

GENERAL CONDITIONS OF SALE

Preamble:

TECHNI-MODUL ENGINEERING is an incorporated company with a capital of 1 683 308 Euros, whose the head office is at Z.A de Pérache COUDES (63114) France –. It is registered at the chamber of commerce and industry in Clermont-Ferrand under the number 421 290 032 00034.

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These general sales conditions define contract principles governing all sales realized by the company TECHNI –MODUL ENGINEERING.

Article 1 - Purpose and scope

1.1 Any product order involves acceptance unreservedly by the client and his full approval to the general sales conditions which prevail any other document from the client, including all general terms of purchase, except with express derogatory agreement and prior to the order, agreed in writing by the company TECHNI MODUL ENGINEERING.

1.2 Any other document than the general sales conditions including catalogs, flyers, advertisements, notices, have only informative and indicative value, no contractual value.

Article 2 - Intellectual property

All technical documents delivered to our customers remain the exclusive property of TECHNI-MODUL ENGINEERING, the only owner of the intellectual property rights on these documents, and must be returned to TECHNI-MODUL ENGINEERING upon request.

Our customers agree to make no use of these documents, which may affect the rights of industrial or intellectual property of the company TECHNI-MODUL ENGINEERING and they are binding to not disclose it to any third party.

Article 3 – Orders

3.1 Definition order

Means any written order (sent to post address, by e-mail or by fax which number is written above) concerning our products and our prices listed, and accepted by the company TECHNI-MODUL ENGINEERING, accompanied, or followed , by the immediate payment of the deposit that may be required by the order.

Upon receipt of the order, it has an irrevocable value for the client.

3.2 Order modifications

Any request to change the composition or volume, of an order placed by a customer can be taken into account by the company TECHNI-MODUL ENGINEERING, only if the demand is made in writing including fax or email, not later than seven days after receipt of the initial order by the TECHNI-MODUL ENGINEERING.

In case of order modifications by the customer, the company TECHNI-MODUL ENGINEERING will be released from the originally lead-times for his execution.

Article 4 - Delivery

4.1 Time Periods

4.1.1 Delivery times are only for informative and indicative purposes but with the greatest possible accuracy; they are depending on the availability of the transporters and on the order of arrival of the clients orders.

The company TECHNI-MODUL ENGINEERING strives to meet the delivery times indicated at the order receipt, depending on the logistic reference time period in the profession, and to fulfill orders, except in case of force majeure or in case of circumstances out of its control such as strikes, frost, fire, storm, flood, epidemic, supply problems, without this list being limited.

4.1.2 Any delay with regard to the indicated delivery time originally planned, will not lead to penalties or damages, nor justify the termination of the order placed by the customer and registered by TECHNI-MODUL ENGINEERING.

However, when the contractual date of delivery prolonged with a waiting period of two weeks has passed, the following penalties may be applicable, under the condition that the supplier bears full responsibility:

$$P = V \times R / 1000$$

P is the amount of penalties

V is the value of delayed supplies exclusive of taxes

R is the number of calendar days of delay

In any event, the amount of the penalty has an upper limit of 5% of the delayed supplies exclusive of taxes.

4.1.3 The executive lead-times indicated in an order are accepted by TECHNI-MODUL ENGINEERING and will commit TECHNI-MODUL ENGINEERING, only if the following conditions are respected: respectfulness by the customer of the payment terms and the down payment, in case of no force majeure, no social, political, economic or technical events, hindering the working of our company or our supply in components, in energy or in raw materials.

4.2 Risks

The transfer of risks of the products sold by TECHNI-MODUL ENGINEERING is made on return at the handover of the goods to the carrier or at the leaving of the products from our facilities or those of our subcontractors. The goods are transported at the costs and risks of the purchaser.

4.3 Transport

The client is responsible, in case of damage of the delivered products or in case of products missing, to make all necessary reserves and complaints to the carrier.

Any product that has not been the subject of reserves sent to the carrier by registered letter with an acknowledgement of receipt within 3 days of receipt, in accordance with Article L. 133-3 of the commercial code, and whose copy has been sent in the same time to the company TECHNI-MODUL ENGINEERING, will be considered accepted by the customer.

4.4 Receipt

4.4.1 Without prejudice to be taken by the customer toward the carrier as described in article 4.3, in case of visible defects or missing items, any claim of whatever nature, relating to delivered goods, will be accepted TECHNI-MODUL ENGINEERING only if it is done in writing, by registered letter with an acknowledgement of receipt, within a period of 3 days foreseen by the article 4.3.

