

SALES TERMS AND CONDITIONS

ARTICLE 1 - GENERAL

These Sales Terms and Conditions (hereinafter named "ST&C") override any terms and conditions that might figure on the Customer's documents; they shall apply to the entire territory covering France and the European Union. Should any particular agreements be stipulated by contract between us and the Customer, such agreements may infringe certain provisions stated in these ST&C while the other provisions thereof remain applicable as non-opposing. Solely these ST&C shall apply to any and all sales of our products or services executed on our premises to any physical or juristic person acting within the framework of their professional or commercial activity.

We shall be entitled to modify the ST&C at any time and without previous notice; such modifications shall, however, apply only to all subsequent orders.

ARTICLE 2 – ORDERS

All orders placed with our company shall be irrevocable for the Customer but shall be binding for us only as of the date of their acceptance by our Board. Notwithstanding differing written provisions on our part, the orders shall be deemed accepted only on the date of the delivery of the ordered goods. Any modification or cancellation of the final order that may be requested by the Buyer is subject to our written acceptance. Should the cancellation of an order be requested, we shall be entitled to summon the Customer to indemnify us of all expenses incurred (especially for specific equipment, training, labour, procurement and tools) and for all direct or indirect consequences that they may entail. The Buyer shall bear the full additional cost incurred for whatever changes he wishes to make regarding his initial order. Any modification induced by the Buyer after receipt of the final order shall incur the extension of the term of delivery.

ARTICLE 3 – DELIVERY

Unless specifically agreed, the delivery shall be deemed effected upon provision of the goods at our works or warehouses (EXW Limay as per current Incoterms).

The risks shall consequently be transferred to the Customer upon delivery but notwithstanding our right to execute reservation of title or retention. The term of delivery agreed is an important element which shall be specified in the contract including its nature (deadline for provision, submission for acceptance, term of delivery, deadline for acceptance in legal terms etc.). However, the terms of delivery stipulated shall not be binding and may be challenged in case circumstances beyond our control should occur; this shall not entitle to any damage claims (default interest).

Deliveries shall be executed only in terms of availability and in the chronological order of receipt of the orders. Unless specifically agreed otherwise, our company shall be entitled to execute total or partial deliveries. The terms of delivery agreed shall be extended in the event of a total or partial stoppage due to strike, fire, flooding, transportation problems, accidents during manufacturing, lack of raw materials due to penuries at our upstream suppliers or due to any reason considered as force majeure. Should the Customer rescind his order, the contract shall be terminated as of right and the down payments shall be deemed received as indemnity. In any event, delivery shall be effected in due time only if the Customer is up to date with his obligations towards the Seller whatever the reason may be (e.g. no arrears with payment).

ARTICLE 4 – RECEIPT

The Customer shall execute the legally binding receipt of the goods by which he acknowledges their compliance with the contract. Upon receipt of the goods, the buyer shall verify their compliance in terms of quantity and quality. The consignee of the goods shall, within the terms and conditions stipulated by Articles 105 ff. of the French Commercial Code, take any necessary steps in case of damage or loss incurred in transit to assert his claims and, if applicable, those of our company towards the shipping agent; failing this, no complaint shall be acknowledged. On penalty of forfeiture of rights, any complaint the Customer may bring forward against our company regarding the goods delivered shall be made by recorded-delivery letter addressed to our company no later than 36 hours as of the date on which the goods arrived at the point of destination. Should there be apparent damages, objections shall be raised at the very moment of the delivery and asserted to the shipping agent by registered letter within 24 hours as of delivery. Should there be unapparent damages (i.e. boxes or cartons showing no trace of

violation) discovered upon opening the carriage pieces at the consignee's premises, objections shall be raised by registered letter to the shipping agent within three days as of delivery including an invitation to the shipping agent to acknowledge the damages and/or loss. In addition, the consignee shall be entitled to invite the shipping agent to provide him with a report establishing the damages/loss.

ARTICLE 5 – PRICES

Prices shall be indicated in Euros exclusive of tax ex works subject to special contractual provisions. Prices shall be invoiced in compliance with the contractual terms. Prices shall correspond solely to the goods and services specified in the tender. Prices shall be automatically adjusted in accordance with an escalator clause based on fluctuations of raw materials indexes and the industrial wage index. To these prices shall be added the taxes and credits which the Customer may be due as applicable at the date of execution plus transport charges agreed, if any, pursuant to the current Incoterms. Any new or increased taxes, fees and duties, custom duties etc. as well as any increase in transport tariffs which may occur after placing the order shall be at the Customer's expense. Unless otherwise stipulated, the prices indicated on our tenders, price lists, confirmations or circulars shall not be considered as binding.

ARTICLE 6 – TERMS OF PAYMENT

Unless otherwise stipulated by us, our invoices shall be payables net at Limay without any discount or deductions; they shall be settled on the 30th day as of date of invoice.

The settlement of our invoices shall be in cash or by the payment method agreed. Should payment be made by bill to order or accepted bill, these shall be sent or returned within the customary deadlines without exceeding a grace period of 10 (ten) days; should payment be made by cheque, this must be submitted to us at least 3 (three) days before its date of maturity.

