

GENERAL CONDITIONS OF SALE

1. BINDING EFFECT OF THESE GENERAL CONDITIONS OF SALE

These general conditions of sale shall govern the contractual relationships between the Vendor and the Customer. Therefore the Customer full, unconditional agreement to these general conditions of sale, excluding any other documents such as notices, catalogues, prospectus issued by the Vendor for information only, shall be taken for granted when placing an order. Unless formally accepted in writing by the Vendor, no special term terms can prevail over these general conditions of sale.

2. OFFER, PRICE, ACCEPTANCE

Unless otherwise specified, an offer shall be open for acceptance for a period of one month. The prices quoted shall be pre-tax custom duties, transport costs, insurance, de transport, «standard» packing, and «ex-works» delivery expense extra, as per the relevant Incoterm. In case the occurrence of unwanted circumstances should jeopardise the economic balance of the contract, the Vendor hereby reserves the right to review its prices on conditions agreed beforehand by the parties (including *inter alia* in case of raw materials price variations, change in customs duties, changes of laws). In case in order to meet the Customers requirements, specific preliminary studies should be necessary, these shall be paid if the Customer should reject the quotation. Payments shall be effected in Euros, unless agreed otherwise in the contract. The contract shall only be effective and binding subject to the Vendors formal acceptance in writing of the purchase order. Any change requested by the Customer shall be subject to the Vendors formal acceptance. Any suspension of the contract on Customers request shall be subject to the Vendors formal acceptance by an instrument in writing. Such approval shall determine the duration of the suspension and resulting extra costs and lead time. In any case the Vendor shall be entitled to charge the fraction of the order already committed.

The vendor hereby reserves the right to contract out any or all studies, supplies, or services so ordered to any sub-contractor of its choice.

3. DESTINATION

The products delivered are compliant with the relevant regulations and technical standards for which the Vendor formally declared the conformity of the product. The Customer is responsible for implementing the product in the normal foreseeable conditions of use and consistent with environmental and safety regulations effective on the site and with good engineering practice. In particular, it shall be the Customers responsibility to select a product meeting its technical requirements and, if necessary, to ensure with the Vendor that the product is consistent with the intended use.

4. PACKING

Non returnable containers will not be traded back by the Vendor. Packaging shall be effected according to Vendors specification. The packing complies with environmental regulations effective at products destination. In case the Customer should wish a special packaging, this shall be specifically requested on execution of the contract. Specific packing expenses shall be borne by the Customer. The Customer hereby undertakes to dispose of packing as provided by the local environmental protection laws.

5. COPY RIGHT AND CONFIDENTIALITY

The Customer shall retain exclusive title in and upon any and all intellectual property rights along with the know-how embodied in the documents communicated, products delivered and services rendered. Any assignment of the copyrights or proprietary know-how shall be subject of a specific contract. The Customer hereby reserves the right to dispose of its proprietary know-how and proceeds of its own R & D work. Any and all drawings, descriptions technical documents or quotations delivered to the other party are communicated under a *commodatum* intended to allow the Customer evaluate and discuss the Vendors commercial offer and shall not be used by the other party for any other purpose. Such documents shall be returned to the Vendor at first demand.

6. CONFIDENTIAL INFORMATION

The parties hereby accept a reciprocal obligation of secrecy concerning any and all confidential information whatsoever communicated in writing or verbally, on whatever support (discussion memos computerised data exchanges, activities, facilities, projects, know-how, drawings, prototypes made on Customer request, products, etc ...) shared in the context of preparation and execution of the contract, except any information generally known publicly and coming the public domain without any Customers action or negligence. In addition, each party hereby warrants that the elements contributed or designed to execute the contract (drawings, specifications, processes and implementation conditions, etc.) do not use a third party-owned copyright or know-how. They represent and warrant that they are entitled to freely use the same without breach of any legal or contractual obligation. They mutually hold each other harmless from and against direct or indirect consequences of any action in civil or criminal liability, including but not limited to actionable infringement or unfair competition.

