

GENERAL TERMS & CONDITIONS OF SALE and SUPPLY

General Terms & Conditions of Sale and Supply applying to Clayens NP and its subsidiaries. By entering into any transaction with any of the above companies, you agree to be bound by these General Terms & Conditions of Sale and Supply.

1. General

These General Terms & Conditions of Sale and Supply codify the commercial practices of all the companies of the Clayens NP group, whose administrative and registered office is located at 10 rue Jean Rostand, 69740 Genas, France. They comply with the rules of contract law and competition law and supplement the mutual will of the parties in all points where this has not been clearly expressed. They constitute the legal basis of any contracts, unless otherwise specified.

These General Terms & Conditions apply to the contractual relationship between the Clayens NP Group (hereinafter "the Manufacturer") and the customer company (hereinafter "the Customer"). They are governed by legislation relating to sales when they apply to the supply of standard products or products whose characteristics are determined in advance by the Manufacturer. They are governed by legislation relating to work contracts and, where applicable, by legislation relating to subcontracting contracts, when they apply to the manufacture of a product on the basis of specifications or to the provision of a service. Any deviation from these General Terms & Conditions must be expressly accepted in writing by the Manufacturer. For the purposes of these General Terms & Conditions, "written" means any document drawn up on paper, electronically or by fax. These General Terms & Conditions apply to all contracts or orders, as well as to orders placed within the framework of an "open order".

2 - Scope of application of the contract

The following form an integral part of the contract:

- these General Terms & Conditions,
- the special conditions accepted by both parties,
- the order accepted by any means, notably by an acknowledgement of receipt or order confirmation,
- the Manufacturer' documents, supplementing these General Terms & Conditions,
- the studies, quotations and technical documents provided prior to drawing up the main contract and accepted by the parties,
- the delivery note,
- the invoice.

The following do not form an integral part of the contract: documents, advertisements or prices not expressly mentioned in the special conditions.

3 - Placing orders

Orders must be issued in writing.

A contract is only valid subject to the Manufacturer's express acceptance of the order.

Orders are accepted by any written means.

Any order expressly accepted by the Manufacturer, whether closed or open, shall be deemed to imply the Customer's acceptance of the Manufacturer's proposal.

3.1 - Closed orders

Closed orders firmly stipulate quantities, prices and delivery deadlines.

3.2 - Open orders

Without prejudice to the conditions stipulated in Article 1174 of the French Civil Code, open orders must meet the conditions listed below.

- Be limited in time by the agreed deadline.
- Set out the characteristics and price of the product.
- Minimum and maximum quantities and lead times must be stipulated at the time of placing the open order.
- The timing of delivery orders must set out the precise quantities and deadlines that fall within the range of the open order.

If corrections made by the Customer to the forecast estimates of the schedule of the overall open order or delivery orders deviate by more than 20% from said estimates, the Manufacturer shall assess the consequences of such variations.

In the event of an upward or downward variation, the parties shall meet together to find a solution to the consequences of this deviation, which may alter the balance of the contract to the detriment of the Manufacturer.

In the event of an upward variation, the Manufacturer will do its utmost to satisfy the Customer's demand in quantities and within deadlines compatible with its capacities (production, transport, sub-contracting, human, financial, etc.).

3.3 – Amendments to orders

Any amendment to the contract requested by the Customer is subject to the express written acceptance of the Manufacturer.

3.4 - Cancellation of orders

The order expresses the Customer's irrevocable consent. It cannot therefore be cancelled unless the Manufacturer gives its express prior agreement. In this case, the Customer shall compensate the Manufacturer for all costs incurred (including for specific equipment, design costs, labour and supply costs and tools) and for all the direct and indirect consequences arising therefrom. In addition, any deposit already paid shall remain the property of the Manufacturer.

3.5 - Contract amendments – Effect on stocks

The Manufacturer establishes stocks (materials, tools, work in progress, finished products) according to the Customer's needs and in its interest, either at the Customer's explicit request or in such a way as to honour the provisional schedules it has announced.

Any amendments, non-fulfilment or suspension of the contract that does not enable the stocks to be sold under the conditions provided for in the contract will lead to a renegotiation of the initial economic terms allowing the Manufacturer to be compensated.

