

GENERAL PURCHASE CONDITIONS MATHIEU S.A.

1 - ACKNOWLEDGEMENT OF RECEIPT

An acknowledgment of receipt must reach us within a period of five days: upon the expiry of this delay, the Order shall be deemed as accepted pursuant to the following terms and conditions.

2 - SHIPMENT

Unless otherwise stated, our orders are delivered free of any charges to our factories. Goods without a detailed packing slip shall not be handled. This packing slip must state all indications indicated on the Order issued by the Company MATHIEU S.A.

Each delivery shall be handled by the person in charge of the delivery site for which he shall issue an acceptance statement. If in spite of this special care, material flaws are found in the goods during their implementation or processing, the same can be declared unacceptable by the company MATHIEU S.A. The stored goods which are not handled shall not be considered as delivered. Any costs for disputes arising from the same shall be borne by the Supplier.

3 - INVOICING

The invoices and credit memos shall be established in one document and be sent to our supplier's accounting department - MATHIEU S.A. 85, rue Sébastien Choulette, BP 32, 54202 Toul Cedex - France. A monthly statement shall be received no later than on the 15th of the following month. The invoices for goods delivered after the 25th shall be automatically carried over to the following month.

No invoice shall be handled without our order reference stated on the same or without the annexed TICKET OF RECEIPT from the company MATHIEU S.A., indicating the quantities and qualifications of the order.

Any advance payments shall be calculated without value added tax on the goods and only be deposited upon the receipt of a pro forma invoice, as well as an advance payment bank guarantee.

4 - PAYMENTS

Unless expressly otherwise agreed, the prices indicated on our orders are fixed, final, non-reviewable, without taxes, and refer to the goods packed and delivered to the indicated address.

Unless expressly otherwise agreed, all our payments are made by bank transfer at 45 days from the month end. In order to avoid any delays in payments, the invoices must reach us along with the deliveries. Payments are only accepted upon the acceptance of the delivered goods. We do not accept any debit or provision on our current cash.

Any conventional compensation between the amounts payable by the Supplier to MATHIEU SA, specifically in terms of the penalties due to delay and non-conformity with the order, and such amounts payable to the Supplier by MATHIEU SA with regards to the order shall be executed as of right and without any formalities.

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5 - DELAYS AND QUANTITIES

The terms for delivery are MANDATORY and refer to such goods delivered at our factories or at the place indicated and on the dates detailed in the Order: the delays must be strictly complied with, in view of our manufacturing and/or delivery requirements. The goods which are not delivered on the indicated dates, may be canceled by the company MATHIEU S.A., as it is deemed fit, at the expense and risk of the defaulting Supplier.

Notwithstanding any conventional compensation, the faulty delivery from the Supplier, totally or partially, shall automatically annul any payment due by MATHIEU S.A., until the complete delivery of the products and services ordered.

The Supplier shall be liable for all direct and indirect expenses with regards to the delays, specifically in case of penalties due by MATHIEU S.A. under a material resale agreement as such or after processing, without formal notice being necessary and without prejudice to any legal claims for damages by MATHIEU S.A. due to this delay.

The company MATHIEU S.A. may also as of right and without any delay, cancel the order, at the expense and risk of the defaulting Supplier, if it becomes apparent that the latter is not capable of delivering the integrated goods at the date indicated on the order, in case of delay of deliveries, or as required, in case of the Supplier's non-compliance with the delays stated on the order.

The company MATHIEU S.A. reserves the right to annul or partially or totally cancel the order, in case of the interruption or slow-down of the activity, in case of force majeure or for any reason, upon a written notice by registered letter, without having to pay for any costs or damage compensation with regards to the Supplier, and which is expressly accepted by the Supplier.

The company MATHIEU S.A. has the capacity of requesting any modifications, if it wishes so, with regards to the characteristics of the goods, or object of the order, for such part of the said goods which have not been terminated, and which shall be requested by registered letter / acknowledgment of receipt. The Seller shall not have any right for any damages claim except for those referred to the expenses for such a modification.