7. PAYMENT

Pursuant to the French economy modernisation law («Loi de modernisation de l'économie» (LME) N°2008-776 voted on the 4th August 2008 (article L441-6 of the Commercial code) the period agreed by the parties for payment of monies owing, shall not exceed forty five days after the end of the month or sixty days from the date of invoice. Pursuant to the French economy modernisation law («Loi de modernisation de l'économie» (LME) N°2008-776 voted on the 4th August 2008 (article L442-6 of the Commercial code) a fine of up to two millions Euro may be levied in the following cases:

- imposing terms of payment in breach of the legal maximum,
- asking the Vendor to put off the date of issue of the invoice, without legitimate reason.

It is hereby recalled that payments on account shall be paid upfront without any terms.

8. DEFAULT

Pursuant to the French economy modernisation law («Loi de modernisation de l'économie» (LME) N°2008-776 voted on the 4th August 2008, delayed payment shall entail the enforcement of interests at a rate equal to the most recent refinancing rate of the European Central bank, plus ten percentage points. If the Vendor should deemed fit, any default on a maturity shall be cause to cancel the contractual period and all sums owing shall be paid immediately. The fact for the vendor to enforce either or both provisions shall not be raised against its right to enforce the Vendors lien or reservation of title I stipulated by the article 10. In case of default on a maturity, as provided by the article 2286 of the French "code civil", the Vendor can enforce its reservation of title on the products manufactured and ancillary supplies.

9. CHANGED CUSTOMER'S STATUS

In case the Customers situation should be impaired as found by any means and/or proven by significant or recurrent non-payments or its financial standing is significantly different from information provided, the products ordered shall only be delivered against upfront payment. In such a case, or in the event of sale, assignment contribution as security or to equity of the Customers goodwill or a significant parts of its assets or equipment, or if a draft is not returned endorsed within seven working days after dispatch, the Vendor shall be entitled without formal notice:

- to declare an event of default against the Customer and demand immediate payment of any and all sums outstanding, for whatever reason;
- to suspend all shipments;
- to declare all ongoing contracts terminated and retain any down-payments, tools and components in its possession;
- to turn off any new purchase order.

10. RESERVATION OF TITLE

Then Vendor shall retain full title in and upon any property subject to the contract until the price and ancillary costs are paid in full. In case of default on any maturity the Vendor shall be entitled to claim the return of any such property. This notwithstanding the Customer shall be liable for any damage sustained by such property from the date of delivery.

11. DELIVERY

Unless stipulated otherwise in the quotation, the goods shall be deemed delivered «ex works» or «ex stores» according to the latest publication of the INCOTERMS by the International Chamber of Commerce effective on the date of execution of the contract. As a result the risk shall pass to the Customer on the delivery defined as above, without prejudice to the Vendors right to enforce its reservation of title or Vendors lien. Where the Customer has accepted responsibility for the shipment and relevant payment of the cost, it shall be hold the Vendor harmless for any and all financial consequences of any carriers action against the Vendor. Any storage requested by the Customer shall be subject to a formal agreement stipulating *inter alia* the financial terms, duration and risk conditions.

12. LEAD TIME

Lead time shall run from the dates below, whichever is later:

- date of purchase order acknowledgement.
- date of receipt of all information, approvals, materials, equipment, execution details to be provided by the Customer or necessary to execute the contract, or receipt of a down-payment if any.
- date of execution of prerequisite legal or contractual obligations of the Customer.

The agreed lead time is of the essence and shall be specified in the contract along with its details (availability lead time, presentation for approval, delivery, legal reception etc.). The stipulated lead times are for guidance only and can be varied in case of occurrence beyond the Vendors, control, including in case of Customers failure to execute its contractual obligations.

