

GENERAL TERMS AND CONDITIONS OF SALE

GENERAL PROVISIONS

The information appearing in catalogues, manuals and price lists is given purely for indicative purposes and does not in any manner commit the seller contractually.

1 - ORDER

1.1. – All orders placed by the customer imply its unconditional acceptance of these terms and conditions, from which it shall not under any circumstance be exempted without the seller's express written agreement. Therefore, these general terms and conditions cancel and replace any previous legal or *de facto* agreements and any other general terms and conditions of the customer.

1.2. – Orders are deemed to be firmly accepted only after confirmation by fax, email or any other means within 48 hours following the purchaser's receipt of the order.

1.3. – No confirmed order may be cancelled, except in the cases specified in 2.4.

2 - DELIVERY – TRANSFER OF RISKS - TRANSPORT

2.1. – The delivery times are indicated upon confirmation of the order; they include the time that is necessary for the manufacturing, and commence to run as of confirmation of the order.

Any supplement to an order that is already placed shall be deemed a new order with respect to both the terms and conditions and the delivery times.

2.2. - FAVIER T.P.L. shall have the right to terminate its commitments and shall automatically be released from any liability in that regard in a situation of *force majeure* or serious events such as lockouts, total or partial strikes at its suppliers, shortages of raw materials, transport interruptions, etc... and, generally, and in any other cases of *force majeure* or fortuitous circumstances as defined by statutes and case law.

2.3. – Should delivery be delayed due for reasons imputable to the customer, the goods shall be handled and stored at the latter's cost and risk.

In any event, an invoice for availability of the goods shall be issued and paid within the same time as would apply if the goods were shipped on the specified date, hence without prejudice to the billing of storage and other costs.

Should such a delay exceed thirty days, FAVIER T.P.L. shall be entitled to cancel the order without advance notice and require payment of damages.

Also, any instalments that might have been paid shall remain FAVIER T.P.L.'s property, with the articles in question being put back on sale.

2.4. – Conversely, a late delivery imputable to FAVIER T.P.L. shall not constitute a pretext for cancelling the order, or for requesting damages; and the contracts may be rescinded only 30 days after a notice or order received at FAVIER T.P.L.'s head office has gone unheeded.

2.5. – Regardless of the destination of the goods, the transfer of risks is deemed to always occur at our plants and warehouses, at the time that the goods are made available to the carrier, or to the customer if it takes delivery itself.

Therefore, our goods are always loaded on the carrier's vehicle, travel, and are unloaded at the customer's risk and peril, with the latter being responsible for exercising any recourse against the carrier, as it is liable for any damage that the goods might incur during the loading, transport or unloading, for any missing items or for the improper exterior condition of the goods.

3 - PRICES - PAYMENT - CARRIAGE

3.0 – The lengths that are billed are those that are effectively delivered. They may differ by 10% from the ordered quantities, without any such variation constituting a ground for the purchaser's dispute.

3.1. – The prices are specified in 1.2. of the order confirmation.

The prices are calculated on the basis of the indicated quantities, pursuant to the tariff transmitted to the customer.

3.2. – The prices do not include the taxes and packaging.

3.3. – The following items are added to the price thusly determined:

- if applicable, the transport costs;
- all tax and legal expenses;

that are related to the subject goods and are in effect on the date on which they are made available to the carrier, or to the customer if it takes delivery itself, with the customer carrying out the formalities for customs clearance.

3.4. - Carriage

1 – Delivery in France

- Carriage is free for all orders exceeding € 534 before taxes, which are delivered in a single load to a single addressee.

- For all orders less than € 534 before taxes, the price is established ex-works, it being understood that the transport cost is advanced by FAVIER T.P.L. and is then reimbursed by the customer at the same time as payment for the order.

2 – Export delivery

Coverage of the transport cost is mutually determined by FAVIER T.P.L. and the customer.

3.5. – When prices are established in a currency other than the euro, they might be adjusted upon availability of the goods in order to take into account any possible fluctuations in the exchange rate between the euro and the customer's currency that is in effect on the date of availability, and the exchange rate in effect upon confirmation of the order by FAVIER T.P.L.

3.6. – Unless otherwise agreed, payments are to be made in one tranche within 30 days, from the end of the month in which the invoice is issued. All of the goods are payable to the seller's domicile. They are billed at the time they are made available.

