

GENERAL TERMS AND CONDITIONS OF SALE

1 - General

These general terms and conditions shall apply to all estimates, orders, confirmations of orders, sales invoices and more generally all commercial contractual relations. These GTCS shall cancel and replace the former GTCS. The buyer may not rely on any contrary clause in its own general terms and conditions of purchase. They shall be deemed to be known and to have been accepted by the buyer prior to any order. Any departure from these GTCS shall require the written agreement of both parties.

2 – Order - Offer

All orders or contracts must be expressly accepted (in writing) by the seller. The acceptance shall constitute the special terms and conditions. Information included in the catalogues is given for information purposes only. For the contracts concerned, on purchase the metal fixations made on behalf of the buyer shall be followed by a specification within the timeframe agreed or no later than **three** months after the fixation (the order). Otherwise, the seller shall have the right to cancel the order and/or shall invoice the customer for an indemnity to compensate the damage sustained. The buyer may not cancel its order for metal on its own initiative, in any event. Materials delivered to the seller for transformation by the buyer must be received at the factory in the quantities and at the quality necessary at least six weeks before the date on which the semi-finished products ordered are made available or delivered at our factories. In the event that supplies are inadequate, the seller shall reserve the right to invoice at the full price on the basis of the metal prices in force on the date on which the products are made available or delivered. In the event of the cancellation or modification of all or any part of an order, that must be accepted by the seller, the products already manufactured or in the process of being manufactured and the expenses incurred for the said order shall be borne by the buyer. The seller reserves the right to have any order executed by any one of the factories in the KME group. The buyer may not postpone its order or its delivery of products without the seller's written agreement, in any event.

3 - Industrial property

The buyer shall hold the seller harmless expressly against the consequences of all disputes relating to industrial property rights or other rights held by third parties, at the time of works it carries out in accordance with the buyer's specifications.

4 – Time limits

The time limits within which goods must be dispatched, made available or delivered shall be understood ex works or warehouse. Unless there is a provision to the contrary, the time limits are given for information purposes only. If they are not met the order shall not be cancelled nor shall any compensation be due.

5 – Prices

The prices shall be set on the basis of the commercial and economic conditions stated in the offers and may be revised in accordance with variations in the costs of their constituent parts, in accordance with the laws in force. Variations in price may not, in any event, be a reason for cancelling the order.

6 – Acceptance/transportation/deliveries

Unless there are special incoterm conditions stipulated on the confirmation of the order:

The goods shall be sold, accepted and approved on the seller's premises and shall be carried at the buyer's risk and peril as from handover to the first carrier. The moment when the goods are made available shall be treated as the effective dispatch and will have the effect of transferring the risks to the buyer. In all cases, it will be incumbent on the buyer to check the goods when the consignment arrives and to pursue, where appropriate, at its expense, all claims against the carriers. The quantities delivered and invoiced may differ from the quantities ordered within the contractual limits or limits set by the standards. Failing this, the limit shall be + or - 10%.

7 - Force majeure

A force majeure event is any event that is beyond the seller's control and that prevents its normal operations with respect to the manufacture and dispatch of products, such as: total or partial strikes that interfere with the proper operation of the seller's company or that of one of its suppliers, subcontractors, or carriers, any interruption to transportation, the supply of energy, raw materials or spare parts, accidents, damage at factories, explosions, fire, floods, and difficulties of an administrative nature. The seller shall advise the buyer promptly, and shall warn it, as soon as possible, of how long it believes it will not be able to fulfil its obligations. The seller shall be discharged from the performance of its contractual obligations for as long as the effects of the force majeure event can be felt, without having to pay any indemnity.

Article 8 – Retention of title clause

The seller shall expressly reserve title to the products delivered until effective payment in full of the sale price and interest, costs and incidentals. The delivery of an instrument creating an obligation to pay shall not constitute payment within the meaning of this clause. Until payment in full, the buyer may not pledge or use the products as security in any way whatsoever. Failure to pay may lead to a claim for the goods to be returned, and in consequence the buyer shall undertake to store the goods without transformation so that they may not be confused with others and can be recognized as the property of the seller. The buyer shall transfer the title to the product that results from the transformation process, as of now, in order to guarantee the rights of the seller laid down in paragraph 1. For the purposes of this clause, payments received shall first be set against goods which have been transformed.

9 - Execution / Claims

The orders shall be executed in accordance with the customer's technical specifications accepted by the seller. Failing this, the seller shall execute the order at its standard quality with the tolerances that are normal in the profession without any liability on its part regarding the use to which the buyer intends to put them. In order to be admissible, any claim must be made by registered letter with acknowledgement of receipt no later than one month after the date of delivery. The seller may only be liable to replace products that are acknowledged to be faulty, at the lowest transport costs, without any other indemnity; defective supplies shall be returned to it with its prior consent. The seller shall not incur any liability for defects that result from the storage, assembly or use of a product by the customer in abnormal conditions or conditions that do not comply with standard practice.

10 - Payment

Our invoices shall be payable 45 days from the end of the month [in which the invoice was issued], or 60 days from the date of the invoice, at the latest. In the event that the sums due are paid after the date stated on the invoice, penalties in proportion to the duration of the delay shall be imposed, as required by the Law of 4 August 2008. The penalties shall be calculated from the due date until the date of effective payment at a rate equal to three times the legal rate, which rate shall be stated on the invoices. The said penalties shall be payable without the need for any reminder, the day after the date of payment stated on the invoice, in accordance with the law. **Any failure to pay all or any part of the sum on the due date shall constitute an event of default and all sums remaining due shall become payable immediately, even if commercial paper has already been issued and is in circulation.** If the buyer fails to make payment, the seller shall have the right, with respect to the goods for which the price is payable, to reclaim the goods, this being the consequence of the delayed transfer of title, as laid down and expanded in clause 8. In any event, in the event of default on the part of the buyer, any sum that has not been paid in full and all other sales concluded between the parties which have not been executed in full and paid for, may be terminated as of right, if the seller so wishes. The seller shall reserve the right, during the performance of a contract and before delivery, to ask for any guarantees that it deems necessary. If such guarantees are not granted, it may refuse to execute the order. The materials in the process of transformation or in storage, and more generally, intended for manufacture, shall by express agreement constitute the seller's security for the payment of all its invoices, even those relating to goods that have already been delivered.

11 - Jurisdiction

In the event of any dispute, the matter shall be determined in accordance with French law alone, and the courts of Nanterre shall have sole jurisdiction, even if there is more than one claimant or defendant or a third party is joined to the proceedings.