13. INSPECTION

Whatever the terms of delivery, it shall be the recipients responsibility to check the products or have them checked on arrival at its own cost. In case of damage or departure from the purchase order, the recipient shall:

- make reservations on the delivery slip and immediately advise the Vendor accordingly in writing,
- inform the carrier of the reservations in the form and within the deadlines contemplated by the regulations applicable to the type of shipment, with copy to the Vendor

14. PRODUCTS RECEPTION

The Customer is under an obligation to check the unpacked products for conformity with the contract and to advise the Vendor any latent or obvious discrepancies, within 7 days after delivery. The Customer shall pay for any and all reception, inspection, testing operations and certificates requested. Such extra operations shall be completed in factory or on site at Vendors option. The contract may make provisions for the reception conditions of products manufactured against specifications. Each delivery shall be subject of a clean report or with reservations. In case of reported reservations, the parties shall negotiate a deadline to make good any such reservations. The Vendor shall inform the Customer of the date of such receptions which, unless agreed otherwise, shall not be beyond maximum 10 working days from the receipt of the notice. If the Customer should fail to attend the operations so communicated, the relevant report shall be sent to the Customer and the reception shall be deemed completed without reservation on the date set. The reception shall also be taken for granted without reservations if the Customer should use the product (even to a limited extent) or makes reservations considered minor that do not prevent the product from being used in normal conditions, whatever the observed performances level.

15. WARRANTY AVOIDANCE

The warranty shall be void and the Vendor shall not be liable in the following circumstances:

- normal wear and tear;
- installation or utilisation of the products in manners contrary to good engineering practice or technical specifications;
- departures from the installation, utilisation or maintenance instructions;
- defective supervision, storage or maintenance;
- unauthorised modification or action by the Customer on the product or completed with non genuine parts and/or consumables.

The warranty shall not apply and the Vendors liability shall be ruled out in case of Customer default and the latter cannot take argument from the hold harmless clause to suspend or call off payment of maturities due and owing.

16. CONTRACTUAL WARRANTY

Unless stipulated otherwise the products are covered by 12 months Vendor warranty from the date of ex-works availability. The warranty covers mechanical defects and defective materials and workmanship. To claim application of the warranty, the Customer shall immediately notify the Vendor in writing of any defect of the products and specify the operating conditions prevailing when such defect was identified. The warranty shall be limited to repairing or replacing at Vendors option, any such product received in Vendors premises and accepted as defective. The warrant shall not cover travel, shipment or transport costs and dismantling/refitting handling expenses

17. VENDOR

The Vendors liability shall be strictly limited to compliance with the contractual specifications. The Vendor shall complete the product or render the service requested by the Customer in a manner consistent with good engineering practice in its trade. The Vendor liability shall be limited to direct physical damage sustained by the Customer due to Vendors failure to execute the contract. The Vendor shall not indemnify any consequential loss or damage such as loss of business, profit, opportunity, economic loss, or earnings shortfall. The Vendor shall not compensate any consequential damage resulting from the Customers or third parties mistakes in connection with the performance of the contract, especially in the cases contemplated by the article 15. The Vendor shall not be held accountable for damages resulting by the Customer use of technical, documents, data or information from the Customer or imposed by the latter.

Except in case of gross negligence and bodily injury, the Vendors liability shall be limited to a maximum amount equal to the sum collected for the supplies on the date of the service. The Customer hereby warrant its insurers or its third party partners waiver of recourse against the Vendor and its insurers beyond the foregoing limitations and exclusions.

18. PENALTIES

if liquidated damages should be set by mutual agreement, such amount shall be deemed a flat indemnity satisfaction ruling out any other or further compensation or sanction. Such contractual penalty shall be limited and only applicable on the relevant part of the faulty products or services..

19. APPLICABLE LAW AND DISPUTES

The parties hereby undertake to negotiate out of court settlements of their differences before going to a court of jurisdiction. Failing such an amicable solution, the parties hereby formally agree to submit any dispute arising out of the contract only to the court entertaining exclusive jurisdiction on the vendors domicile even in case of impleader and of multiple defendants.

Only French law and, as the case may be, the Convention on the international sale of goods signed in Vienna shall be applicable to rule on such disputes.