

# EXPORT GENERAL CONDITIONS OF SALES

valid from 01.01.03



## 1 - GENERALITIES

Without a written notification received within 3 days following the receipt of this document, our general conditions of sales will be considered accepted by the buyer, except in case of specific clauses or provisions printed on the purchase order or on the exchanged correspondence.

## 2 - PRICES AND DISCOUNTS

Our prices are stipulated subject to modifications in terms of increases which are regulated by the current economic situation or by our suppliers. Unless agreed otherwise, the reviewed prices will be applicable, without notice to the standard price list as well as to the special sales. Our prices are net and based on the buyer's potential, volume, unit deliveries, delivery conditions, technical or commercial assistance we may grant, the buyer's credit rating, the payment terms, etc...

Proportional discounts, reductions or rebates can also be granted on an one-off or yearly basis if one of the basic elements of the standard negotiated price has been modified (exceptionally large delivery, huge work site, product launching, promotions, etc...)

## 3 - SHIPMENTS

Our goods travel at consignee's risks. The carriage-paid deliveries are not an exception to that rule. The weights and quantities should be checked by the buyer or the consignee on receipt of the deliveries. Founded claims being raised by the buyer on receipt of the goods have to be notified in writing on the delivery note. According to the Article 105 of the French Law Trade, each notified claim should be confirmed by registered mail to the carrier within 3 days following the delivery day. All unforeseeable circumstances (cases of force majeure) suspend by right our delivery commitments and even release us from them if the situation should become definitive. Any payment delay from the buyer will allow us to cease our deliveries without further notice. No return of product will be accepted without prior definite agreement from our commercial management (who fills a return order). After approval, if products are returned for any other reasons than a mistake or defect from us, the client will receive a credit note equivalent to the invoiced price of the products less the handling fees and eventually the processing costs. In that case, the products will have to be returned carriage paid by the client to our factory. Any other claims not related to the transport conditions have to be formulated by registered mail within a maximum delay of 8 days after the receipt of the goods.

## 4 - DELIVERY TIME

The standard delivery time is 15 working days after acceptance of the correct and complete purchase order. However, special products with low rotation, manufactured upon request or under a specific distributor's brand or any other label, can require an extra delivery deadline negotiated on an one-off or yearly basis. The delivery time longer than the standard is communicated for information only. Whatever the cause might be, a delivery delay cannot be liable to a claim for a damage refund.

## 5 - CANCELLATION

Our company is entitled to cancel the sale either partially or completely in case of force majeure or specific events liable to stop or reduce the production or postpone the delivery of the goods, or to prevent the normal order processing, as well as in the case of a change of the debtor's situation, which could imperil our credits for any reasons. The buyer cannot cancel any firm order prior to our written approval. This cancellation, in case that we agree, implies that the buyer will be strictly obliged to pay, as a way of compensation, an allowance inclusively fixed at fifteen per-cent of the amount of the order.

## 6 - CLAIMS

The claims, concerning defects which are not relative to transport of the goods, will be taken into account only if they are written and within a period of two weeks from the delivery time. The buyer must join to this claim pertinent written proofs, samples and packing description, with number and date of the invoice, as well as the references written on the packing. If the buyer didn't check the goods within this period or even if he did it but used or sold the aforementioned goods, we can't be responsible for the damages that could occur from their use; also if the goods aren't used as suggested in the instruction sheet.

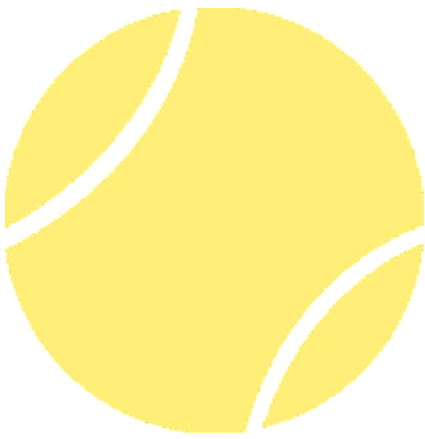
We stress on the fact that goods quality can't be anything else than what is described on the aforementioned sheet, considering specifications and marking that come with them. The information in publication and advertisement concerning the goods can't be considered as having a contractual value. Moreover, verbal and written recommendations that we can provide, or within the scope of practical tests, if they are given in good faith and in all conscience, have only an indicative value without obligation from us, as well as concerning possible third party rights about patent rights. They do not exempt the buyer to check by himself, as a professional, if the supplied products suit to the process and to the requested results. Use, transformation, and application of these products are beyond the control of the seller, and therefore, are only under the responsibility of the buyer.

He deals with the treatment of paint waste and packing of sold goods, in accordance to current laws and regulations.

