

## TERM OF SALES

### 1. GENERAL POINTS

1.1 Those conditions rule offers, sales and deliveries of SEFRAM INSTRUMENT SAS (designed below as "The Company").

1.2 The attention of the Buyer is drawn to the fact that, the delivery of an order involves him to accept entirely and thoroughly the Term of Sales.

### 2. CONTRACT FORMATION

2.1 The period of validity of our offers is fixed to a month as soon as they are established, except with a writing confirmation of the Company which prolongs this period.

2.2 If the order was or was not proceeded by an offer from the Company, the contract is deemed to be perfect when the Buyer, after he placed an order in writing with the Company, receives an Order Acceptance.

2.3 In case of divergence between order and acceptance, the Order Acceptance by the Company determines the contents of the Contract, unless the Buyer refused it in writing within 15 (fifteen) calendar days following the issue date of such acceptance.

2.4 Orders placed by fax or internet commit the customer as soon as the Company receives it. After the order has been accepted by the Company according to the 2.2 forms, no order may be cancelled by the buyer unless this one pays a fixed allowance calculated according to the following pay scale:

(a) From 45 to 90 days before the planned delivery: the fixed allowance would reach 10% of the price of products as indicated in the cancelled order.

(b) If the cancellation takes place less than 45 days before the planned shipment; the fixed allowance would reach 20% of the price of products as indicated in the cancelled order.

### 3. DOCUMENTATION

3.1 Weight, dimensions, capabilities, performances and others indications featuring on the technical, commercial, or advertising documentation of the Company have a purely indicative character. The company reserves the possibility, without distorting the quality of products, to add some modifications, even after the receipt of an order, without however distorting the essential characteristics of the product.

3.2 The order supplied to the Buyer remains the exclusive property of the Company and without an express and preliminary permit delivered by the Company, this order can't be transmitted to a third party except for the accomplishment and in compliance with the contract.

### 4. TERMS OF SALE

4.1 Unless express stipulation appearing at Order Acceptance, each sale is deemed done as "ex-factory".

4.2 The « ex-factory » term or any other term describing the term of sales foretold in the contract, may be interpreted in compliance with the INCOTERMS published by the International Chamber of Commerce and applicable from the date the contract is made.

4.3 The fact for the Company to perform on request and on behalf of the Buyer others transactions than those falling to it in accordance with the term of sales foretold in the contract, can't change in any way neither this term of sales, nor the contract content: The request of the Buyer to perform such transactions would necessarily involve the Company to act in the name and on behalf of the Buyer. Those transactions will separately be charged to the Buyer who commits to pay them to the Company as soon as they receive the invoice.

### 5. DELIVERY DATE

The delivery date is given on an advisory basis only and does not engage the responsibility of the Company. The delay can't in no way justify the Order cancellation or give rise to any payment of compensation or the application of delay penalties.

The delivery date given depends on the supply of raw materials, on the operation of transports, etc... all elements hard even impossible to identify in advance in the present circumstances, fortuitous or force majeure especially. Wars, riots, fire, epidemics, flood, technical failures, strikes, accidents, the impossibility to be supplied are considered as force majeure situation and thus relieve the seller from its

duty to deliver.

In any case, the delivery on time can only act if the customer is up-to-date with its obligations towards the Company, whatever the reason.

## **6. DELIVERY – TRANSFER OF OWNERSHIP - INSTALLATION – RECEIPT**

6.1. All transport, handling operations are performed at recipient's own risks, the one responsible for verifying the merchandise when they arrive and has to express a submission against the carriers on time, even if the shipment has been made free of carriage.

6.2. For lack of reserves expressly produced by the buyer during the delivery, products that are delivered by the Company are deemed to be in compliances with quantity and quality on order. The buyer has a delay of 7 days from products delivery to venture such reserves towards the Company, by fax or registered letter with acknowledgment of receipt. This delay passed, no complaint or part-exchange would be accepted.

6.3 The Company reserves the right to choose the mode of transport. If the buyer decrees a mode of transport, he has to bear the costs. Collect shipments are always at the lowest prices, unless customer request, and in any case under the complete responsibility of the customer.

6.4 The delivery of products does not lead to the transfer of ownership in favour of the Buyer.

### **6.5 Retention of title**

In accordance with the law n°80-335 of 12 may 1980, the delivered products remain property of the seller until the complete payment of their price. In this regard, the bill delivery or any title creating an obligation of payment do not constitute payments within the meaning of this provision.

Despite the application of the present ownership reserve clause, the Buyer is responsible for risks in case of loss or destruction as soon as products are delivered.

The Buyer will also bear the insurance costs.

## **7. PRICES**

7.1 The prices are determined by the application of rate of the Company applicable to the order date. The Company reserves the right to change its rate any time as part of the legislation in force.

7.2 Unless otherwise stated, each proposal of price is available Thirty (30) days as of its emission date. The price excludes taxes.

