

GENERAL TERMS OF SALE

1 – Purpose and scope of application

These general terms of sale apply to all sales of products and/or services by SADTEM, as seller, to buyers, and will prevail over any other document from the buyer, including, without limitation, over any general terms of purchase, save as SADTEM may first expressly agree otherwise. Any order placed by a buyer will therefore imply that such buyer unreservedly accepts to comply with these general terms of sale. Any waiver from SADTEM from its right to enforce any clause herein provided may not be deemed to represent a waiver to enforce the same clauses later. Similarly, the invalidity of any clause herein provided will be without effect on the validity of other clauses. Any other document than these general terms of sale, including, without limitation, catalogues, leaflets, advertisements, instructions are for information only and will not be contractually binding. The complete list of classification of products is available upon request.

2 – Validity of the offer

The conditions of the offer only cover equipment items specified and are not binding upon SADTEM for additional supplies. In no case whatsoever may the buyer rely upon standards, specifications, prescriptions, regulations and common practice not expressly accepted by SADTEM in any respect whatsoever. Save as may be indicated otherwise, the offer will be valid for two months from the date when it was established. After two months, prices and time frames shall either be subject to a confirmation or to a new offer from SADTEM.

3 – Validity of the order

The order will only be binding upon SADTEM after SADTEM has issued an Order Receipt sent to the buyer by post and/or e-mail within 5 business days. This Receipt shall mention the specificities of products to be delivered, quantities, prices, timeframes, Incoterm and any particular information relating to the order. The buyer shall ensure that all indications in SADTEM's Receipt are in line with its order. Delivery conformity shall expressly be deemed as conformity with the Receipt issued by SADTEM and no action for non-conformity will be admissible for any order in conformity with the Receipt issued by SADTEM. The buyer will have 5 business days from the date of issue of the Receipt by SADTEM to request any changes and details under such terms as set out in §4. After that period, if the buyer has not submitted any requests, the Receipt will be considered as confirmed "as is" and the order will be considered as accepted.

4 – Change and cancellation of the order

Orders transferred to SADTEM will be irrevocable, save as SADTEM may expressly agree otherwise. Any order change may only be made with SADTEM's prior consent in writing and SADTEM will specify, as the case may be, changes brought to the offer regarding price or delivery date, following the order change. If the buyer does not agree with the new price and new delivery date, the buyer will be bound by its initial order as resulting from the acceptance of the Receipt, in compliance with Section 3 as mentioned above. Any additional specification not expressly indicated with the order will be related to a change to the order. Any order cancellation will be charged on the basis of the progress of the manufacturing process of devices and of a sum of fixed costs determined as per a schedule prepared by SADTEM.

5 – Language

Identification plates and test run reports will be in French and in English. Any translation thereof into another language and the production of plates and relevant documents will be charged in addition, according to a prior quotation.

6 – Purpose of products

The buyer will be responsible for the installation and use of the product under regular conditions of use, as expected, in compliance with existing laws on safety and on the environment applicable in the place of use and with best practice specific to its trade. The buyer will be responsible for selecting a product appropriate for its technical requirement and where need be, for enquiring with SADTEM to ensure that the product is fit for the use considered, in compliance with safety rules applicable to people and to property in the place of use. SADTEM may therefore not be held liable for any omissions or errors contained in elements provided by the buyer or for any effects resulting from the use of a product provided by the buyer.

7 – Delivery date – Transportation

The delivery date ex-works and INCOTERM applicable will be specified in the Order Receipt issued by SADTEM. The period for fulfilling the order as shown in the purchase order form will only be accepted by and will only be binding upon SADTEM under the following terms - compliance by the buyer with payment terms and terms of payment of deposits, if any, provision of technical specifications on time, no delay in preparatory or engineering work, no case of force majeure as defined in Section 15 below. Risks relating to products sold by SADTEM will pass as defined by the INCOTERM mentioned in the Receipt. In the case of damaged goods delivered or lost goods, the buyer will be responsible for expressing any reservations required with the carrier in the manner and within the time period set out by the law, and will send one copy thereof to SADTEM. SADTEM will be held harmless for any destruction, damages, loss or theft during transportation, even if SADTEM selected the carrier. Delays in delivery may not result in any penalty or compensation whatsoever or provide cause for cancelling the order.

8 – Storage costs

Any order completed for which the buyer expressly asked that all or any part thereof should not be shipped immediately will give rise to storage costs at a rate of 3% of the amount of non-shipped products exclusive of tax for the first three weeks and then 1% per week, and storage may not exceed 6 months.

