

## GENERAL SALES CONDITIONS

### 1. APPLICATION OF THE GENERAL SALES CONDITIONS

When the purchaser makes an order, he accepts fully and without reservation our general sales conditions. Except where written acceptance is provided by us, no other conditions may take precedence over our general sales conditions. Unless our express written acceptance is provided, any contrary condition placed by the purchaser may not be imposed on our company, regardless of when it may be brought to our attention and even if it is part of the acquirer's general purchase conditions. If any of our general sales conditions are not set out expressly at any given time, this may not be interpreted as a renunciation of the right to call on this condition later.

### 2. OFFERS, QUOTES, ORDERS

Our offers include no commitment except for sales. Our quotes are approximate only and the price of all services or supplies necessary may be increased by us without warning in the interest of our customers or during work or machining. We are only bound definitively for all orders, even those taken by our representatives or employees, after written acceptance from Management. Confirmation may also result from product despatch. In the event of partial execution of an order, the confirmation is only valid for the despatched products. Our offers that include drawings, models, techniques or processes remain our property and may only be communicated or ceded to third parties after written agreement is obtained from us.

### 3. PRODUCTS

We reserve the right at all times to make any modifications that we consider useful to our products or their composition, without any obligation to modify any products delivered previously or which are on order. The Supplier shall, not later than at the date of delivery, provide free of charge information and drawings which are necessary to permit the Purchaser to erect, commission, operate and maintain the product. Such information and drawings shall be supplied in the number of copies agreed upon or at least one copy of each. The Supplier shall not be obliged to provide manufacturing drawings for the Product or for spare parts. The technical specifications for our products stated in our commercial documents and catalogues are given for information purposes only and may not engage our responsibility. This data must be checked by the customer according to his planned use of the elements. The customer may also ask us to carry out this check according to the technical specifications of his installation.

### 4. DELIVERIES

We are authorised to carry out full or partial deliveries. Our delivery times are indicated as exactly as possible. No damages or interest, invoicing for later delivery or cancellation of any orders in progress may result from any late delivery. The following are considered as acts of God, discharging us from our obligation to deliver: wars, riots, total or partial damage, total or partial collective conflicts, accidents, difficulties in transporting or procuring raw materials or products, administrative, legal or political decisions that affect our company or one of our suppliers, as well as the fact that one of our suppliers ceases production of an appliance, component or accessories, making it impossible to carry out the convention.

If the Supplier anticipates that he will not be able to deliver the product at the time for delivery, he shall forthwith notify the Purchaser thereof in writing, stating the reason, and if possible, the time when the delivery can be expected.

Products may only be delivered on time if the purchaser is up to date in his/her obligations to us, regardless of the cause.

Except where otherwise stated, transport costs must be borne by the customer. Our products are intended to be delivered to the acquirer as soon as they are made available to the carrier, or as soon as they are made available to the purchaser, in his/her premises when we transport our products by our own resources.

An agreed trade term shall be construed in accordance with the INCOTERMS in force at the formation of the contract. If no trade term is specifically agreed, the delivery shall be Ex works (EXW).

If, in the case of delivery Ex works the Supplier, at the request of the Purchaser, undertakes to send the Product to its destination, the risk will pass not later than when the Product is handed over to the first carrier. Partial shipments shall be permitted unless otherwise agreed.

The packaging provided by us is sufficient to transport the purchased goods under normal transport conditions, where the necessary rules of care are respected and, where applicable, the specific instructions mentioned on the packages or delivery note are respected. Any particular packaging specifications must be requested by our customers in writing; our acceptance will also be provided in writing. The corresponding costs and risks must be borne by the purchaser.

Where the products are delivered by us, the purchaser must notify us of his reservations by registered letter with reception acknowledgement, within three working days following reception. Deliveries made by a carrier, even those agreed free of transport costs and notwithstanding the reserve of title

below, travel at the purchaser's own risk. The purchaser must notify the carrier of any reservations he may have in accordance with article 105 of the code of commerce.