6 - DEFECT SUPPLIES

From now on, the Supplier shall provide all facilities including the access to its premises and those of its sub-contractors to the representatives of MATHIEU S.A. for the monitoring and control of the execution of the contract. MATHIEU S.A. is qualified under ISO 9001, and therefore all sub-contracted goods, services and products to be delivered by qualified suppliers under ISO 9000 (or for which such a qualification is in course) shall comply with the criteria of this standard.

The acceptance of the supplies by MATHIEU S.A. shall not presume their conformity with the standards in force nor shall it limit any liability on the side of the Supplier. The received supplies for which one or more later operations are required for a statement of conformity, shall only be definitively accepted after such operations and may therefore be rejected at a later moment, if these do not comply with the normal execution of such operations. All supplies shall be rejected when these do not fully comply with the requirements specification as defined by the order or the standards in force or which deviate from the specific specifications in the order or these general purchase conditions.

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The defect supplies which are returned at the Supplier's expense shall be credited upon their receipt. Pursuant to the delay for substitution, the company MATHIEU S.A. reserves the right to annul the order, as of right and without any delay, for the costs and risk of the faulty Supplier, with regards to the defect quantity. Any discard as of full right shall be deducted from the statement.

7 – CESSION – SUBCONTRACTING

The Supplier cannot transfer the contract in any form whatsoever, nor can he subcontract the same as a whole. If a third party is required for the execution of a part of the contract, the Supplier may only subcontract with the prior authorization in writing of MATHIEU SA whose prior consent is required for the name of the subcontractor indicated by the Supplier.

The non-acceptance of a proposed subcontractor should not entail a price modification. In all cases the Supplier remains fully liable for the adequate execution of the contract.

8 - WARRANTIES

The Supplier warrants the company MATHIEU S.A. against all claims which may be exercised by third parties at any location with regards to the articles supplied in particular with regards to patents, licenses, brand and patent applications. In a copyright infringement, the Supplier shall immediately substitute for us, if we request so, and in lieu, defend any bodies, which could be legitimately or illegitimately concerned, whereby it is understood that any sum to be incurred by the company MATHIEU S.A., for fees or even damages compensation, shall be fully reimbursed by the Supplier.

The Supplier warrants the company MATHIEUR S.A. equally and without any limitation from and against all damages, prejudice, losses, recourses, claims, demands, costs, fees, honoraries, damage compensations, deductions, indemnities, etc. which could be imposed on the same due to the Supplier or the goods of the latter (delays or faulty delivery, faulty or defect material, copyrights, etc.)

Additionally, and independently of this warranty, in case the delivery is not complete or compliant with the dates and place indicated in the order, a penalty shall be as of right fully applicable for the amount of 1% of the amount of the order including tax per calendar day, without any prior notification and without any limitation.

9 - RETENTION OF OWNERSHIP OF THE SUPPLIER

No reservation of title clauses coming from the Supplier shall be effective against the company MATHIEU S.A., except if expressly accepted in writing by the company MATHIEU S.A.

If the Seller has manufactured matrices, moulds, tools, in particular for the execution of an order, the totality or part of which for the account of the company MATHIEU S.A., the latter shall be the only owner and these products be delivered upon its request. These materials which are stored by the Seller in his workshop, shall be considered ready for use for the work which is object of the order by the company MATHIEU S.A., and must be kept and maintained efficient by the Seller at his costs and risk.

10 - GENERAL TERMS AND CONDITIONS

It is expressly agreed that only the present general purchase conditions shall be applicable, with the exception of all other conditions or provisions including those stating on the acknowledgments of receipt of the order or any other documents issued by the Supplier, which are not enforceable against the company MATHIEU S.A.

11 - SAMPLES – SPECIAL TOOLS

The dispatch of various offered or requested materials or articles for testing shall be expressly stated per packaging slip and these shall be delivered free of charge and carriage.

12 - INSURANCES

The Supplier shall have a professional third-party liability insurance and submit his insurance certificates to the company MATHIEU S.A.

13 - APPLICABLE LAW - JURISDICTION

This order is subject to the French law. All disputes shall fall under the exclusive jurisdiction of the Commercial Court of Nancy.