4 - Preparatory work related to the order

4.1 - Plans, studies and descriptions

Any plans, studies, descriptions, technical documents or specifications are communicated to the other party within the framework of a loan for use, whose purpose is the evaluation and discussion of the Manufacturer's commercial proposal. They must not be used by the other party for any other purpose. The Manufacturer retains all material and intellectual property rights over the loaned documents. These documents must be returned to the Manufacturer on first request. This also applies to any studies that the Manufacturer proposes to improve the quality or cost price of the parts through an original modification to the specifications. These modifications, once accepted by the Customer, shall not entail any transfer of liability to the Manufacturer.

Any transfer of intellectual property rights or know-how must be the subject of a contract between the Manufacturer and the Customer.

4.2 - Design of parts

a) Unless expressly agreed otherwise, the Manufacturer is not the designer of the parts it produces, but instead has the role of an industrial subcontractor. The design, the result of which is the complete definition of a product, may however be the subject of all or part of the industrial subcontracting and the Customer therefore ultimately assumes total responsibility for the industrial result sought. This is the case in particular for computer-defined parts made by the Manufacturer at the Customer's request and on the basis of a specification or functional plan supplied by the Customer.

b) If the Manufacturer is the total designer and manufacturer of parts intended for customers, this should be the subject of a separate and specific contract.

4.3 - Provision of samples

Any samples or prototypes sent to the Customer, before or after the conclusion of the contract, are strictly confidential. They may only be communicated to a third party with the Manufacturer's express consent. Any models and prototypes, if they are not managed within the framework of the contract, must be the subject of a specific order.

4.4 - Tools

a) When supplied by the Customer, tools must be marked separately with assembly or use marks and must be supplied free of charge on the site specified by the manufacturer. The Customer is responsible for ensuring these tools fully correspond to the drawings and specifications.

However, at the Customer's request, the Manufacturer shall verify this concordance and reserves the right to invoice the cost of this operation.

If the Manufacturer deems it necessary to make modifications for the parts to be properly manufactured, the resulting costs shall be borne by the Customer, with the Manufacturer first notifying the Customer.

For series orders, the Customer must request the manufacture of standard parts, which are then submitted by the Manufacturer and accepted by the Customer after all useful inspections and tests. The Customer is deemed to have accepted the parts in the absence of any written observations within fifteen days of the date of reception.

If the Customer's drawings and specifications do not allow for full verification of concordance with the tools supplied by the Customer, the

shapes, dimensions and thickness of the parts obtained shall therefore be determined, wholly or partially, by these tools.

The responsibility for the result obtained with regard to this data then passes exclusively to the Customer, notified in writing and in advance by the Manufacturer.

In all cases, if the tools received by the Manufacturer do not conform to the use for which they were reasonably intended, the Manufacturer shall require the initially agreed price to be revised, with an agreement with the Customer being reached prior to any start of production of the parts.

b) When the Manufacturer is commissioned by the Customer to make tools, these shall be produced in agreement with the Customer, according to the requirements of its own manufacturing methods. The cost of manufacture, as well as the cost of replacement or repair after wear and tear, shall be paid to the Manufacturer independently of the supply of the parts.

The Manufacturer may not be held liable for the costs of replacing tools beyond the supply of the quantities for which it was contractually agreed or resulting from normal wear and tear.

Unless prior agreement has been reached with the Manufacturer concerning a price increase to cover this risk, the Customer is obliged either to supply new replacement tools or to bear the cost of their production or refurbishment by the Manufacturer.

c) The price of manufacturing tools designed by the Manufacturer, whether or not they are made by it, does not include the Manufacturer's intellectual property rights over these tools, namely the contribution of its know-how or patents for their study or development. This also applies to any adaptations that the Manufacturer makes to tools supplied by the Customer to ensure the effective production of the parts or to increase productivity.

The tools shall remain with the Manufacturer after performance of the order and the Customer may only regain possession of them following a written agreement on the terms of use of the Manufacturer's intellectual property, in accordance with the provisions of the French Intellectual Property Code, and after payment of all invoices owed to it for any reason whatsoever. These tools shall be kept in good technical working order by the Manufacturer, with the consequences of their wear and tear, repair or replacement being borne by the Customer.

