

GENERAL TERMS OF SALE - FRANCE AND ABROAD

FOREWORD

The present terms of sale are part of the contract, and they take precedence over any contrary documents of the buyer which have not been accepted in writing by the seller. Any modifications which the parties may make to the present terms require a specific written agreement.

1 - PLANS AND DOCUMENTS

The weights, technical characteristics, prices, performances and other data contained in the catalogues, prospectus, circulars, advertising announcements, prints, price lists or any other medium are purely for information. This data only takes on an obligatory nature if referred to specifically in the contract.

2 - OFFER

The offers are prepared on the basis of specifications provided by the buyer. The seller is bound only by written commitments on his firm's letterhead. Unless indicated otherwise, offers are valid for one month.

3 - CONTRACT NATURE AND EXECUTION

The contract is considered as perfect when, upon receiving an order, the seller has sent a written acceptance to the buyer, or when the contract is signed by both parties. The contract only takes effect after the collection of the deposit stipulated at the time of the order and will be subject, if needs be, to authorisation by official bodies interested in importation and exportation, and to the supplying of other documents indicated in the contract, in a format which is true and usable by the seller. The contract will be carried out in accordance with its terms, and any modification must be contained in an amendment accepted in writing by the seller.

4 - INSPECTIONS AND TESTS

Any verification, test or inspection requested by the buyer shall be at his expense.

5 - PRICES

Unless agreed otherwise, prices are net of taxes for equipment without special packaging and are according to the delivery conditions indicated in the order delivery slip. They do not include any fees, taxes or additional charges or deductions of any nature which may be payable outside France. Unless indicated otherwise, prices are expressed in the currency of legal tender in France. For any invoice with an amount net of taxes which is under 150.00 euros, a participation in the management costs may be applied.

6 - PAYMENT

The contract stipulates the payment terms. Failing that, the following conditions shall be applied: 1/3 upon ordering, 1/3 at the latest at the halfway point in the execution of the order, and the balance upon the merchandise being made available at the plant. Payment entails the actual receipt of the funds in the seller's account. Payments cannot be delayed for any reason whatsoever, even in the event of a dispute, and nor can they give rise to any compensation. The fact of a delivery or invoicing having taken place after the 25th of the month does not authorise any special delay in payment. Late payments shall by right result in the application of late penalties on the outstanding amount. The rate used will be equal to the current market rates, + 3%. For invoices in Euros, or in the monetary unit of the Euro zone, the market rate used will be the "EURIBOR" for the period. Moreover, the seller reserves the right, in the event of late payments, to demand the immediate payment of liabilities resulting from the contract and/or contracts in progress with the buyer. Unless agreed otherwise, and except for the deposit which is due immediately, payments are made at the premises of the seller, net and without discount, 30 days from invoicing.

7 - DELIVERY PERIODS

The period begins on the day when the conditions for the application of the contract are fulfilled. The seller is

justifiably released from any commitments as to the delivery periods should the seller not respect one or more of his obligation(s) arising from this contract, or in the event of a case of force majeure or of events or causes which are independent of the will of the seller. Insofar as possible, the seller will apprise the buyer of these events when opportune. Late penalties will only be due if they have been accepted in writing by the seller, and they obviate any other compensation which the buyer may claim.

8 - PACKAGING

Any possibly requested packaging is always at the expense of the buyer as a supplement to the agreed prices, and shall not be taken back by the seller unless stipulated otherwise.

9 - DELIVERY

Unless otherwise stipulated in the contract, the equipment is delivered in its standard packaging. The terms of delivery are stipulated upon ordering, and are indicated in the Order delivery slip. In the event of "Ex works" sales, risks related to non-collected merchandise, and any subsequent operations, notably transportation, handling, storage and bringing to the site of usage, shall be at the expense, risks and perils of the buyer. In all cases, it is the responsibility of the buyer to check deliveries upon arrival and, if needs be, to make any claims against the carrier within 48 hours and to immediately inform the seller of this. Any mention of the INCOTERMS shall imply a reference to their latest version in effect upon the establishment of the contract.

10 - INDUSTRIAL PROPERTY

The seller is and remains the exclusive owner of the studies, plans, models and any documents, and their media, which the buyer may have been made aware of within the framework of the contract or of an offer. They can be used only by the buyer, and solely for the fulfilment of the contract. They are confidential, cannot be communicated to third parties for any reason in the absence of the prior written consent of the seller, and they must be returned to the seller if the contract is not signed or upon his request for any reason. Any failure to comply with these stipulations can give rise to legal proceedings.