In any event, any orders to pay shall be delivered to us within such terms to allow us to have them credited to our bank account at the latest on the date of maturity of the payment agreed. In the event of a substantial deterioration of the Buyer's financial situation which might jeopardise the redeemability of the amount receivable, we reserve the right to cancel or suspend pending

orders and to claim securities, or, failing this, the immediate settlement of our receivables upon simple notice.

In accordance with Article L442-6 (1) 8 of the French Commercial Code, the Customer shall refrain from any automatic debit or credit scam, from invoicing us for any amount which we have not previously and specifically acknowledged as being our liability. Any automatic debit shall be considered an unpaid claim and shall entail the application of the provisions governing belated payments. However, the parties reserve the right to have recourse to statutory or customary compensation of receivables.

ARTICLE 7 – BELATED OR NON-PAYMENT

In the event of a delayed payment we reserve the possibility to suspend or cancel pending orders without prejudice to any other recourse, and to demand immediate payment of all our mature or maturing receivables without previous formal notice. Any amount due which has not been paid by the maturity date agreed or any other order to pay which is not delivered to us in time to be credited at the maturity date agreed shall, pursuant to Article 1153 of the French Civil Code, by law and subject to previous formal notice, entail the following:

- a) a default fine calculated on the basis of 1.5 times the statutory interest rate on the total invoice value from the maturity initially stipulated until the date of actual payment;
- b) the shifting of any court fees, processing and collection fees that might ensue from the default of payment;
- c) the immediate maturity of any other sums due according to the terms of existing sales contracts;
- d) This shall also entitle us to apply the retention-of-title clause.

ARTICLE 8 – RETENTION OF TITLE

Any transformation or resale of the goods shall be subject to our explicit authorisation. The delivery of goods implies the transfer of damage risks and of liability to the Buyer. Pursuant to the French Laws of 12 May 1980 and 25 January 1985, the goods delivered shall remain our property until complete payment of the principal price and ancillary costs. The submission of bills of exchange or debentures shall not be considered as payment. Payment shall be deemed

effected only at the time of actual encashment. The Buyer shall use any possible legal means to oppose any claims third parties might assert over the goods sold, be it by attachment, confiscation or similar procedures. As soon as such events come to his notice, he shall notify our company thereof to permit us to safeguard our interests. Goods delivered and as yet unpaid shall not be claimed even in the framework of composition or liquidation proceedings. Should the Customer resell the goods delivered by us, we shall retain title of that part of the sales price corresponding to the amount due. In the event of non-payment of an invoice due or in case of a rescission or termination of an order, we shall be granted by law access to the premises where the products in question are being stored without obligation to give previous notice or to respect any other formality to collect the goods. Any cancellation, waiver or differing clause shall be deemed not in writing and non-opposable if the Buyer did not specifically indicate them prior to the delivery.

ARTICLE 9 – COMPLAINTS

In order to allow us a rapid verification of complaints, please indicate the following details:

- order date,
- date of receipt of the goods and reference number of the bill of delivery;
- batch number of the product in question, if applicable with the expiry date indicated on the packaging;
- detailed reason for the complaint;
- date, invoice number and subject of your complaint.

Any complaint shall be receivable solely if it is made by recorded-delivery letter within 3 (three) days as of receipt of the goods.

It is specifically stipulated that no returned goods shall be accepted without prior written approval by our company.

In the event that we do accept goods to be returned, we shall not issue a credit note unless the goods arrive in good condition and unused and only after verification and acceptance by our company in our warehouses.

Any perished product returned without our approval shall be destroyed and a certificate of destruction issued. In addition, such returns shall not entitle to the creation of a credit.

ARTICLES 10 – LIABILITY

Our liability shall be excluded:

- for material defects caused by the materials supplied by the Customer;
- for material defects caused by a design executed by the Customer;
- for any deteriorations or accidents attributable to the Customer;
- or to a third party in the event of an abnormal or atypical utilisation;
- or which are non-compliant with their intended use, the state of the art or any recommendations or advice that we may have given.

We grant no explicit or implicit warranty that the utilisation of the goods shall comply with a specific use. In no event may we be held liable by proceedings based on our contractual liability or on any liability in tort or any other action, of any direct or indirect, incidental or accessory damage or of any other type of damage or of any prejudice including, but not limited to, financial and commercial prejudice, e. g. in particular loss of profits.

Our legal liability for any cause whatsoever with the exception of bodily harm and gross negligence shall be limited to the contract value invoiced and collected of the defective goods.

The Customer shall guarantee that his insurers or any third parties with whom he may be contractually involved shall refrain from recourse against us or our insurers over and above the limits and exclusions stipulated above.

ARTICLE 11 - JURISDICTION

Any legal dispute, whatever its nature or cause, shall be subject to French laws; the Commercial Tribunal of Versailles (France) shall have sole jurisdiction. Any acceptance, bill of exchange or order to pay shall not be deemed to constitute a novation or derogation from this choice-of-forum clause. All clauses specified in our Customers' purchase orders or order notes contradicting the above-mentioned clauses shall not be held against us unless we have previously acknowledged them in writing. By signing order notes and bills of delivery, the Customer confirms that he has taken note of the above specified ST&C. In any event, the goods shall only be delivered subject to acceptance of these ST&C.