Unless otherwise agreed between the parties, they shall be paid at the rate of 30%+VAT when the order is placed, 40%+VAT when they are produced or on the date of presenting the first parts and the balance + VAT when the initial samples (IS) are accepted. Acceptance of the initial samples must occur within 30 days of the date of presentation.

d) In the event of the Customer deciding to start production of the parts despite provisional or reserved acceptance of the tools or model parts, it may not delay payment for the tools after the start-up date. This provision applies without prejudice to the possibility for the Customer to apply a holdback of a maximum amount of 5% under the conditions stipulated by French Law no. 71-584 of 16 July 1971, which is of public policy.

4.5 - Tool storage

It is incumbent on the Customer, who retains full responsibility for the tools referred to in the paragraphs of Article 4.4, which it owns, to insure the tools against any deterioration or destruction for any reason whatsoever within the company, waiving any recourse against the Manufacturer. The tools shall be returned to the Customer at its request or at the Manufacturer's discretion, in the condition they are at that time, subject to full payment for both the tools and the parts manufactured.

If they remain stored with the Manufacturer, they shall be kept free of charge for a period of three years from the final delivery. After this period, if the Customer has not requested the return of its tools or if it has not agreed with the Manufacturer to extend the principle and terms of their storage, the Manufacturer is entitled to destroy them, after three months' notice, issued by registered letter, remains unheeded.

5 - Characteristics and status of ordered products

5.1 - Purpose

The Customer is responsible for using the product in normal and foreseeable conditions of use and in accordance with the safety and environmental legislation in force at the place of use, as well as with industry standards.

In particular, it is the responsibility of the Customer to choose a product corresponding to its technical needs and, if necessary, to check with the Manufacturer to ensure that the product is suitable for the envisaged application.

5.2 - Packaging

a) Containers, frames, pallets and all other permanent equipment that is the property of the Manufacturer must be returned by the Customer, in good condition and carriage paid, within thirty days of their receipt, failing which they shall be invoiced by the Manufacturer. If this equipment is the property of the Customer, the Customer must send it in good condition, at the latest by a date previously agreed with the Manufacturer and to the specified site. The Manufacturer must be notified of any delay in delivery of the packaging

and this cannot, in any case, give rise to penalties of any kind against the Customer.

b) At the Customer's request, the parts may be subject to special protection measures. As these measures are decided by the Customer, the related costs are charged to the Customer by the Manufacturer.

5.3 - Transmission of product-related information

The Customer undertakes to transmit information useful for implementing the product to any potential sub-purchaser. The Manufacturer shall ensure product traceability until the day of delivery to the Customer, in accordance with article 7.2 of these General Terms & Conditions.

6. - Intellectual property and confidentiality

6.1 - Intellectual property and know-how concerning documents and products

All intellectual property rights, as well as the know-how incorporated in the transferred documents, delivered products and performed services remain the exclusive property of the Manufacturer.

Any transfer of intellectual property rights or know-how must be the subject of a contract with the Manufacturer.

The Manufacturer reserves the right to use its know-how and the results of its own research and development work.

The Customer may not use the patents, models or know-how owned by the Manufacturer for its own purposes; nor disclose them without having expressly acquired ownership, co-ownership or any right of use.

6.2 - Confidentiality

The parties reciprocally undertake a general obligation of confidentiality relating to all oral or written information of any kind and whatever the medium (discussion reports, plans, computerised data exchanges, activities, installations, projects, know-how, products, etc.) exchanged in the context of preparing and performing the contract, except for information that is generally known to the public or will become known other than through the fault of the Customer.

Consequently, the parties undertake:

- to keep all confidential information strictly secret, and in particular never to disclose or communicate, in any way whatsoever, directly or indirectly, all or part of the confidential information to any person without the prior written authorisation of the other party;

- not to use all or part of the confidential information for any purpose or activity other than performance of the contract;

- not to copy or imitate all or part of the confidential information.

The Customer undertakes to take all necessary measures to ensure that this obligation of confidentiality is respected throughout the duration of the contract and even after its expiry, and is committed to ensuring that all of its employees comply with this obligation.

This obligation is a performance requirement.

The Customer authorises the Supplier, unless prohibited in writing, to exhibit certain parts it produces at events such as trade fairs and exhibitions, as well as on its advertising and commercial documents,.