9 – Invoicing – Terms of payment

Save as may be stipulated otherwise in the offer or Receipt by SADTEM, invoices will be payable within 30 days at the end of the month following the month of the invoice.

In case of partial deliveries, SADTEM is authorised to establish an invoice for the relevant goods.

Any amount inclusive of tax not paid when due will give rise to the payment by the buyer of penalties at three times the legal interest rate applicable in France, and fixed compensation of 40.00 Euros.

These penalties will be payable fully in compliance with the law, with no formal notice and will be directly debited from the buyer's account.

If any invoice due has not been paid in full after a notice to pay not followed by payment within 48 hours, SADTEM will reserve the right of suspending any current and/or future delivery.

No discount will be granted in case of early payment.

All orders which SADTEM accepts to handle will be fulfilled provided that the buyer produces sufficient financial guarantees and that the buyer actually pays monies owed when they are due, in compliance with the law. So, if SADTEM has reasonable or specific causes to fear payment difficulties from the buyer on the date of or subsequently to the order, or if the buyer does not have the same guarantees as on the date of acceptance of the order, then, SADTEM may accept the order or accept to continue fulfilling the order provided that payment is made in cash or that the buyer produces guarantees for the benefit of SADTEM. If the buyer refuses to make a payment in cash, and if no sufficient guarantee is offered by the buyer, SADTEM may refuse to fulfil order(s) placed and to deliver the relevant goods and the buyer may not argue that such rejected sale has no reasonable causes or claim for any compensation.

In the case of any order placed with SADTEM, if the buyer did not pay for the previous order(s), then SADTEM may refuse to fulfil the order and to deliver the relevant goods and the buyer may not claim for any compensation for any reason whatsoever.

10 – Acceptance

Technical acceptance costs will be payable by the buyer. If SADTEM is not given notice, upon order, that a technical inspection for acceptance should be carried out in the plant, it may charge additional costs resulting from such inspection not included in the order.

In the case of negative tests, SADTEM will only have to assume costs incurred to ensure that the equipment is in conformity, excluding any others.

Without prejudice to arrangements to be made with the carrier, claims on apparent defects or non-conformity of the product delivered should be expressed in writing within forty-eight hours (48 hours) from the date of delivery.

The buyer will be responsible for providing any explanations on actual defects or missing items noted.

No goods may be returned by the buyer without the prior express consent in writing of SADTEM to be secured by fax or e-mail, without limitation.

Return costs will only be payable by SADTEM to the extent where any apparent defects or missing items are actually noted by SADTEM or its agent.

When apparent defects or missing items are actually detected by SADTEM or its agent following an inspection, the buyer may only ask SADTEM for the replacement of non-complying items and/or extra items to be provided to replace the missing one at the cost of SADTEM and the buyer may not claim for any compensation whatsoever or for the cancellation of the order.

Unreserved acceptance of the products ordered by the buyer will cover any apparent defect and/or missing item.

The claim made by the buyer under the terms and conditions defined in this clause will not suspend the payment of the relevant goods by the buyer.

11 – Risks

Risks will pass to the buyer on the date determined according to the INCOTERM.

The buyer guarantees that products will be covered from that date by an insurance against risks of loss, theft or destruction. This liability will apply when shipment is deferred at the request of the buyer, without limitation.

12 – Retention of title

Transfer of title to the products will be suspended until the price thereof has been paid in full by the buyer, in principal and incidental costs, even if extended periods are granted to make payments. Any clause providing otherwise will be deemed to be non-written, in compliance with Section L. 624-16, French "Code de commerce".

During that period, the buyer will be forbidden from holding products to sell and process them, pledge them or assign them as guarantee. In the case of seizure of any type or any action from a third party on products, the buyer shall immediately give SADTEM notice to allow SADTEM to preserve its rights.

SADTEM expressly agrees that it may exercise the rights which it holds under this title retention clause for any of its debts, on all its products held by the buyer. Under the agreement, such products are deemed to be unpaid and SADTEM may take them back or resell them in compensation for all invoices outstanding, without prejudice to its right to cancel current sales.

The buyer undertakes to cover products against risks of loss, theft or destruction until the price has been paid in full to SADTEM.

This clause will not prevent risks inherent in the goods to pass to the buyer pursuant to Section 11 of these general terms.

13 – Warranty

Products will be warranted against any defects in materials or manufacturing defects for twelve months from the date of commissioning of the equipment delivered and for not more than twenty- four months from the date of delivery if commissioning is postponed. Jobs undertaken under the warranty may not result in any extension of such warranty.

