

## 1. GENERAL PROVISIONS

These purchase conditions apply to all our orders: they prevail in all circumstances over our suppliers' sales conditions – this being the essential and decisive condition for our order: they may only be modified by express special conditions included in our order.

The fact that our special conditions grant a dispensation from certain points in these general conditions and specifications may not be interpreted as a waiver for the provisions in this document concerning the other points.

## 2. ACKNOWLEDGEMENT OF RECEIPT

Every order must be the subject within eight days to an acknowledgement of receipt including the supplier's assent to the stipulated conditions: absence of response within this period shall be deemed to express the supplier's consent. In the event that this acknowledgement of receipt should include modifications judged to be substantial we reserve the right to cancel the order with immediate effect and without compensation.

## 3. TIME LIMIT

We reserve the right to fix our time limits so that time is of the essence. Failure to respect them shall allow us to terminate the order as of right by registered delivery with acknowledgement of receipt with immediate effect. When the special conditions provide for penalties for late delivery they shall apply without any prior notice being required. Deliveries may only be made in advance with our agreement.

## 4. TRANSFER OF TITLE – TRANSFER OF RISKS

The transfer of title is effective as soon as the supply sold is physically ascertainable in whole or part. The transfer of risks is effective:

- For supplies from the national territory – on delivery to our establishments

- For supplies from abroad – at the moment of the transfer of risks as defined in the Incoterm selected in the order.

The risks appertaining to the delivery to our establishments are incurred by the supplier, who shall take care to be validly insured for these purposes.

*ANY CLAUSE RESERVING TITLE SHALL ONLY BE ENFORCEABLE AFTER OUR EXPRESS AND WRITTEN ACCEPTANCE.*

## 5. PAYMENT

Unless a clause stipulates otherwise, we settle the invoices at 45 days end of month by transfer, the payment being made at the end of the month, facture without duplicate.

Any invoice received after the 10<sup>th</sup> of the following month shall have its value date deemed to be that of the month in which the document is received.

## 6. PRICE

Our prices are firm and definitive except for eventual variation -in accordance with the statutory conditions in force and after our agreement - in labour and raw material costs between the day of the order and the day of delivery.

## 7. TOOLS

The tools, models, calibres, etc ... ordered from the supplier himself or from a third party for the order-giving company, or manufactured by it to be left or made available to the supplier, are the full and entire property of the order-giver. Their maintenance and repair are the responsibility of the supplier responsible for the order of the pieces. They must be returned in good condition on our simple demand.

The supplier must make no piece for a third party using our plans, tools, or models without our written consent. We shall consider any failure to respect this obligation to be an act of unfair competition and we reserve the right to claim damages from the supplier. The tools must not be transferred, transformed, or destroyed without our written permission. The supplier shall assume responsibility for the custody and risks of the tools and models at no charge and take personal responsibility for the damage they may cause or undergo, even in the event of *force majeure* or theft. He must insure these tools at his own expense for their real value on behalf of their owner ensuring the insurer renounces all claims against the latter.

## 8. PACKAGING

The packaging must be designed to avoid any deterioration during transport, loading and unloading. Since it is not possible to unload by above (bridge crane) the very long shipments must be designed to be unloaded by fork lift. Special requirements may be made. They shall be the subject of particular specifications.

## 9. QUALITY CONTROL

On reception all the pieces shall be subject to a quality control phase by statistical sampling (adapted to the supplier's rating).

In the event of nonconformity the pieces shall be:

- Refused and returned to the supplier at his expense -unless he collects them himself within 48 hours after receiving the declaration of nonconformity. The return shall occasion a credit note. A replacement order may be issued.

- Accepted without alteration -the defects are described and the supplier is informed of them for remedial action.

- Altered by ourselves at the supplier's expense or replaced/altered by the supplier himself within the periods indicated.

Administrative nonconformity expenses shall be billed to the supplier as a contribution to the costs of the nonconformity.

To assure the surveillance of the quality of the products we have ordered, our agents and those of our client or any other body we designate shall have free access in our suppliers' factories.

## **10. HIDDEN DEFECTS**

Notwithstanding the provisions of article 9 above, any action relating to eventual hidden defects or vitiating elements that may appear while in use shall be governed exclusively by the current legal and regulatory provisions.

## **11. VERIFICATION CERTIFICATE**

If our orders refer to them, the certificates demanded are to be provided in accordance with the standards required. They shall be supplied at the latest on delivery, failing which the supplies shall be blocked on reception and the value of the instalment carried on to the date on which the documents are received.

## **12. RAW MATERIAL OR PIECES ENTRUSTED TO THE SUPPLIERS FOR TRANSFORMATION**

The raw material provided for performing the order must be used for this purpose exclusively. They shall be stored in the best conditions. The cuttings must be returned or compensated. The pieces to be transformed or completed shall be returned in their entirety. In the event of a piece being scrapped or deterioration of raw material that is our property, the supplier is liable for the loss and is obliged to give compensation. He shall take care to be insured for the purposes.

The supplier shall be responsible for the products with which he is entrusted for the purposes of performing a sub-contract or any other type of performance. Accordingly, the supplier shall use his best efforts to protect the integrity of the pieces with which he is entrusted during their manufacture, storage, and transfer.

In the event the pieces with which he is entrusted are destroyed in whole or part, the supplier shall cover the cost of the whole of the value of these pieces' manufacture, without any limitation of liability or deduction. He shall take care to be validly insured for these purposes.

## **13. NONCONFORMITY DETECTED BY SUPPLIER**

In the event that the supplier detects a nonconformity it must be the subject of a written dispensation request. If the delivery is authorised the batch in question must be isolated and identified. It will necessarily be accompanied by the written dispensation we have accepted. If the delivery is not authorised the batch in question must be destroyed.

## **14. PLANS AND SPECIAL REQUIREMENTS**

For any first contractual performance a plan shall be joined to the order with mention of the first date on which it is valid. The plans shall remain valid until a new index is sent which cancels and replaces the previous one. It is the supplier's responsibility to keep his documentary base up to date and assure the systematic contract review of our orders. Only the plan and index number on the order validates; any other shall be considered invalid.

The same applies to the special requirements that are the subject of specifications mentioned on our orders.

## **15. QUANTITY**

Unless otherwise indicated, the quantity tolerances are fixed at: -0 +3%. Any excess or shortfall or indeed partial delivery must be subject to our agreement.

## **16. NUMBERING**

All the orders and requests are listed with a number that must be quoted on all correspondence, as on every delivery note, certificate, and invoice.

## **19. ADMINISTRATION OF STANDARDS**

Our suppliers are responsible for the administration of the standards and normative and regulatory documents with the correct indices.

## **20. RIGHT OF ACCESS**

Our orders may be examined by our clients and the end user as well as the official services. Their access to the zones necessary for their action of surveillance must be authorised by the supplier.

## **21. INDUSTRIAL PROPERTY**

The suppliers formally undertake not to display, sell, or deliver the pieces according to plans, models, or tools that are our property without our written authorisation.

## **22. GOVERNING LAW AND JURISDICTION**

All our orders are governed by the provisions of French Law.

In the event of a dispute of any nature or of a contestation relating to our orders the Courts of STRASBOURG shall have sole jurisdiction unless we prefer to bring an action in any other competent jurisdiction.

This clause applies even in cases of interim proceedings and interlocutory applications, plurality of defendants, and whatever the places and terms of payment.