

GENERAL TERMS OF SALE
(L 441-6 of the Commercial Code)

General information

- Acceptance of offers and quotes unconditionally implies acceptance of the general terms and conditions of sale hereafter, which take precedence over the conditions of the client, supplier, or service provider.

- Any changes in our general terms of sale may be made effective subject to special agreement in writing, they prevail over any other general terms of purchase or sale.

- All order confirmations are duplicates of client orders. They are registered in their present state by our plant and are considered as irrevocable once they are received, as well as any advance payment if our offer stipulates such terms.

We must be informed immediately within 48 hours in the event of any error or omission on orders taken. Failing that, we consider the client has approved the stipulated general terms and conditions as well as any special terms, and the manufacturing process of the order then begins. Any change to the post-production order may be subject to an additional charge

- Our company does not accept any order cancellations on behalf of the client. On the contrary, we may require execution of said order and its full payment, even in the case where delivery may not have occurred, and if necessary, under due process of law.

- In the event of order cancellation on behalf of CETAL, due to non-payment of an invoice by the client, the total amount of any current orders will be due once the manufacturing process has been initiated. The manufacturing process corresponds to manufacturing by CETAL or its suppliers of components to be included in the order.

In the event we decide to engage in legal proceedings, any sums due will be increased by 10% representing fixed and irreducible penalties, in addition to all other legal costs.

Commitments entered into by our agents and representatives are only considered as valid after approval by our plant.

Our price offers are valid for a 30-day period, unless we stipulate otherwise in our offer.

When ordering for the first time, the client must enclose with its order a signed copy of our general terms of sale, and indicate its intra-community VAT reference as well as its Trade and Companies Register number (RCS).

Timing of deliveries

Our delivery times are provided exclusively on an indicative basis unless we have stipulated a definite time in our offer. In all cases, our delivery times are scheduled once the order has been confirmed and an advance payment received, in the event we have stipulated as such in our offer.

In the event of late delivery with regard to the indicated time, we do not accept any refusal or indemnity payment or discount on invoice.

Delivery may take place after departure of the products from our HAGUENAU site or any other site indicated in the offer.

In the event a delivery is delayed for reasons beyond our control, such a delivery will be considered as having taken place on schedule.

Our company is released from its obligation to fulfil any order in the event of unforeseeable circumstances or *force majeure*, even in the case where such events may not be considered as unpredictable, unavoidable or rendering the execution of the contracts impossible, such as, and not limited to:

*Fire, flooding, earthquakes, natural disasters.

*Strikes, lockouts, equipment damage, riots, events of war, slowdown of means of transportation, whether such events occur in our company, with our suppliers, shipping companies or sub-contractors, or clients or whether third parties are at the origin of such events, or resulting from administrative formalities.

Shipping

All products are shipped at the risk and expense of the client, even in the event the sales are free of packaging and carriage, as of departure time from our plant.

In the event of non-payment of the full invoicing amount at payment term, CETAL reserves the right to suspend any on-going and/or future deliveries.

Reception

Any damages resulting from shipping or transportation must be notified to the shipping company under the terms stipulated in the contract and sent to us by e-mail : contact@cetal.fr within the same timeframe.

Any claims concerning obvious defects or non-conformity of the products delivered must be indicated in writing within eight days of reception, under penalty of foreclosure.

In addition, the client must provide justification regarding the veracity of stated defects or anomalies. It must allow CETAL every opportunity to verify their existence and to provide remedy if necessary. The return of the equipment to the factory may be requested if necessary.

Any intervention on behalf of a third party would render our eventual guarantee null and void and inapplicable.

Tolerances

On account of the specific nature of our products and manufacturing constraints, the client expressly accepts any variation in quantity slightly different from the original order:

*Up to 23 items ordered, the tolerance applicable to delivery is one item.

*Over 23 items, the maximum tolerance allowed is approximately 5% of the items ordered.

All our products and merchandise are sold with respect to standard manufacturing tolerance. In particular, concerning power (linked to wire value), tolerance complies with current standards of minimum 5% and a maximum of 10% at the nominal voltage.

Guarantee

We are responsible for studies conducted on behalf of our clients only in the event the products are manufactured according to CETAL quality standards, in our plants. Similarly, CETAL may only be considered liable with reference to studies or sale of products in the case where the products are shipped, stored, commissioned and are used under conditions ensuring integrity and proper functioning of the products in question are maintained, and in particular in the following cases:

- Our guarantee only applies in the event the products are commissioned for the use indicated in the orders.
- On account of eventual risks of destruction from chemical or galvanic corrosion, we must be informed of such a risk when ordering and it may not be covered by the manufacturer of heating elements, if such a fault is the result of operating conditions.
- The guarantee only applies if the product has been used under normal operating conditions and has been maintained in accordance with our recommendations.
- Any disabling of the safety devices renders the guarantee immediately void and excludes CETAL from any liability.

Manufactured according to NFC 79620 standards, our equipment is guaranteed for a period of 12 months as of the delivery time. This guarantee only applies to operating or manufacturing defects revealed exclusively during this period.

The user is responsible for selection of shielding on account of its knowledge of the chemical content of the fluid, the nature of the components in contact with the fluid, the general design of its installation and the inspection and maintenance performed.

We must be informed within 48 hours in the event of any defects in the functioning of our products.