In the event of a failure to pay all or part of an invoice on the due date, all other amounts due, or to fall due, in any respect whatsoever shall become immediately due, and the orders in progress may be cancelled as a matter of absolute right under the conditions specified in 3.7.

3.7. – In the event of total or partial payment after the due date:

All amounts that might be due in any respect whatsoever shall as a matter of absolute right become payable immediately without advance notice.

All amounts unpaid on the due date automatically and without advance notice bear default interest equal to 1,3% per month of delay, applied to the pre-tax amount of the order and lump sum of 40€.

In all cases, this default interest shall be equal to at least three times the legal interest rate applicable on the amounts due, with the reference rate being that which is in effect at the time of the default.

Unpaid amounts also give us the right to reimbursement of the costs of drafts returned unpaid, and the costs of amicable or judicial collection that we are compelled to incur.

Default interest commences to run:

* as of the payment date indicated in the invoice, if that date is subsequent to the payment term specified in 3.6.

* from the deadline stipulated hereinabove, unless the payment date differs from that which is indicated in the invoice.

Moreover, subject to the provisions specified in the above paragraph, FAVIER T.P.L. reserves the right to suspend not only the shipment of goods ordered by the customer that are already manufactured but not yet delivered, but also the execution of orders in progress, without prejudice to claims for payment of damages.

If it so desires, FAVIER T.P.L. shall have the right to deem the contract of sale automatically terminated, without the need for any legal formalities, fifteen days after a notice to pay the price sent by registered letter to the customer has gone unheeded. Therefore, by virtue of the reservation of ownership clause specified in paragraph 4, FAVIER T.P.L. may repossess goods already delivered.

4 – RESERVATION OF OWNERSHIP

4.1. – All of our sales are concluded with a reservation of ownership. Therefore, the transfer of ownership of goods to the customer is suspended until full payment of the price.

4.2. – As stated in 2.5, the risks are deemed to be transferred to the customer at the time that the goods are made available to it or the carrier, in our plants or warehouses.

4.3. – In the event that the seller repossesses articles sold under the reservation of ownership, the customer is required to redress the injury due to depreciation or unavailability of the articles involved.

Therefore, as a penalty, the customer shall owe an indemnification of five percent of the agreed price per month during which the goods thusly repossessed are held.

Said indemnification shall be imputed to the amounts that the customer would have paid to FAVIER T.P.L., with any possible balance being returned to the customer without interest.

4.4. – The customer must, by any legal means, oppose any claims that third parties might assert on the goods by way of seizure, confiscation or equivalent procedure. As soon as any such action comes to its attention, the customer shall advise the seller to enable it to protect its interests.

5 - WARRANTY

5.1. – Any complaint must be addressed to us by registered letter within fifteen days of receipt of the goods. In view of the complaint, FAVIER T.P.L. determines whether the goods are defective and decides with the customer whether the goods in question must be returned.

Then, FAVIER T.P.L. confirms by fax, email or any other means, return of **only** those goods that are deemed defective, which must be returned within 48 hours after confirmation at the cost of FAVIER T.P.L.; otherwise, FAVIER T.P.L. is released from any obligation of warranty.

In any event, the goods must be returned in the same "physical" condition as that which existed on the date of their availability to the customer, under the conditions specified au 2.5.

5.2. – After acknowledging the existence of a manufacturing defect, FAVIER T.P.L., at its discretion, covers the cost of either:

- repair of the goods in question,
- or the supply of other goods of the same type and quality in replacement of the defective goods, to the exclusion of any other liability or indemnification.

5.3. – Complaints are considered only if they involve more than 5% of the delivered goods, this limit being the customary standard in the industry.

Also, the warranty does not apply to replacements or repairs resulting from deterioration, accident, etc., due to negligence, lack of surveillance, maintenance, a use that is improper or does not conform to the technical capabilities of the goods in question, defective storage or handling, or an attempt of repair by the customer.

6 - JURISDICTION

All contracts of sale are deemed to be concluded in BERTIGNAT. Therefore, the Commercial Court of CLERMONT-FERRAND is the only Court that has jurisdiction over any disputes that might arise between the parties, even in the event of an action for enforcement of a guarantee, a multiplicity of defendants or a contrary clause of jurisdiction appearing in the customer's letters or other documents.