The above mentioned clauses apply to our manufactured products, which are bearing our corporate name and address on the packaging and sold in alike manner under a brand name belonging to us or not, and which can be reserved for a sole distributor.

In the absence of these informations, and subject to article 7 mentioned below, the packed product belongs upon receipt to the person who had ordered it with affixing of his brand and corporate name on the packaging, by taking over like that the responsibilities related to the manufacturing and marketing of the product, for which the elaboration in factory is then considered like subcontracting according to an agreed formulation subject to quality insurance procedure. Under those conditions, the transfer of property with all the related risks is considered as definitive maximum 8 days after the receipt of the delivery. And in case of a failure, the liability of the seller will be strictly limited to the replacement value of the defect product.





## 7 - CLAUSE FOR PROPERTY KEEPING

( French Law dated 12-05-80 and articles 115 and 122 of the French law dated 25-01-85)

The seller keeps the property of the delivered goods until their complete settlement by the buyer. The sale will be sealed only after payment of the whole price and additional costs.

Cheques, bills of exchange and transfer of debts are considered as proof of payment only from the date their collection is effective. If the goods are resold, seller's rights are carried over the selling revenue up to the remaining overdue amounts. In default of payment at the due date, all the other outstanding amounts become immediately payable even if those gave rise to the issuance of bills of exchange or promissory notes. The buyer will be able to use the goods in conformity with their purpose for the needs of his company. However, the seller reserves the right to proscribe any modification, use or resale of the goods in case of receivership. The buyer will have to inform immediately the seller about any measure, action, seizure, levy, confiscation or any other kind, which could question his property rights on the goods.

The goods travel at consignee's risks, who shall take all the useful measures in order to guarantee the receipt, the maintenance, the perfect conservation with regard to the clause of property keeping. The buyer refrains from taking off packaging and labels from the goods still unpaid.

On behalf of the owner, the buyer is liable to insure the sold goods against any risks that they could face or create from their departure point at the seller's factory. The non-observance of any of the above mentioned measures or the non-payment at the due date of any overdue amount by the buyer would authorize the seller to legally cancel the sale by a simple notification sent by registered mail, to take back in stock the goods and to cease further deliveries. By putting this clause into practice, the products, even those already delivered, will become the seller's property retroactively. In case of receivership or liquidation, the seller will be able to revendicate the application of this clause.

## 8 - TRADE NAME

It is illicit to propose or to supply with substitutes instead of the sold products, and to mention in price lists and other documents our brand name, as regards as trade name or simple commercial designation, with the comment "substitute" or with designation of substitutes.

It is also illicit, when you use sold products, in view of manufacturing or transformation, to mention trade name, registered or not, on manufactured finished products or on their packing, on printed form or documents which concern them, particularly their composition, without our written agreement.

## 9 - TERMS OF PAYMENT

Except special agreement, payment of goods have to be done at the expiry date mentioned on the invoice. No claim or contesting allows the purchaser to defer the payment of the invoice. Neither any compensation or any retention right are allowed regarding our debts. Only our credit notes can cancel partially or totally our invoices. If the terms of payment are not respected, even concerning only one date of payment, all the amounts then due are immediately payable. In case of payment after the expiry date written on the invoice, penalties will be payable. The applied rate will be higher of 1.5 times the interest rate in France, prorata temporis.

This legal arrangement will be applied in case of late and outstanding payments, or request for extra time of expiry date. Any late payment would also lead to the payability, by way of damages and of penalty clause, of a compensation equal to fifteen per cent of the overdue amounts, as well as legal interests and possible legal charges.

In case of payment before the due date mentioned in the current general conditions of sales, a discount will be granted to the buyer. The applied rate will be the basic one of the Banque de France ; it will be based on the whole amount, for every month with effect from the due date mentioned on the invoice. The default of return of an acceptance bill within 15 days following the presentation at the bank will be equivalent to an outstanding payment and the last sent notice will be worth an injunction. In case of insufficient solvency of the buyer, the contractual terms of payment are no more applied and the deliveries will be executed against payment in advance.

## 10 - LAW AND JURISDICTION

All disputes resulting from the interpretation or execution of those current general conditions of sales, which can not be solved conciliatory, will be submitted to the French Law and will fall within the exclusive competence of the Commercial Court, which has registered the seller's company.

*As well as for the product description sheets, the current general conditions of sales are also available in French language. Any further information can be provided by our commercial department at the underneath address, or by e-mail. Translations can be made in a determined language to ease this information. But in case of dispute, the French version prevails.*

*Any modification of the above conditions is immediately applicable to the orders subsequent to the date of this modification.*