

## **GENERAL SALES CONDITIONS**

### **1. DELIVERY TIME - TRANSPORT AND DELIVERY**

1.1. - We do the utmost to deliver within the delivery time stated ; however this delivery time is only mentioned for guidance. The choice of the means of transport is made only as a favour towards the buyer and without any responsibility on our side.

1.2. - In case of delay, damage or shortage, the buyer bears the entire transport risk whatever the terms and methods of delivery may be (Carriage-free; DDP, CIF, FOB, ...) if he has not made any reservation in due form towards the forwarder (CMR, etc...) so as to preserve the rights of agreement and has not informed us in due course.

1.3. - Our orders are considered to be fully carried out when the quantity delivered is equal to more or less five per cent of the quantity specified in the agreement. In case of orders with deliveries in stages or of different products, this same tolerance of five per cent is applied to each delivery or to each product.

### **2. PRICE - SETTLEMENT**

2.1. - The prices negotiated are ex works, all taxes and customs duties excluded. Depending on the terms of delivery agreed upon, the invoices will increase these prices with the taxes which are applicable in accordance with the law in force, and possibly with extra charges such as : packing, transport, insurance, customs duties, consulate fees, even if we would have been instructed of following up the payment of these transactions on behalf of the customer.

2.2. - Except for the products sold on catalogue, there will be a minimum invoice for small orders to compensate for the payment of the cost of starting the production.

2.3. - As soon as the receipt of the order has been acknowledged, and except if there are different methods of payment, an initial payment of thirty per cent is due before starting the production. The balance is to be paid at the term mentioned on the invoice.

2.4. - The time fixed for payment runs, in general, as from the date of dispatch of goods, or as from the date they have been made available in the case of the buyer ensuring the transport (EXW, ...).

2.5. - For any payment made thirty full days before the term, a discount will be granted at the base rate of the bank BNP at the date of payment, with one point increase. Only the VAT corresponding to the price effectively paid may be deducted.

### **3. RECEPTION OF THE GOOD**

Our deliveries must be checked, and each claim must be made by registered mail within eight days as from the date of delivery in order to be acceptable.

### **4. WARRANTY - LIMITATION OF RESPONSIBILITY**

4.1. - The products delivered enjoy a twelve month warranty as from the date of delivery. This warranty covers hidden design errors, hidden defective material and defects of fabrication which might lead to the nonconformity of these products with our technical specifications, or with the drawing and performance specification enclosed to the order and validated through our technical department.

4.2. - The warranty covering visible defects (faulty geometry, nonconformity of the surface quality, etc...) is reduced to one month as from the date of delivery.

4.3. - Once these periods of time have been exceeded, any claim on inherent vice of the product or on nonconformity with the contractual specifications will not be opposable to us.

4.4. - These warranties do not cover:

- malfunctioning products after abnormal or inappropriate use with regard to their characteristics.
- products which have been modified or repaired after delivery.
- consumables and wearing parts meant to be replaced.
- products which have been stored in conditions inadequate for the preservation of their physical and chemical characteristics.

4.5. - The warranties that have been consented are exclusively limited to the replacement or to the repair of the products which have been found defectuous, with exclusion of all prejudice compensation direct or indirect.

The amount of the responsibilities which might incur should not exceed the amount of the turnover achieved with our customer and relative to the delivery in question.

### **5. DELAY IN PAYMENT AND DEFAULT OF PAYMENT**

5.1. - In case of delay in payment default interests will be calculated on the amount of the invoice inclusive of VAT at the basic rate of the bank B.N.P. increased with 6 points, on the period of time between the term and the date of entry in our books.

5.2. - In any case, the failure to accept the draft fifteen days before term, or to pay at maturity so as mentioned on our invoice,

leads to the cancellation, of our doing, as of right, of the transaction without a formal demand, and without any prejudice of all damages and interests. Any default of payment at term claims in addition the payment of all the invoices or the undue drafts and frees us of all obligations, notably, the deliveries to come, even concerning the accomplishment Of other transactions.

## **6. TRANSFER OF PROPERTY**

6.1. - The transfer of property of the goods which have been delivered is deferred until integral payment of the price of the goods, whatever their state may be. Consequently, in the case of a buyer in default of payment after term, we expressly reserve ourselves the right, on request, to take immediately possession of the goods that have been delivered.

In this case, we will credit the buyer with the amount of the invoiced price under deduction, on the one hand, of the amounts corresponding to the costs caused by the recuperation, and on the other hand of the possible depreciation of the goods due to their transformation.

6.2. - The buyer has the right to sell and deliver the goods, under reservation of property to third parties within the scope of normal exploitation of his company, on the condition that he informs his customers of this reservation of property clause and of the possible claim for enforcement of the articles 121 and 122 of the Law of 25th of January 1985. As long as the condition of paragraph 6.1. has not been met, the property of our goods is not transferred to the buyer and the latter binds himself not to put our goods in pawn or to grant third parties whatever right it may be.

6.3. - The transfer of risk takes place on delivery.

The buyer binds himself to have the goods insured, for the benefit of their owner, against the risks which they may be exposed to or bring about as from their delivery.

## **7. CASE OF CANCELLATION OF ORDER**

The buyer cannot impose the cancellation of a firm order, whatever the reason may be. This justified request must be introduced in writing for examination.

7.1. - If we receive the request for cancellation before the starting of production, the buyer owes us only the payment of the charges for development, the tools and the purchase of raw material which have already been engaged to carry out the order. In any case, any initial payment made will remain in our profit.

7.2. - If we receive the request for cancellation after the starting of production, this request will not be taken into consideration anymore and buyer will be obliged to accept the entire or part of the delivery of his order and pay the price according to the terms of the order which has been accepted.

## **8. ACT OF GOD**

Under all circumstances, all events, independent of the will of the one or the other party, that would be aiming to or resulting in delaying, hindering, reducing or perturb ting, whatever the manner or the proportion may be, the normal and regularly planned execution of his programmes of production, delivery or purchase, are considered to be an act of god.

This will be so notably for the war, declared or not, riots, insurrections, revolutions, strikes or other social perturbations, machine down-time, shortage, or reductions in the supply of raw material or energy, interruptions or perturbations of transport or of other usual means of communication, accidents, breakdowns, explosions, fires, floods, epidemics, administrative hinder, etc...

The party that will invoke an act of god will have to inform the other party, immediately when it happens, with registered mail and, as far as possible, notify the other party of the period of time during which the party will estimate not to be in a position to meet its obligation.

However should these effects last more than 6 months as from the date of the above mentioned notification, the party affected by this act of god could end this agreement without any penalty with a registered letter with acknowledgement of receipt.

## **9. THE LAW APPLICABLE - LEGAL VENUE**

The law applicable is the French law. In case of dispute, a friendly settlement should be organized. If not, any dispute shall be settled by the law court of Lyon.

## **10. LEGAL LANGUAGE**

These General Sales Conditions are issued in French and English. Only the French version will be kept as a reference.

THESE GENERAL, SALES CONDITIONS ARE PRESUMED TO BE ACCEPTED WITHOUT ANY RESERVATION BY OUR CUSTOMERS IF THEY HAVE NOT MANIFESTED A FORMAL AND CONTRARY WILL WITHIN 8 DAYS AFTER THE DATE OF THIS DOCUMENT OR WITHIN 3 DAYS AFTER RECEIPT OF THIS DOCUMENT