4.4.2 The customer must provide all necessary proof of the reality of defects or missing items observed.

4.4.3 No return of goods can be made by the customer without the prior written approval from TECHNI-MODUL ENGINEERING, obtained in particular by fax or email.

The return costs will be borne by TECHNI-MODUL ENGINEERING only if a visible defect, or missing goods, is actually noticed by TECHNI-MODUL ENGINEERING or its representative.

Only the carrier chosen by TECHNI-MODUL ENGINEERING has the authorization to return the products concerned.

4.4.4 If, after inspection, a visible defect, or a missing good, is actually found by TECHNI-MODUL ENGINEERING, or its representative, the customer can only ask TECHNI-MODUL ENGINEERING the replacing of the non-compliant items and/or the complement, at the charge of TECHNI-MODUL ENGINEERING, but the customer can not ask any compensation or the cancellation of the order.

4.4.5 The receipt without reserves of the products ordered by the customer covers all visible defect and/or missing. All reserves must be confirmed in accordance with the article 4.4.1.

4.4.6 The claim made by the purchaser in accordance with the conditions and manner described in this article does not suspend the payment by the customer of the goods concerned.

4.4.7 The company TECHNI-MODUL ENGINEERING won't be responsible for events during transport, destruction, damage, loss or theft, even if it chose the carrier.

4.5 Suspension of deliveries

In the event of non-full payment of an invoice at the due date after formal notice of default that has no effect within 48 hours, TECHNI-MODUL ENGINEERING has the right to suspend any current or coming delivery.

4.6 Immediate payment

All orders that TECHNI-MODUL ENGINEERING agrees to carry out, take into consideration the fact that the client has all necessary financial guarantees and that he will pay the invoices due on time, according to the law. Also, if TECHNI-MODUL ENGINEERING has good reason to fear particular difficulties of payment from the customer at the order date or after it, or if the customer does not have the same guarantees than at the order date, TECHNI-MODUL ENGINEERING can ask an immediate payment or TECHNI-MODUL ENGINEERING can ask guarantees from the client in favor of TECHNI-MODUL ENGINEERING.

TECHNI-MODUL ENGINEERING shall also be entitled, before and/or after accepting any order to require from the client, his accounting records, like their profit and loss accounts, even projected, allowing TECHNI-MODUL ENGINEERING to estimate the clients' solvability.

In case of refusal of the client of the immediate settlement without any sufficient guarantee proposed by the client, TECHNI-MODUL ENGINEERING may refuse to execute the order (s) and may refuse to deliver the goods concerned. In this case the client cannot claim an unjustified refusal to sell, and the client cannot claim any compensation.

4.7 Order refusal

In the event that a customer places an order to TECHNI-MODUL ENGINEERING, without having paid the precedent order (s), TECHNI-MODUL ENGINEERING may refuse to honor the order and to deliver the goods concerned, without the customer being entitled to ask any compensation for any reason whatsoever.

Article 5 - Rates – Price

5.1 Rates

5.1.1 The current rate list is available at any time in our office. They can also be communicated to any customer upon written request of the customer.

The rates may be revised at any time, after prior information of our customers.

Any rate changing will automatically apply at the date indicated on the new rate list.

5.2 Prices

5.2.1 Our prices are set by the current rates at the order date. They are always exclusive of taxes, packaging, taken in our factories, except contrary agreement.

5.2.2 Except contrary agreement, the packaging are chosen and prepared by the company TECHNI-MODUL ENGINEERING. They are included in the prices indicated.

5.2.3 Our prices can be free of carriage according to prior express agreement with the client.

The fact that the shipment is made free of carriage or that the seller or a commission agent will take care of the shipment of the ordered goods on behalf of the customer, does not change the rules above and the effects associated of the date of the provision of the goods at our facility.

5.2.4 Our prices are net calculated, without discount, and payable at the date mentioned on the invoice.

5.2.5 For the prices specified by quantity, any order for a lower quantity will cause a change of the indicated price.

Article 6 - Payment Terms

6.1 Payment

Our invoices are payable on the due date indicated on it. Only the effective payment of drafts or recovered bill of exchange will be considered to constitute a full payment within the meaning of these general sales conditions. No discount is applicable to our invoices.

6.2 Non-payment

6.2.1 Any amount taxes included, at the due date, not paid by the client, will result in payment by the client of penalties set at three times the legal interest rate. These penalties are due by right and the interest start on the due date until full payment. 6.2.2 For each late payment the debtor must bear a fixed allowance of 40 Euros without prejudice of any complementary compensation on presentation of adequate justification by the creditor.