In the case where the buyer failed to make payments as stipulated on due dates determined, the warranty will be suspended until such instalments have been paid and such suspension may not result in any extension in the period of warranty.

The warranty does not apply to manufacturing defects and defects in materials resulting in any non-conformity of the product in consideration of the specifications of its technical sheet, excluding apparent defects which may only be subject to the provisions of Section 10 of these general terms.

Any defect as may result in the application of the warranty should be notified in writing to SADTEM within ten days from the date when it was detected and the date of such detection should be established by the buyer, otherwise the warranty may be lost. The allegedly defective product should be submitted to SADTEM, which will determine the corrective action to be undertaken.

SADTEM'S warranty will be limited to repairs of the supplied product in the plant, excluding any compensation for any direct or indirect damage to property or consequential damage. The warranty will not include dismantling, reassembly, transportation and commissioning costs.

SADTEM'S warranty will not apply:

- If the alleged defect is apparent and was not notified to SADTEM pursuant to Section 10 of these general terms;
- If the defect results from damage caused by transportation (under INCOTERM)
- If the defect results from unusual conditions of storage and/or preservation, including in case of accident of any type whatsoever
- If the defect results from any use not in compliance with existing standards and/or technical instructions for the product and specifications
- If the product was changed without SADTEM's consent
- If the defect results from unusual wear and tear of the product, not related to the design thereof
- If the defect results from any negligent and/or defective maintenance
- If the defect results from any connection not in compliance with existing standards and/or technical instructions for the product and specifications
- If the defect results from any inadequacy of the product in view of its environment
- If the defect results from a case of force majeure as defined in Section 15 of these general terms

14 – Liability – Compensation

SADTEM'S total liability for any claim, liability or costs, whatever the nature thereof, will be limited to direct damage to property caused to the buyer's property allegedly resulting from misconduct for which SADTEM is responsible.

Under no circumstances whatsoever will SADTEM have to provide compensation for indirect damage to property or consequential damage including, without limitation: lost production or operating losses, loss of profit or business opportunities, shortfall in earnings, commercial harm, harm to reputation, lost data, loss of use of property, lack of service, costs and charges related to the lay-off or short-time working of staff members or any claim filed by any third party whatsoever against SADTEM or the buyer and in general all economic or financial losses, whether they are deemed to be directly or indirectly linked to the incident from which the claim arose.

The buyer waives any action against SADTEM and its insurers and shall secure the same waivers from its own insurers.

When services ordered by the buyer are tailor-made services delivered by SADTEM onto products provided by the buyer, the buyer will be deemed, for each order, to have purchased an insurance covering all damages suffered by its products made available to SADTEM for the delivery of services.

The buyer only will be responsible for the installation of the product under expected regular conditions of use, in compliance with the laws on safety and on the environment applicable in the place of use, and with rules of good practice applicable in the trade. The buyer will be solely liable for compliance with instructions on the use of the product as stated in the technical manual and/or specifications provided with the product and notification to its own customers of any instructions whatsoever, in particular those related to safety.

SADTEM may not be held liable in any case whatsoever in the event where the product sold under the purchase order form was delivered to an individual or legal entity and/or in a territory subject to any sanctions, restrictions, total or partial embargo or prohibition in compliance with a mandatory statute directly enforceable by the United Nations and/or European Union.

SADTEM's full liability for any claim, liability or cost, whatever the nature thereof, will be limited to the amount of the order which gave rise to the dispute.

The parties acknowledge that the provisions of this clause are of the essence for the placement of the order and that the price agreed upon reflects the distribution of the risk among the parties and limitation of the resulting liability.

15 – Force majeure

In no case whatsoever, may SADTEM's liability be incurred in the case of non-performance or defective performance of an order because of the customer or of a case of force majeure.

Incidents or cases of force majeure include, without limitation: events beyond the reasonable control of the parties, events which they could not reasonably be required to anticipate and which they could not reasonably avoid or overcome, to the extent where the occurrence thereof makes it completely impossible to perform obligations.

