

GENERAL TERMS AND CONDITIONS OF PURCHASING

EUROSTYLE SYSTEMS – 01.04.2010

Article 1 - Application of general terms and conditions of purchasing—Enforceability

Barring other stipulations through a special agreement with the vendor, these general terms and conditions of purchasing aim to define general measures applicable to all orders of equipment, products, or services of any kind. The vendor must be familiar with the Eurostyle Systems purchasing charter, which shall serve as a reference while purchasing contracts are in force.

Article 2 - Orders

An order is deemed to have been accepted and contractually binding once the Eurostyle Systems purchasing department has obtained acknowledgement of receipt, signed by the vendor's representative, within forty-eight (48) hours of the order date.

Eurostyle Systems must then be informed as soon as possible of any changes to pricing or turnaround associated with the requested order modifications. Order approval by the vendor constitutes a firm and definitive commitment on its part and implies agreement with these general terms and conditions of purchasing, unless they are the subject of alternative stipulations in writing formally accepted by Eurostyle Systems.

Article 3 - Pricing

Barring a special agreement to the contrary, order prices are always considered firm and final, and they cover shipping and handling as well as any other cost, risk, or charge related to execution of the order. Prices are given as before-tax DDP (Incoterm 2000) euro amounts.

Any additional charge, whatever its nature, must be the subject of a preliminary written authorization from the Eurostyle Systems purchasing department that is referenced on the purchase order. Unless expressly stipulated in the order or a written agreement between the parties, payment of advances or deposits for orders is not an obligation.

Changes to prices or sales conditions will only apply to Eurostyle Systems after the latter has been notified through registered letter requiring acknowledgement of receipt and received at least a month in advance, and expressed its agreement in writing. If these conditions are not met, the previous prices will continue to apply..

Article 4 - Warranty

In addition to any legally stipulated guarantees, the vendor pledges to repair or exchange any product—whether in the possession of Eurostyle Systems or a client that in turn obtained the product from Eurostyle Systems—found and declared to be defective within two (2) years of its resale, unless this form of compensation is impossible or disproportionate to the magnitude of the problem.

In the latter case, the vendor agrees to assume the financial consequences of the compensation made.

The warranty period begins on the date the product invoice was issued.

The vendor agrees to assume all direct financial consequences of damage of any kind to people or goods, as well as of product recall, suspension of sales, storage, client reimbursement after trade-in, and product modification or destruction, whether such measures be taken by order of the public authorities (including courts) or voluntary, whatever the reason given, including the presence of a hidden defect, nonconformity with standards or regulations, or the existence of a safety hazard.

Article 5 - - Regulatory compliance

Ordered products must conform in all respects with current legal and regulatory requirements. In the event of any nonconformity, Eurostyle Systems may, without advance notice, end all contractual relations with the violating vendor.

In filling an order, the vendor promises Eurostyle Systems it will fully comply with all applicable legal and regulatory measures, quality requirements, and standards, including WEEE recycling regulations, restrictions on hazardous substances (RoHS), and any other regulation concerning goods delivered or services executed.

Hence, at the request of Eurostyle Systems, the vendor pledges to collect, at its expense, those goods declared obsolete, in order to recycle their constituent materials per current environmental regulations, without any involvement of Eurostyle Systems.

Article 6 - Delivery

6.1. Packing

Products must be packaged in an appropriate manner and as initially stipulated, given the nature of the products and precautions that should be taken to protect them from inclement weather, corrosion, accidents during loading and unloading operations, shipping and storage constraints, vibrations, impacts, etc.

Packages should be clearly identified by reference to the corresponding Eurostyle Systems purchase order.

The vendor shall be held responsible for goods that are missing, broken, or otherwise damaged as a result of poor or inappropriate packaging, marking, or labelling. The vendor is responsible for paying any customs duties.

6.2. Turnaround

Goods must be received by established delivery dates, which are indicated on the corresponding purchase orders or, in the case of open orders, on delivery requests.

Eurostyle Systems must be informed immediately of any event that may affect the delivery schedule for an order.

This must be done in writing, indicating the likely duration of the event and impact on the delivery schedule.

Ordered goods received before the established delivery date may be sent back at the vendor's expense.

Any observed delay in delivery without warning from the vendor will result in a penalty of 1% of the before-tax cost of those products concerned for every day past the previously agreed date of receipt.

These penalties do not substitute any payment for damages that may be owed to Eurostyle Systems as a result of the delay.

Said penalties shall be due—in the form of a credit note—even in the absence of a formal statement from Eurostyle Systems. If a late delivery has not been received within ten (10) working days of the agreed delivery date, and Eurostyle Systems has not given its approval to push back the delivery date, it may cancel the order and, at its discretion, return delivered goods at the expense of the vendor. These measures shall in no wise limit the rights Eurostyle Systems may in such cases exercise.

6.3. Delivery/Receipt

The vendor must deliver the ordered goods and associated documentation to, or execute the ordered services at the location indicated on the order on the date indicated by the same.

Eurostyle Systems will receive goods at the delivery site indicated on the order to check that the items, and their quantities, match those ordered.