7.3 The prices information appearing on the brochure or on advertisements are given for guidance only.

## **8. INVOICING AND PAYMENT**

8.1 Unless otherwise stated in the Order acceptance of the Company, the price should be paid in totality and in a single payment to the Company's address according to the followings terms and conditions:

- Minimum invoice: France 75 € excl. taxes, Export: 150 € excl. taxes
- Either by LCR or BOR to 45 days end of the month the 15 of next month (to return within the 15 days duly accepted).
- Either by cheque or by bank transfer to the due date.

8.2 A deposit proper to the order is recoupable on the order price and does not constitute deposit whose abandonment authorizes parties to absolve them from the contract.

8.3 In case of payment delay from the Buyer, the Company reserves the right to apply on amounts due principally, a late payment interest equal to the discount rate of the Bank of France plus 2 points, and thus to get compensation for the entire sustained prejudice.

8.4. The Company reserves the right anytime to fix a current limit in favour of the Buyer and to adapt consequently the applicable payment delays.

8.5 No deposit for an anticipated settlement may be granted.

8.6 In case of partial delivery: the payment must be equivalent to the delivered part.

8.7 No deduction on payments, no deduction on the amount of invoices, justifiable or not, is authorized.

8.8 Each shipment of the Company is subject to an invoicing. When the Company is led to make divided shipments, its invoicing are payable as and when they are produced, without needing to wait for the complete delivery of the order.

8.9 Complaints deadline: no complaint concerning a more than 2 months invoice will be admitted.

8.10 Insolvency concern: the Company reserves the right to demand financial warrantees needed before any transaction.

## **9. WARRANTY:**

9.1 Products are guaranteed against hidden defects in terms of articles 1641 and the following ones of the Civil Code.

9.2 Moreover, the Company guarantees products to the Buyer against any operating defect, manufacturing defect or substance appearing during 12 months minimum as of the delivery date or the date of the official report signature following the applicable case. Performances of products are guaranteed within the limits of those defined in the Order Acceptance.

9.3 Customers of the Company being professionals, the manufacturing defects are guaranteed only if they have been detected during the check.

9.4 For resold in same conditions products and square part that the Company buy to its suppliers, the guarantee of the Company is strictly limited to the one agreed to it by its suppliers.

9.5 Software furnished by the Company are not guaranteed as being without dysfunction (bugs). The Company will take measures to suppress software dysfunctions furnished to assure that they correctly work in accordance with specifications. In this regard, the Company is not liable to an obligation of means and can't, in any case, be held as responsible for the consequences related to dysfunctions by the Buyer (the FAQ0550 document defines in details the guarantees and responsibilities and can't be furnished on a simple request).

9.6 The application of the guarantee is not likely to extend the guarantee delay, unless the Buyer clearly demands it and that the Company accepts his demand, for a more than 7 days immobilization period.

9.7 The guarantees defined above include exclusively and at the option of the Company the standard exchange or the repairing by the Society in its factories, of products or spare parts known defective by the Company, and eventually for the products being the subject of an installation by the Company, the intervention and the moving costs risked by the technicians of the Company. In no instance, the Company will fulfill larger responsibilities than those defined above.

9.7 Each transport, storage, installation, use of the Product in a non-compliant way and not in accordance with the technical specifications transmitted by the Society to the Buyer, each repairing by the Buyer or by a third party without prior permission from the Company lose the guarantee's profit.

9.8 This guarantee does not include either repairs coming from the normal wear of the product, due to a fortuitous case or to Force Majeure event, nor the pieces, component or consumable products.

9.9 Fees at the expense of the holder: the eventual fees related to the material supervision are at the expense of the acquirer. The acquirer takes on the responsibilities and the risks related to it.

9.10 In case of failure of a product, the acquirer can't use the product without express authorization of the Company.

## **10. RESPONSIBILITY**

10.1 The buyer accepts hereby to absolve the society from its responsibilities for indirect or exceptional damages, such as the revenue shortfall, loss of production, cost of production of lost data, including if the Company has been advised of a risk of such damages.

## **11. FORCE MAJEURE – REASONS FOR EXEMPTION**

11.1 In case of force majeure events or circumstances beyond the control of parties (notably in case of fire, flood, or labor dispute – either by the Company or by its suppliers, etc.) impeding or leading to an expensive execution of obligations born from the contract, the execution delays of those obligations will be extended of the durations of those events and would be executed spontaneously as of their cessation. The party which wants to call upon a force majeure event, should immediately advise in writing the other party.

11.2 If, following a force majeure event, the execution of the contract proves to be impossible in a reasonable delay, each party has the right to absolve themselves from de contract with a simple written announcement, without asking the cancellation to the court.

## **12. RE-EXPORT**

Unless a writing and prior permission from the Company, all re-exportation of Products, square parts, software and attachments outside the C.E.E is forbidden. The company reserves the right to forbid any re-exportation of products by the Buyer in order to take in account the French or foreign laws.



### **13. APPLICABLE RIGHT - DISPUTE**

The French law is practical to contracts concluded between the Company and the Buyer. Any dispute leading to the interpretation or the execution of contract or that will be the rest or the consequence, will be the exclusive jurisdiction of the Commercial Court of Saint-Etienne, even in cases of appeal or multiple defendants.

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