6.3 - Counterfeit warranty

The Customer warrants that at the time of signing the contract, the content of the plans and specifications and their implementation conditions do not make use of intellectual property rights or know-how held by a third party. It warrants that it can freely use them without contravening any contractual or legal obligations.

The Customer guarantees the Manufacturer against the direct or indirect consequences of any civil or criminal liability lawsuit, resulting in particular from legal proceedings for counterfeiting or unfair competition.

7. Delivery, transport, verification and acceptance of products

7.1 - Delivery times

Delivery times commence from the latest of the following dates:

- date of the acknowledgement of receipt of the order

- date of receipt of all materials, equipment, tools, specific packaging and execution details to be provided by the Customer

- date of performance of prior contractual or legal obligations by the Customer.

The agreed deadline is an important detail which must be specified in the contract, together with the precise nature of the deadline (for availability, for presentation, for acceptance, for delivery or for legal acceptance, etc.). However, any stipulated deadlines are non-binding and provided for information purposes, and may be recalculated in the event of circumstances beyond the Manufacturer's control.

7.2 - Delivery terms

Delivery shall be deemed to be made to the Manufacturer's factories or warehouses. Consequently, the risks are transferred to the Customer upon delivery without prejudice to the Manufacturer's right to invoke the benefit of the retention of title clause or to make use of its right of retention.

Deliveries are made

- by notice of availability
- or, if the contract so provides, by handing over the goods to a third party or carrier designated by the Customer
- or, if the contract so provides, by delivery in the Customer's factories or warehouses.

In the event of the Customer undertaking the transport and assuming the cost thereof, the Customer shall bear all the financial consequences of any direct legal action by the carrier against the Manufacturer.

7.3 - Transport - Customs - Insurance

Unless agreed otherwise, all transport, insurance, customs, handling and delivery operations are at the expense and risk of the Customer, which is responsible for checking the dispatched goods on arrival and, if necessary, exercising its rights of recourse against the carriers, even if the dispatch was carriage paid.

If shipment is arranged by the Manufacturer, it shall be made collect, at the lowest rates, unless expressly requested by the Customer, in which case the additional transport costs are passed on to the Customer.

7.4 - Product verification

The Customer must, at its own expense and under its own responsibility, check, or have checked, the compliance of the products with the terms of the order.

7.5 - Acceptance of parts

The Customer must carry out the legal acceptance of the products, by which it acknowledges compliance with the contract. Acceptance is deemed to be an acknowledgement that there are no apparent defects.

a) The Customer shall consequently decide the design brief that sets out the specifications defining all aspects of the parts to be made, as well as the nature and methods of the inspections, controls and tests required for their acceptance.

b) In all cases, the nature and extent of the necessary inspections and tests, the standards and severity categories concerned, as well as tolerances of any kind, must be specified in the drawings and specifications compulsorily attached by the Customer to its invitation to tender and confirmed in the contract agreed between the Manufacturer and the Customer, in order to establish the conditions for exercising the warranty defined in Article 11.

In the case of manufacture of composite parts or parts assembled by welding by the Manufacturer, the parties must agree on the delimitations of each of the component parts and on the extent and nature of the transition zones.

c) In the absence of a design brief detailing the inspections and tests to be performed on the parts, the Manufacturer shall conduct only a simple visual and dimensional inspection of the principal measurements.

d) Inspections and tests deemed necessary by the Customer are performed at its request by the Manufacturer, by itself or by a laboratory or third party body.

This must be specified prior to signing the contract, together with the nature and extent of said inspections and tests. Acceptance shall take place at the production site, at the Customer's expense, at the latest in the week following the notice of readiness for acceptance sent by the Manufacturer to the Customer or to the body responsible for the acceptance. In the event of a failure to perform the acceptance due to the Customer or the inspection body, the parts are stored by the Manufacturer at the Customer's expense and risk.