Eurostyle Systems is entitled to refuse delivered products that do not match its order, notifying the vendor of such a refusal through a registered letter, sent within forty-eight (48) hours, requiring acknowledgement of receipt.

However, signature of the delivery slip shall have no effect on any decisions that may later be taken as a result of the unsuitable quality or incorrect quantities of the delivered goods, observed after opening the packages and comparing actual quantities with those indicated on the delivery slip.

No product delivered or service performed will be formally received until a quality check has determined it meets order specifications.

The vendor must therefore guarantee that the delivered products match in all respects those indicated on the Eurostyle Systems order or any associated document and that they are free of any defects.

If any lack of conformity is detected, Eurostyle Systems, within one (1) month of delivery of the goods in question to its site,

- may, in the event of minor discrepancies, receive the items under certain conditions.
- must, in the event of major discrepancies :
 - cancel the order after having first informed the vendor,
 - have the products in question immediately replaced, at the vendor's expense, with corresponding products that do match the order, or with products of higher quality, at the same cost and within five (5) working days of having received the complaint, without any effect on compensation that Eurostyle Systems may demand for all direct financial consequences of any kind of damage caused to people or goods for whatever reason.

Discrepant products may be returned to the vendor, at the vendor's expense, accompanied by a return slip indicating their condition.

Article 7 - Transport

Transport fees, if to be paid by Eurostyle Systems, may only be reimbursed upon presentation of an invoice, and not, for example, by disbursement upon presentation of transport documents or receipts.

Unless otherwise indicated on the order, products are transported at the risk and expense of the vendor.

Article 8 – Transfer of ownership and risks

Unless otherwise stipulated by the parties, transfer of ownership only occurs on the date of signature of the delivery slip for the merchandise on the premises of Eurostyle Systems, or any other site agreed upon by the parties.

No clause about retention of ownership stipulated by the vendor applies for Eurostyle Systems unless expressly agreed to in writing.

Barring any indication to the contrary, risks are transferred at the same time as ownership.

Article 9 – Confidentiality

The vendor pledges that neither it nor the parties for which it is accountable shall reveal any information of which it is made aware in the process of filling the order or use said information for any purpose other than meeting its obligations within the scope of the order, during the three years following receipt of the goods or services. Failure to honour this obligation may justifiably lead to immediate cancellation by Eurostyle Systems of all orders in progress, in addition to any damages Eurostyle Systems may claim. Information is transmitted by Eurostyle Systems as is, without any guarantee about its value.

Article 10 – Intellectual property

All existing intellectual property rights over studies, reports, developments, or other documents or work produced by the vendor within the scope of the order are transferred to Eurostyle Systems upon their production.

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The cession of each right is effective for the full period of validity of the applicable legal protection and applies worldwide. These rights may be freely transferred, in full or in part, to third parties by Eurostyle Systems.

The price indicated on the order includes cession of property rights.

Studies, plans, drawings, models, moulds, and tools produced to the vendor are and remain the exclusive property of Eurostyle Systems.

The vendor guarantees that delivered merchandise is not exposed to claims of infringement of intellectual industrial property rights.

The vendor shall hold Eurostyle Systems not liable in the event of any suit for counterfeit.

Article 11 - Payment

Unless otherwise specified by agreement, Eurostyle Systems settles invoices 45 days after the end of the month in question.

For purchases subject to partial withholding of payment as a guarantee, not to exceed 10% of the before-tax order total, the withheld sum will be paid between one (1) and six (6) months after receipt of the goods, the duration of the delay depending on the type of merchandise.

The withheld sum will be paid after Eurostyle Systems teams verify the merchandise functions properly and conforms with all requirements.

If any sum is not paid or contested by the established deadline and a warning letter sent by the vendor, via registered mail and requesting acknowledgement of receipt, to Eurostyle Systems receives no response within thirty (30) days, the former is entitled to charge late fees. These shall be calculated using a rate triple the legal interest rate at the time the sum was due.

These penalties apply starting on the 31st day following the payment deadline and until the day payment is made.

Article 12 - Insurance

The vendor pledges to take out an insurance policy, at its expense, that provides coverage for all liability associated with execution of this contract as a result of any bodily, material, or immaterial damage.

At the request of Eurostyle Systems, the vendor shall send certificates, issued less than six months earlier, attesting it has general civil and professional liability insurance.

In any case, the vendor must, upon request by Eurostyle Systems, provide proof of suitable insurance covering products until their arrival at the premises of Eurostyle Systems or another destination approved by the latter.

Article 13 – Force majeure

Any force majeure having the characteristics defined through precedence by decisions of the French Cour de Cassation, France's highest court of appeal, shall suspend execution of the order.

Should the force majeure persist beyond one (1) month, the order may be cancelled by either party.

Article 14 - Applicable jurisdiction

The order is governed by French law.



Any litigation shall fall within the jurisdiction of the Paris Commercial Court, regardless of any stipulation to the contrary in the general terms and conditions of sale of the vendor, or in any of the vendor's commercial documents (e.g. order confirmation, delivery slips, or invoices).