After a joint appraisal and in the event CETAL is responsible for the defect, CETAL shall partially and singly replace, or decide to repair all the items it has identified as defective.

In all cases, CETAL guarantee is only limited to the replacement of defective parts.

Liability

CETAL's liability may only be invoked if the products are stored, commissioned and used in accordance with the technical specifications provided.

CETAL's liability is strictly limited to the obligations expressly stipulated under the contract. All the penalties and indemnities indicated therein represent fixed full compensation and discharge from any other sanction or compensation.

With the exclusion of gross negligence on behalf of CETAL and compensation of bodily injury, CETAL's liability is limited in all cases to a sum that, in the absence of provisions to the contrary contained in the contract, is limited to the contractual amount of the supplies or services to which the claim applies.

Under no circumstances is CETAL required to compensate for any material damage and/or indirect damage the client may invoke as part of a claim; hence, CETAL may not be required to compensate in particular, production losses, business or profit losses or generally, any compensable damages qualified as other than material damages.

The client guarantees not to take legal action through its insurers or third parties in a contractual relationship with it, against the supplier or its insurers beyond the limits and exclusions stipulated above.

Price and payment of price

The minimum invoicing amount is **150 € excluding tax**.

CETAL prices and tariffs may be modified without prior notice.

All our goods are invoiced according to the price indicated in the current tariff on the order.

All our prices are applicable to goods sold and deliverable ex-works from HAGUENAU or from one of our warehouses; invoices corresponding to shipped orders also include additional charges for carriage and packaging costs, and are payable to HAGUENAU.

All prices indicated in our catalogues, order forms or slips are not inclusive of VAT.

The applicable VAT rate is the current rate at delivery time.

Prices are established according to payment terms set at 30 days as of delivery time.

In accordance with article L.441-6 of the Commercial Code, penalties for late payment are due as of the first day of late payment, with reference to the payment date indicated on our invoice. In accordance with these provisions, the annual interest rate to be charged is, at CETAL's discretion, either 3 times the legal interest rate or the latest refinancing rate of the Central European Bank increased by 10 points.

Furthermore, unless delayed payment is accepted, amounts representing principal and interest are increased by an irreducible fixed penalty of 10% of their amount, not including any eventual legal fees. Finally, a fixed indemnity for recovery costs of 40 euros will be due, automatically and without prior notice by the Buyer in case of late payment. The Supplier reserves the right to ask the Purchaser for additional compensation if the recovery costs actually incurred exceed this amount, upon presentation of the supporting documents.

Failure to pay only one invoice on the scheduled payment date renders all other invoices immediately payable, without any other formality required. In addition, CETAL is authorized to suspend delivery of any orders in the event of late payment. Finally, in the event of a late payment or payment default, given that products are manufactured by CETAL according to the specifications of each order, current orders become immediately payable from the moment they are available for delivery, even in the case where the client does not receive delivery.

All bank charges, encashment fees and commissions are at the client's expenses, the same applies to costs relating to presentation of commercial paper, in the event the client does not provide bank debit information.

Property reserve clause

The CETAL Company retains full ownership of its goods until full payment of the invoiced price is received.

Delivered products are therefore considered as goods on consignment and the client must bear all risks involved with regard to damages its goods may sustain or cause. It must take all precautions and if necessary take out any insurance to cover risk of partial or total destruction, regardless of the origin.

As the client is informed of the property reserve clause, it may not have recourse to article 2276 of the Civil Code. In addition, it may not use the products as collateral.

As long as the goods remain subject to the property reserve clause, the buyer may not dispose of the goods in any way without the prior written consent of the seller. In accordance with article 1599 of the Civil Code, the client agrees to refrain from disposing of the goods and products object of the order, to the profit of a third party, which would be considered as selling goods belonging to another person, and therefore null and void.

In the event the client fails to meet any of the payment deadlines, or breaches any of the clauses contained in these terms and conditions, CETAL is entitled to request return of the goods at the client's expense, until complete performance of the client's contractual obligations. CETAL may also by full right suspend or cancel any current orders if it so chooses, without waiving any right of recourse to eventual additional compensation.

In the event of a written prior agreement from CETAL, the client may sell to its clients the goods subject to the property reserve clause. In this case the client agrees to pay CETAL the portion of the price of the goods sold corresponding to the sums due to CETAL. CETAL shall then benefit from resale right on the price of the goods sold. The client must inform its client of the existence of the property reserve clause attached to the goods, and the right that CETAL retains to claim them, either in kind or for their price. Client contact information must be transmitted to CETAL prior to this transaction.

Similarly, if the item is shaped, assembled or combined with other objects not belonging to CETAL, the latter then becomes the owner of the new object or the new object in its mixed state, according to the value of the object it delivered with the other objects when it was assembled or mixed.

Applicable law pertaining to international sales

Any questions relating to these general terms of sale as well as to the sales that they govern, which have not been covered by the present contractual stipulations, shall be governed by French law, to the exclusion of any other law and as a supplement, by the Vienna convention of 11/04/1980 on the international sale of goods.

Jurisdiction - legislation

Only the laws of France shall apply.

In the event of dispute, only the courts of Strasbourg (France) will be considered competent, with no derogations possible, even in the case of modifications that have been accepted by the buyer and that apply to all or parts of the present general terms of sale.

Any contrary clauses contained in the commercial documents of the buyer are considered as unenforceable against CETAL.