If a second notification from the Manufacturer remains unheeded fifteen days after dispatch, the parts are deemed to have been accepted and the Manufacturer is entitled to ship and invoice them. Likewise, if the Customer uses the parts, they shall be deemed to have been accepted.

e) The price of inspections and tests is generally separate from that of the parts, but it may be incorporated therein following an agreement between the Manufacturer and the Customer. This price takes into account the cost of any special work required to set the conditions necessary for the proper performance of these controls, particularly in the case of destructive controls.

f) Manufacturing performed under a Quality Assurance system requires that this condition be specified by the Customer in both its invitation to tender and its order, with the Manufacturer confirming this in its proposal and acceptance of the order, without prejudice to the provisions of the preceding articles.

g) If the Manufacturer uses components delivered by a supplier imposed by the Customer, said supplier must be covered by insurance. In the event of a major nonconformity, the Manufacturer shall not be liable for the associated financial impacts. In the event of a request for exemption issued by the Customer to use parts from an uninsured imposed supplier, the Manufacturer will be released from any financial liability for any costs associated with any claims attributable to this supplier. The Customer tacitly undertakes to take the place of the Manufacturer in the event of any claims.

8. - Hardship and force majeure

8.1 - Hardship

If an event occurs beyond the control of the parties which compromises the balance of the contract to such an extent as to prejudice the Manufacturer's performance of its obligations, the parties agree to negotiate amendments to the contract in good faith.

This covers the following events in particular: variation in the price of raw materials, changes in customs duties, changes in exchange rates, changes in legislation or in the Customer's financial situation. If the parties fail to reach an agreement, the Manufacturer will have the option of terminating the contract with one month's notice.

8.2 - Force majeure

Neither of the parties to this contract may be held liable for a delay or failure to perform any of its obligations under the contract if this delay or failure is the direct or indirect effect of a case of force majeure in a broader sense than French case law, such as:

- a natural disaster
- an earthquake, storm, fire, flooding, etc.
- armed conflict, war, conflict, attacks
- a labour dispute, total or partial strike at the Manufacturer's or Customer's premises
- a labour dispute, total or partial strike at manufacturers, service providers, suppliers, transporters, post offices, public services, etc.
- a mandatory injunction from the public authorities (import ban, embargo)
- operating accidents, machine breakdowns, explosions
- scarcity of natural resources, scarcity of raw materials,
- epidemics

Each party shall inform the other party without delay of the occurrence of a case of force majeure of which it is aware and which, in its opinion, is likely to affect performance of the contract.

If the duration of the impediment exceeds 10 working days, the parties shall consult each other within 5 working days following the expiry of the 10 working day period to decide in good faith whether the contract should continue or be terminated.

9. - Pricing

Prices are drawn up in Euros, exclusive of tax and "ex works", unless otherwise specified in the contract. They are invoiced according to the terms of the contract.

The prices provided on quotations are valid for 1 month. After this period, the Manufacturer may modify the financial terms of the offer.

Prices are only valid for the quantities, delivery schedules and conditions specified in each proposal. The price corresponds exclusively to the products and services specified in the offer.

The Manufacturer will revise the price in cases of:

- Variations in a component of the price, such as a variation in the purchase price by the Manufacturer of raw materials, components, packaging, transport, labour, energy, taxes, etc.,
- Exceeding the guarantee of specific tools or machines, generating disturbance costs for the Manufacturer (tool maintenance, increase in the scrap rate, etc.).
- Quantities ordered by the Customer that are lower than the quantities foreseen when the Manufacturer was commissioned by the Customer.
- Technical and/or quality developments not foreseen in the initial specifications and/or when the Manufacturer was commissioned by the Customer (change of raw material, reduction of tolerances, increase in quality requirements, etc.).
- Currency fluctuations: prices may depend on components and/or raw materials purchased in currencies other than the Euro, and are therefore subject to fluctuations in their exchange rates. The Manufacturer may modify prices in the event of currency movements of + or - 2% in relation to the official rates on the date of submitting the proposal.

A price indexation system may be applied by the Manufacturer with regard to currency variations, material costs, etc.

Any refusal to revise the price shall constitute an overdue payment and shall result in application of the provisions of Article 11.2 regarding late payment.

10. "Closed" order quantities

a) Manufactured

As regards quantity, the number of pieces indicated on the contract is binding. However, a certain tolerance on the number of parts manufactured and delivered is permitted, to be agreed between the Manufacturer and the Customer during contract negotiations.

In the absence of a prior agreement, the generally accepted tolerance is + 10 to - 5% of the number of parts specified in the contract.

b) Weight counted

In the absence of an express special agreement, where quantities are measured by weighing, in particular in the case of deliveries of large series,

the weight of the actual piece, determined by a representative sample, shall be taken as the basis for determining the quantity.
Any dispute over the quantity of parts can only be taken into consideration by the Manufacturer if reported within 48 hours.