Events related to cases of force majeure or incidents relieving SADTEM of any obligation of performing its obligations and or any liability under the order will include, without limitation: civil and foreign wars, acts of terrorism or sabotage, attacks, uprising, riots, acts of God, fires, floods, epidemics, road signs barring heavy goods vehicles during a thaw, and any other climatic events having detrimental effects, embargo, blockade, all restrictive measures taken by French or foreign authorities, strikes from all or any part of the staff of SADTEM or its usual carriers, lock-out strike, sit-down strike, and in general any labour unrest as a result of which SADTEM may be incapable of getting supplies or delivering goods, production discontinuation due to unexpected breakdown, impossibility to get supplies of raw materials, roadblocks, suspended supply or supply disruption by an energy provider, or any other supply disruption for any cause for which SADTEM is not responsible, as well as any other cause of supply disruption for which its suppliers are responsible.

Under such circumstances, SADTEM will give the buyer written notice, including by fax or e-mail, within 48 hours from the date of occurrence of the events and the contract binding upon SADTEM and the buyer will be suspended fully in compliance with the law with no compensation, from the date of occurrence of the event. SADTEM will give the buyer notice of the estimated period of time required for solving the case of force majeure as soon as it is made aware thereof.

If the event were to continue for more than 30 days from the date of occurrence thereof, the sales agreement made between SADTEM and the buyer may be terminated by the party acting most timely and no party may claim for damages.

This termination will become effective on the date when the registered letter, return receipt requested terminating such sales agreement is initially served.

16 – Intellectual property

All documents given to the customer will remain the exclusive property of SADTEM as sole owner of intellectual property rights to these documents and should be returned to SADTEM upon request.

The buyer undertakes not to make any use of these documents as may affect the industrial or intellectual property rights held by SADTEM.

SADTEM will still hold all intellectual property rights and know-how related to products, tools, and processes used by SADTEM, engineering designs, prototypes, models, designs and any other trade secrets which may not, in any case whatsoever, be used, copied, patented, registered or disclosed to third parties by the buyer without SADTEM's permission.

17 – Confidentiality

All documents disclosed by SADTEM to the buyer including, without limitation, plans, technical specifications or test findings are confidential and the buyer will refrain from disclosing all or any part thereof to third parties without SADTEM's prior consent in writing or from using them for any other purpose than the purpose for which they were given to the buyer.

The customer undertakes to pay a minimum amount equivalent to ten times the sum of its order in the case where the customer should fail to comply with its obligation of confidentiality. This penalty is indivisible and vested in SADTEM even though SADTEM should request termination of the contract binging upon SADTEM and the customer.

This clause will not forbid SADTEM from filing a claim with a court to seek compensation for all the loss caused by the non-performance of this clause, as the case may be, if it should be higher than the sum mentioned above as penalty.

18 – Termination

If the customer should fail to comply with its obligations and if such failure has not been remedied within fifteen days from the date of the notice to remedy such non-performance, sent by registered mail, return receipt requested, SADTEM will reserve the right of terminating the order fully in compliance with the law, without prejudice to any damages.

19 – Law applicable

Any issue relating to these general terms of sale and sales which they govern, as may not be covered by these provisions will be governed by the laws of France.

The Convention of the United Nations on the international sale of goods made in Vienna on 11 April 1980 is not applicable to these general terms of sale.

20 – Disputes

In the event of any disagreement arising from this agreement, before referring the case to an arbitrator or judge, the parties shall designate the President of the "Chambre de Commerce et d'Industrie" of DOUAI as mediator. He will be appointed by the party acting most timely and will then have 6 months to investigate and settle the case. The parties may decide to extend this period by mutual agreement. The case may not be referred to any judge or arbitrator before this period expires, save if the two parties agree otherwise. They undertake to cooperate with the mediator in good faith.

The duty of the mediator is to assist the parties so that they may settle the dispute out of court. For such purpose, the mediator will question each party, as well as any person whose observations may be considered as relevant. He may seek any document appropriate for his duties. The mediator is bound by professional confidentiality. His fees will be equally assumed by the two parties.

Upon completion of his duties, the mediator will submit a report describing his investigation, problems met and the recommended solution. If such solution is not approved by the two parties, the party acting most timely may refer the case to the judge or arbitrator having authority to have the disagreement settled. The mediator's report may no longer be produced to the judge without the parties' consent.

If the mediation fails, any dispute relating to this agreement between SADTEM and any customer not based in France or any of its rightful claimants will be settled by an arbitrator in compliance with the arbitration rules of the French arbitration association or "Chambre de commerce internationale" of Paris.

The court of arbitration will be constituted of three arbitrators and will sit in LILLE.

If the mediation process fails, any dispute relating to this agreement between SADTEM and any customer based in France or any of its rightful claimants will be exclusively referred to the commercial court of DOUAI, including in case of summary proceedings.