supported by same at time of delivery (in particular, a change in Customs duties or currency exchange).

In the case of important variations in raw materials costs, the price may be adjusted accordingly.

4. PAYMENT

Invoices are payable unless otherwise agreed:

For all new Customers: in cash

For all amounts less than €150.00: in cash

For all amounts over €150.00:

30 days at end of month by accepted bill of exchange and remitted or returned within two weeks. Payment deadlines run from warehouse shipping date or date of placing goods at the Distributor's disposal.

5. LATE PAYMENT OR DEFAULT

Failure to pay an invoice by the due date induces immediate payment of any other due invoices, even if said invoices have given rise to bills of exchange already in circulation.

In such a case, said bills of exchange will be restored against payment.

Failure to pay an invoice by the due date authorises the Supplier, without prejudice to any rights or actions of same, to suspend delivery until full payment, to ship goods against payment or to cancel any orders being processed.

Also, any amount unpaid by due date will, without prior formal notice, rightfully generate interest in arrears as of the said due date until receipt of payment, without having the clause herein impede upon the payable nature of the sum due.

Such interest in arrears will be calculated at the rate of one and a half times the prevailing rate of interest in France.

6. DELIVERY DEADLINES

The Supplier will be careful to comply strictly with the deadlines appearing on his order confirmation. The said deadlines are, however, but an indication. Non-compliance with same cannot entail cancellation, withholding or compensation of any kind.

Wars, strikes, epidemics, suspension of transportation, lack of raw materials, accidents or any causes beyond control of the Supplier will be deemed as a case of force majeure authorising the Supplier to suspend execution of contracts or orders.

7. DELIVERY, SHIPPING, QUANTITY

Shipping is executed "Ex-works" (EXW, as defined by Incoterms 2000).

Failure to receive instructions from the Distributor, the Supplier reserves the choice of carrier, without hence entailing any liability whatsoever.

Whatever the invoicing method used, the goods travel at the risk of the consignee, who is responsible for verifying same upon arrival and, if need be, within the legal timeframe formulating any reservations as required and lodging any claims against the carrier.

The shipped goods are not insured by the Supplier; said goods may be insured upon specific instruction by the Distributor, who will hence bear insurance costs.

For certain special manufacturing cases (not included in standard goods catalogue), it is possible to obtain a variation in the quantity to be manufactured and in such case, the Supplier reserves the right to increase or decrease the quantity to be delivered with respect to the quantity being ordered by up to a maximum of $\pm 3\%$. The invoice will be established according to the quantity delivered. It is permitted to make fragmented deliveries.

8. SUB-CONTRACTING

In cases where materials or parts are provided by the Distributor for processing order of same, no entry inspection will be conducted by the Supplier. It is assumed, unless agreed otherwise, the product placed at the disposal of the Supplier is exempt of any and all defects. Should, during our production process, a defect be noted in said materials or parts, the Distributor will be liable for the furnished product and must refund the cost of processing and added value the Supplier conferred upon said product, as well as the product itself.

9. BLUEPRINTS, SPECIFICATIONS, TOOLS

Blueprints and specifications provided by the Distributor are used by the Supplier for proposing the product required by the Distributor; the Supplier's materials or parts are manufactured and inspected either according to the Supplier's catalogue standards or to blueprints.

Any exceptions must be confirmed to the Supplier in writing.

In the case of a contradicting stipulation, solely a written note from the Supplier mentioning compliance with a document is valid.

The studies and tools created by the Supplier or its principals or sub-contractors remain in the possession and the property of the Supplier, even if the cost was borne by the Distributor in whole or in part.

10. CLAIMS & RETURNED GOODS

Any claims regarding visible defects or non compliance must be formulated in writing and forwarded to the Supplier within 30 days of the date such Products were shipped from the Supplier.

Any returned goods must receive prior approval from the Supplier. The goods returned must be in perfectly new condition and carefully packaged.

Expenses and risks regarding returned goods always fall under the Distributor's liability. No claims or returns whatsoever exempt the Distributor from settling all or part of the invoice corresponding to the delivery.

In the case of visible defect or non-conformity of delivered goods duly recognised by the Supplier, the Distributor may obtain replacement, repairs or reimbursement of said goods upon the choice of the Supplier, exempt from any claim for damages.

11. GUARANTEE

The Supplier's goods are guaranteed for three months as of delivery to final customer for inherent defects.

The Distributor must, as of duly observing an inherent defect, inform the Supplier within a period of one week as of said observation.

Under such guarantee, the sole obligation of the Supplier is replacement free of charge or repairs by the Supplier of the part acknowledged as being defective, exempt from any remedy for any other prejudice whatsoever.

Returns must occur under conditions provided in Article 10 of the present General Terms and Conditions of Sale.

12. OWNERSHIP CLAUSE

The Supplier reserves ownership of goods sold until full payment of invoiced price in principal and interest

(Act #80-335 dated May 12, 1980). Payment is understood as being the effective collection of said price.

As from the date of delivery, risks are transferred to the Distributor, who assumes liability for any damage the said goods may suffer or provoke, by whatever cause.

Should the Distributor fail to pay a single fraction of the price by agreed due dates, the Supplier reserves the right to recover delivered goods, and, if so deems, to cancel the contract without any formal notice whatsoever.

Until full payment of price, goods cannot be resold or processed without prior and express agreement by the Supplier.

The Distributor will bear expenses for inventory, recovery or litigation generated by any claims regarding the goods. The Distributor will ensure the goods can be identified at all times.

13. USE OF PRODUCTS

The seller cannot guarantee the aptitude of its products for uses not in conformity with cautious and conventional practices and with the rules applicable to the profession. The information is given as an indication: tests are still necessary.

The responsibility of the seller cannot be engaged in the case of erroneous use or uses not in conformity with cautious and conventional practices or beyond the scope of use and the instructions for use, in particular those laid down by the manufacturer.

The buyer must ensure the compatibility of the product for its intended use.

14. DISPUTES

The business relations of the Parties are governed by French law.

Before any litigation, the Parties will seek an out-of-court agreement.

The Commercial Tribunal of Paris will be the sole Court having competency in the case of litigation of any nature whatsoever or of dispute related to creating or executing the order, unless the Supplier wishes to assign any other competent Jurisdiction.

The Clause herein is applicable, even in the case of summary proceedings, petition or several defendants, no matter the method or conditions of payment.