11. - Payment

11.1 - Payment period

Pursuant to Article L441-6 of the French Commercial Code as set out in the French Law on the Modernisation of the Economy no. 2008-776 of 4 August 2008 (the LME), the period agreed between the parties to pay amounts due may not exceed forty-five days from the end of the month or sixty days from the date of issuing the invoice.

Any clause or request to set or obtain a payment period longer than this maximum period, which is standard business practice in mechanical industries, and unless there is are objective grounds proven by the Customer, may be considered abusive within the meaning of article L 442-6-I 7 of the French Commercial Code as set out in the Law on the Modernisation of the Economy no.2008-776 of 4 August 2008 and is liable to a civil fine of up to two million euros.

11.2 - Late payment

Pursuant to Article L441-6 para.12 of the French Commercial Code as set out in the French Law on the Modernisation of the Economy no. 2008-776 of 4 August 2008, any delay in payment will result in the application of late payment interest equal to the most recent refinancing rate of the European Central Bank increased by ten points.

Any delay in payment of an amount due shall, at the Manufacturer's discretion, cause the contractual term to lapse, with all amounts due becoming immediately payable.

The fact that the Manufacturer avails itself of one and/or the other of these provisions does not deprive it of the right to implement the retention of title clause stipulated in Article 11.6.

In the event of late payment, the Manufacturer may stop deliveries, production and supplies of raw materials, and interrupt all services, for as long as the Customer does not settle late payments. As the Customer is itself solely responsible for this situation, any prejudice resulting from this situation shall be the sole responsibility of the Customer, and no action for damages may be brought against the Manufacturer.

11.3 - Changes in the Customer's situation

In the event of deterioration in the Customer's situation, as noted by a financial institution or attested by a significant delay in payment or a delay in the return of bills of exchange or when the financial situation differs significantly from the data made available, delivery shall only be made in return for immediate payment.

In the event of late payment, the Manufacturer has a right of retention on the manufactured products and related supplies.

In the event of a sale, transfer, pledging or contribution of its business, or a significant part of its assets or equipment by the Customer, the Manufacturer reserves the right to do the following without formal notice:

- declare forfeiture of the contractual term and consequently demand immediate payment of amounts still due on any grounds
- suspend any shipments
- terminate all current contracts and retain any advance payments received, as well as tools and parts held, until such time as any compensation is determined.

11.4 - Offsetting payments

The Customer shall refrain from any illicit practice of debiting or automatically crediting the Manufacturer for any amount that has not been expressly recognised by the latter as being its responsibility.

Any automatic debit will constitute an unpaid amount and result in application of the provisions of article 11.2 concerning late payment.

However, the parties reserve the right to resort to the legal or contractual offsetting of claims.

11.5 - Legal payment warranty in sub-contracts

When the signed contract is part of a chain of works contracts within the meaning of French law no. 75-1334 of 31 December 1975, the Customer is legally obliged to have the Manufacturer accepted by its own customer. It is also obliged to have the Manufacturer's terms of payment accepted by said customer.

If the instructing party is not the final customer, the Customer undertakes to require the Manufacturer to comply with the formalities of the law of 1975.

Pursuant to Article 3 of the law of 1975, the absence of presentation or approval prevents the Customer from invoking the contract against the Manufacturer. This applies in particular to claims relating to possible defects in conformity with specifications. However, pursuant to said article, the Customer remains bound towards the subcontractor to fulfil its contractual obligations.

Under these General Terms & Conditions, the law of 1975 is considered to be the supranational law applying through the Customer to foreign end customers.

11.6 - Retention of title

Notwithstanding any clause to the contrary, the Manufacturer retains full ownership of the goods covered by the contract until actual payment of the full price in principal and accessories. Failure to pay any of the due amounts may result in the claim of said goods. Nevertheless, from the date of delivery, the Customer shall be liable for any damage that these goods may suffer or cause.

12 - Liability and warranties

12.1 - Manufacturer's liability - Definition

The Manufacturer's liability is strictly limited to compliance with the Customer's specifications, as stipulated in the design brief.