Any complaints concerning the non-conformity of the delivery or any apparent product defects must be sent to us by registered letter with reception acknowledgement within three working days from reception and in all cases before the products are used or re-sold. Any complaints relating to hidden defects must be sent to us in the same format and within the same timescale as stated above from when they are discovered. We may not be held responsible for any defects that result from poor, abnormal or prolonged storage of our products, nor for any error or omission by the purchaser in using or maintaining the sold product.

### 5. RETURNS

No goods may be returned without our prior written agreement; this consent does not imply any acceptance. All goods returned without our agreement will be made available to the purchaser. The cost and risk of any goods returned must be borne by the acquirer at all times. In the event that we do accept our responsibility, we have the choice to either refund the price or exchange the goods accepted as defective, to the exclusion of any indemnity, damages or interest.

### 6. PRICES

Products are supplied at the price stated on the day you order. Our prices are exclusive of taxes, from our stores. Invoices must be paid to our commercial head office, regardless of the method used, within fifteen days of invoicing. Except where otherwise stated, our goods are sold uninstalled and unconnected; the installation and connection accessories are not included. Any complaints concerning invoicing must be sent to us by registered letter with reception acknowledgement within three days from the date when our invoices were received, clearly stating the dates and invoice numbers concerned.

In the event of any late payment, we may suspend all orders in progress, without prejudice to any other course of action.

In the event of non-payment on the planned date, the customer is liable for a late penalty calculated on the sums due, at a rate of three times the legal interest rate. However, in accordance with article 1230 of the Civil Code, this late penalty is only applied after our formal notice is received by registered letter with reception acknowledgement. A fixed 40 € penalty for collection charges will also be due.

Any payment not received on the planned date means that all sums still due will be demanded immediately, regardless of the planned payment mode and the invoices concerned.

Any invoices recovered by our outstanding accounts department receive a surcharge under a penal clause, non reducible under article 1229 of the Civil Code, of an indemnity set at a fixed rate of 10% (ten per cent) of their amount, without prejudice to any reimbursement of fees for non payment and legal recovery.

Under no circumstances may payments by the subject of any compensation without our prior written agreement.

Any deterioration in the purchaser's credit rating may justify the requirement of guarantees or payment in full or by draft, at our choice, before the orders received are executed.

### 7. RETENTION OF TITLE

The transfer of ownership of the product sold is subject to payment in full by the purchaser of the price and its accessories (costs, interest, etc.) on the planned date. Payment is made by the actual deposit of the price; the handover of the draft or any other title that creates an obligation to pay does not constitute a payment. If the payment is not made within the planned deadline, we reserve the right to take back the products delivered and, if we feel it is appropriate, to cancel the corresponding sales. The products are handed over on our promises once demanded by us by registered letter with reception acknowledgement, at the purchaser's expense and risk. We are authorised to draft the inventory of the products that have not been paid for unilaterally. The purchaser bears all costs and fees generated by the claim, the inventory and the recovery of the products. The purchaser is liable for a depreciation indemnity set at 15% (fifteen per cent) not including taxes of the product price per month or fraction of each month the products were held, from delivery to return. Under no circumstances may the acquirer sell on the purchased products before the price is paid, except where express written authorisation is received from the seller. If the product is resold, the purchaser informs the sub-acquirer of the existence of the reserve of title clause and informs us, by simple request, of the name and address of the sub-acquirer as well as the amount of the price still due.

### 8. COMPETENCE OF THE COURTS

All legal matters dealing with invoices or contracts are subject to the competence of the courts that have jurisdiction over our company headquarters. This clause applies even in the case of summary procedure, interpleader or when there are several defendants, and regardless of the mode and methods of payment. In the event of an international transaction, only French law and the French language are applicable. The seller may, however, instigate legal proceedings before the debtor's home court.

PRAGMA INDUSTRIES SAS – BIARRITZ (France)