11 - GUARANTEE

The seller guarantees the merchandise against any operational defect arising from a flaw in the manufacturing, design, materials or execution, for a maximum period of 12 months (except for circulators, where this guarantee is 18 months) after the merchandise is "made available at the plant". This period will be reduced by one half in the event of continuous operation. The guarantee does not cover normal wear, including for parts subject to wear. The guarantee for components or sub-assemblies not manufactured by the seller is limited to that given by the latter's supplier. In order for the guarantee to apply, the seller must immediately inform the seller, in writing, of the existence and exact nature of the defects which are attributed to the equipment. As part of the guarantee, the seller shall at his choice repair, replace or modify the parts recognised as defective by his services. The guarantee does not cover costs resulting from disassembly, re-assembly, transportation or approach operations. The replacement of one or more part(s), for any reason, does not extend the guarantee. The guarantee shall not apply in the following cases: installation, storage outside the seller's plant, or usage of the equipment which does not comply with its intended purpose, with the seller's instructions or with trade practices, deterioration or accident resulting from negligence, lack of surveillance or upkeep, or modification in the usage conditions. The guarantee is also voided in the event of any service, repair or disassembly of the equipment by the seller or by any third party nor duly accredited by the seller.

12 - EQUIPMENT RETURN

The seller is not required to accept for return any equipment returned to him for a reason which is not of his responsibility. Should he accept it, exceptional-

ly and only within six months of the date of the invoicing for the equipment, the return will be accepted at the invoiced price less 20% and reconditioning costs. Return of equipment requires the seller's acceptance of the return record duly filled out by the client, wherein is given a description of the equipment and the reasons for the return, prior to any physical return of the equipment. The equipment must be returned to his factory according to the INCOTERM "Delivered Duty Paid".

13 - RESPONSIBILITY

The seller is released from any responsibility in the event of indirect and/or immaterial damages such as loss of production, loss of potential earnings..., caused to the buyer or to third parties. The amount of compensation payable by the seller in the event of material damages caused to the client during or resulting from the execution of the contract cannot exceed the amount, net of taxes, of the sums collected according to the terms of the contract. The client guarantees the seller and his insurers against any third party claims for indirect or immaterial damages or for material damages exceeding the aforesaid ceiling.

14 - RESERVATION OF OWNERSHIP

The seller retains ownership of the goods sold until the final and total collection of all amounts due. Failure to meet any of the due dates can result in a demand for the return of the goods. It is recalled herein that the delivery of drafts or of any document creating an obligation to pay does not constitute a payment. Nevertheless, the transfer to the buyer of all risks takes place upon the delivery of the equipment, as defined above, and the expenses for the necessary insurance shall be borne by the buyer. A buyer whose business includes retailing is authorised to resell the equipment, this resale entailing a transfer of the resulting liabilities to the seller. He shall inform his clients of the existence of the present clause. This right is revoked in the event of any unpaid bill. Under no circumstances is the buyer allowed to pledge the equipment, nor to use it as any kind of guarantee.

15 - CANCELLATION

Should the buyer fail to fulfil any of his contractual obligations, and notably in the event that he misses one or more payment due dates, the seller shall by right be entitled to terminate the contract after the delivery to the buyer of a formal demand to comply, which has gone unanswered for a period of eight days.

16 - CHANGES IN COMMERCIAL RELATIONS

The commercial conditions granted to the client do not constitute a commitment from the seller relative to future conditions. In the notable event of a payment incident, of any serious doubt as to the solvency of the buyer, of commercial practices of a damaging nature to the seller, the latter shall be entitled to propose new conditions or to refuse new orders.

17 - SUBCONTRACTING

The seller has the right to subcontract all or a part of the studies, supply operations, services and works which are the subject of the present contract.

18 - APPLICABLE LAW AND DISPUTES

The contract is subject to French law. In the event of sales within France, all disputes will exclusively be brought before the court which has jurisdiction over the location where the head offices of the seller are located. In the event of sales outside France, any disputes will be definitively settled according to the conciliation and arbitration regulations of the International Chamber of Commerce, by three arbitrators appointed in compliance with these regulations; the language of the arbitration shall be French, and the location of the arbitration shall be Paris.

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