Indeed, the Customer, acting as the "principal", is able, by virtue of its professional competence in its specialized area and the industrial production resources at its disposal, to define the work precisely according to its own industrial data or those of its customers.

The Manufacturer shall execute the work requested by the Customer, in compliance with industry standards.

For series orders, the Customer must request the manufacture of standard parts, which are then submitted by the Manufacturer for acceptance, after all necessary checks and tests. The Customer must send this acceptance to the Manufacturer in writing within fifteen days from the date on which it received said parts.

In the event of a complaint by the Customer concerning the parts delivered, the Manufacturer reserves the right to examine them on site.

In the event of non-compliance, the Manufacturer undertakes, in agreement with the Customer:

- either to credit the Customer for the value of parts recognised as not complying with the contractual technical drawings and specifications or to the standard parts accepted,
- or to replace scrap parts, which shall be the subject of a credit note. Replacement parts shall then be invoiced at the same price as the replaced parts.

- or to render them compliant.

Parts shall be rendered compliant under terms and conditions decided by mutual agreement.

The Manufacturer shall bear the cost if it undertakes to carry out the task or must give its prior consent if the Customer decides to carry it out at a cost of which the Manufacturer will have been notified.

The parts that the Customer has had replaced or that have been rendered compliant by the Manufacturer are returned to the Manufacturer carriage paid. The Manufacturer reserves the right to choose the carrier.

If any parts are rendered compliant by the Customer without the Manufacturer's agreement as regards the principle or the cost, the Customer shall lose its right to any claim.

12.2 - Manufacturer's liability - Limits and exclusions

The Manufacturer's liability shall be limited to direct material damage caused to the Customer resulting from faults attributable to the Manufacturer in the execution of the contract.

The Manufacturer is not bound to compensate the damaging consequences of faults committed by the Customer or third parties in connection with the execution of the contract.

The Manufacturer is not liable for any damage resulting from the Customer's use of technical documents, information or data originating from or imposed by the Customer.

Under no circumstances shall the Manufacturer be bound to compensate for any immaterial or indirect damage, such as operating losses or loss of profit, business, opportunity or revenue.

The Manufacturer's liability is excluded:

- for defects arising from materials supplied by the Customer
- for defects originating from components supplied by a supplier imposed by the Customer
- for defects resulting from a design made by the Customer
- for defects that result in whole or in part from normal wear and tear of the part, or for damage or accidents attributable to the Customer or a third party
- in the event of modification, anomalous or non-standard use or use that does not conform to the product's intended purpose, to industry standards or to the Manufacturer's instructions or recommendations.

If fixed penalties and damages have been agreed upon by common accord, these shall be deemed to constitute a lump-sum settlement in full discharge and to the exclusion of all other sanctions or compensation.

The Manufacturer's civil liability, for all causes except for bodily injury and gross negligence, is limited to a sum capped at the amount of the supply collected on the day of the service.

The Customer warrants that its insurers and any third parties in contractual relationships with it shall not bring any claims against the Manufacturer or its insurers beyond the limits and exclusions set out above.

13 - Termination

In the event of a serious breach by one of the parties of one of its contractual obligations, the contract will be terminated as of law 30 days after a notice of default has remained without effect.

14 - Amicable settlement of disputes

The parties undertake to try to settle their differences amicably before referring the matter to the competent court.

In the event of a dispute of a technical nature relating to the Manufacturer's products or work, and if no amicable agreement can be reached between the parties, in the presence or absence of their respective insurers, the parties agree to implement a codified "amicable expertise" procedure enabling them to obtain the opinion of an expert under the regulations of the French Commission of Expert Engineers attached to the Judicial and Administrative Courts of Appeal (Cnideca).

15 - Jurisdiction

If no amicable agreement is reached, it is expressly agreed that any dispute relating to the contract will be subject to the exclusive jurisdiction of the court within whose district the Manufacturer's registered office is located, even in the event of an appeal and multiple defendants.

In the case of international sales, and unless expressly agreed otherwise, the applicable law is French law.

Any transaction entered into with Clayens NP entails implicit acceptance of these General Terms & Conditions of Sale and Supply.

16 - Language

These General Terms & Conditions of Sale and Supply have been drawn up in French and an English translation may be provided for information purposes.

In the event of a dispute, only the original version drafted in French is legally binding.



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