6.2.3 Furthermore TECHNI-MODUL ENGINEERING reserves the possibility to take other legal action in order to end this nonpayment, with penalty payments per day of delay.

6.3 Down payments

For any orders placed, a deposit of 30% without taxes, VAT in addition, has to be paid. The down payment must be paid at the day of the purchase order signature. The balance of the order must be made no later than the day of delivery, unless special conditions of the contract.

Article 7 – Property rights

7.1 The transfer of ownership of our products is suspended until full payment of goods by the client, in principal and accessory, even in case of granting of payment deadlines extensions. Any opposite clause, notably inserted in the general conditions of purchase, is considerate like no written in compliance with the article L. 624-16 of the commercial code.

7.2 From express agreement, TECHNI-MODUL ENGINEERING can use his right that TECHNI-MODUL ENGINEERING possesses regarding this clause of property rights, for any of its receivables, on all its products in the customer's possession, these being conventionally presumed unpaid, and TECHNI-MODUL ENGINEERING may take them back or claim them as compensation for all unpaid bills, without prejudice to the right to cancel current sales.

7.3 The client will be able to resell its unpaid products only as part of its business normal operation, and cannot in any way pledge or grant a security on its unpaid stock. In case of defaulting payments, the client won't be allowed to resell its stock up to the amount of unpaid products.

7.4 TECHNI-MODUL ENGINEERING may also require, for non-payment of an invoice on time, the resolution of the sales after sending a formal notice. Similarly, TECHNI-MODUL ENGINEERING may unilaterally, after sending a formal notice, establish an inventory of its products in possession of the client, who undertakes, already, to allow free access to its warehouses, factories or other for this purpose, ensuring that the products identification of the company is always possible.

7.5 In case of opening of insolvency procedure or liquidation, current orders will be automatically canceled, TECHNI-MODUL ENGINEERING can claim the goods in stock.

7.6 Despite the property rights clause, the risk transfer on the goods, to the client, takes place upon the delivery to the client.

7.7 Up from the delivery, the customer is considerate depositary of the goods.

In the case of non-payment and unless we prefer to ask the full sale execution, we can cancel the sale after formal notice and we can claim the delivered goods. The return fees will be in charge of the client and the payments made to us being acquired as a penal clause.

Article 8 – Warranty for apparent and hidden defects

8.1 Goods have to be checked by the customer upon delivery, and any claim, reserves or complaint regarding missing and apparent defects, must be made in accordance with the article 4. In case of apparent defects, TECHNI-MODUL ENGINEERING will replace the defective goods, subject to verifying the presumed defects by TECHNI-MODUL ENGINEERING.

The client must provide any justification to prove the defects found. TECHNI-MODUL ENGINEERING can directly or indirectly, note and verify the defect products on place.

8.2 The reporting of existing defects at the delivery, and revealed after the goods reception, must be written by the client within three days following the date on which it has discovered the lack of conformity. No denunciation will be considered if it occurs more than 3 days after the products delivery.

8.3 No action for noncompliance can be initiated from the client more than 5 clear days after denunciation of non-compliance defaults.

It is specifically agreed by the customer acceptance of these sales conditions, that after the expiration of this period, the client cannot invoke the non-conformity of the products, nor oppose it in counterclaim for defense for in case of an action for recovery of debts incurred by TECHNI-MODUL ENGINEERING. Failing compliance with these conditions, the liability of TECHNI-MODUL ENGINEERING toward the client, due to a latent defect, cannot be implicated.

8.4 Defects and deterioration of the delivered products due to abnormal conditions of storage and/or preservation on the client site, especially in case of accident of any nature, shall not entitle the guarantee due by TECHNI-MODUL ENGINEERING.

8.5 As part of the warranty against hidden defects, TECHNI-MODUL ENGINEERING will have only the liability of the replacement free of charge, of defective goods, without the client can ask to obtain damages for any cause whatsoever.

8.6 TECHNI-MODUL ENGINEERING guarantees its products against hidden defects, according to law, customs, jurisprudence, and under the following conditions.

This warranty is applicable only for products that have becoming regularly the customers property. The

warranty is excluded if our products have not been used according to the intended conditions of use or performance.

This warranty only covers hidden defects. Clients being professionals, the latent defect means a defect in the product realization, making it inappropriate for using and the client have the impossibility to detect the defect prior to use of the product. A design defect is not considerate like a hidden defect and clients are considered for having received all the technical information relative to our products.

TECHNI-MODUL ENGINEERING does not cover any damage and wear resulting from an adaptation or a special assembly, abnormal or not from its products except if it was done under its supervision.

This warranty is limited to replacement or repair of defective parts.

The warranty is limited to the first twelve months of use from the date of final reception of the order final. Our merchandise are considerate used by our client at the latest within 3 months of the provision. In any event our clients must prove the date of the beginning of use. Our guarantee ceases as genuine right at the end of this period.

Our guarantee stops as of right when our client does not notify us of the alleged defect within 20 clear days from its discovery. It is his responsibility to prove the discovery date.

The obligation of TECHNI-MODUL ENGINEERING is not applicable in case of defect resulting from a design imposed by the client. Any guarantee is also excluded for incidents resulting from fortuitous events or Force Majeure as well as replacements that result from normal wear and tear, damage or incidents consequent of negligence, lack of supervision or maintenance and not planned use of this material, the material destination as originally planned, the use of products to be processed by the equipment that is not conform to the specifications, the instructions of the technical manuals.

Any intervention from the client himself or delegated to a third party on the material (modifications, repairs, parts replacement, etc ...) without the express agreement from the company TECHNI-MODUL ENGINEERING will void the cancellation of any responsibility or contractual warranty.

Unless contrary stipulation, travel expenses and stay expenses are charged to the client to the real costs increased by 8%. The intervention of TECHNI-MODUL ENGINEERING shall be made with due diligence, subject to a written order with presumed technical report.

Article 9 – Termination by the client without cause

In the event when the client chooses to terminate the contract without cause, the payment of the price to TECHNI-MODUL ENGINEERING, or refund to the client as the case may be, shall be based on the portion of the goods and/or work performed in accordance with the terms of the contract to the date of termination, together with reimbursement of necessary expenses incurred by TECHNI-MODUL ENGINEERING resulting from such termination, provided such amounts claimed are sufficiently substantiated by proper documentation.

Article 10 - Force Majeure

Are considered as force majeure or unforeseeable events: events beyond the control of the parties, that they could not reasonably foresee, and that they could not reasonably prevent or overcome, in so far that their occurrence makes the satisfaction of their obligations completely impossible.

The following events are, in particular, considered to be force majeure or fortuitous events releasing TECHNI-MODUL ENGINEERING of its obligation to deliver within the time originally planned: the strikes of all or part of the staff of TECHNI-MODUL ENGINEERING or of one of its usual carriers, fire, flood, war,

production downtime due to accidental breakdowns, the impossibility of obtaining supplies of raw materials, epidemics, road closures due to thawing snow, road blocks, strikes or supply disruption for reasons not attributable to TECHNI-MODUL ENGINEERING and any other cause of disruption caused by our suppliers.

In such circumstances, TECHNI-MODUL ENGINEERING will notify customers in writing, including fax or email within 24 hours of the events occurrence date, the contract that is binding TECHNI-MODUL ENGINEERING and the client is then suspended without indemnity, from the date of event occurrence.

If the event should last longer than 30 days from its occurrence date, the sales contract concluded by the TECHNI-MODUL ENGINEERING and the client may be terminated from the most diligent party, without either party can claim damages.

This termination shall become effective on the date of initial presentation of the registered letter with acknowledgment of receipt denouncing the said purchase agreement.

Article 11 – Jurisdiction

11.1 The choice of the address is done by TECHNI-MODUL ENGINEERING, at its headquarters.

11.2 Any dispute regarding the application of these general sale condition and their interpretation, their execution and sales contracts concluded by TECHNI-MODUL ENGINEERING, or regarding the payment, shall be governed by French law and will be brought to the commercial court of the place where the head-office of TECHNI-MODUL ENGINEERING is located, whatever the place of order, of delivery, of payment and the payment method may be, and even in cases of introduction of third parties or multiple defendants. Bills of exchange are neither novation nor derogation to this jurisdictional clause.

11.3 Assignment of jurisdiction is general and applies whether it is a matter of a main claim, an incidental claim, an action on the merits or a summary hearing. 11.4 In addition, in case of legal action or any other action for recovery of debts by TECHNI-MODUL ENGINEERING, the dunning charges, the justice costs, the counsel and bailiff fees, and all the additional expenses will be charged to the offending client, as well as the expenses related to or arising from the non-compliance by the client of the agreed payment conditions or delivery of the considered order.

Article 12 – Waiver

The fact that TECHNI-MODUL ENGINEERING doesn't exercise its rights at a given time in relation to one of these clauses herein shall not be interpreted as a waiver to later exercise its rights under those clauses.

Article 13 - Governing law

Any questions regarding these sales conditions as well as it concerned sales, which would not be covered by the present contractual conditions, shall be governed by the French law to the exclusion of any other law, and additionally, by the Vienna agreement on the international sale of goods.

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