

GENERAL TERMS AND CONDITIONS OF SALE

DERANCOURT

Update: April 2018

DERANCOURT, a simplified joint-stock company with a capital of 352,000 euros, registered with the Trade and Companies register of Perpignan under No. 341 579 761, the registered office of which is located at TRAVERSE DE TOULOUGES SAINTE EUGÉNIE - 66270 LE SOLER

1. Scope of application and purpose

These general terms and conditions of sale ("CGV") apply to any sales offer, sale or order of products or services agreed between DERANCOURT (the "Supplier") and any trade buyer (hereinafter the "Customer"). They form the basis of the commercial negotiation within the meaning of article L.441 - 6 of the Commercial Code. These CGV supersede any previous CGV. The contracts signed and orders placed with DERANCOURT are subject to these general terms and conditions, which are liable to be supplemented by special conditions in accordance with current regulations. The act of placing an order implies the full and unqualified acceptance by the Customer of these CGV.

No special condition may prevail over these CGV unless formally accepted in writing by DERANCOURT. These general terms and conditions as well as the special conditions accepted by the two parties are an integral part of the contract. The following documents are not part of the contract: sales documents, catalogues, adverts, prices which are not expressly mentioned in the special conditions which constitute information which is purely indicative and non-contractual.

2. Offer, price and acceptance

The prices are valid for packaged products, in euros, exclusive of VAT, customs, transportation, and insurance fees and are basis "ex-Supplier's works - LE SOLER". They are invoiced in accordance with the terms of the contract.

Any amendment to the range of products or to the product price list shall be provided to the Customer within two (2) months prior to its implementation. Unless a set price was agreed beforehand, any product delivered is invoiced at the price stated in the price list on the day of the order. Any changes, in particular the removal of articles, may under no circumstances lead to forced deliveries, nor to claims for damages and interest.

The contract is only complete subject to the Supplier expressly accepting the order by any written means.

An intention to order will not be treated as an order.

3. Modification, suspension and cancellation of order

The Supplier reserves the right to replace the products which are concerned by the contract with products of an equivalent specification provided that this does not result in either an increase in price, or an impairment of the quality for the Customer.

Any modification or suspension of the contract requested by the Customer is subject to the express acceptance of the Supplier and is made official by a written agreement, which will take into account the resulting extra costs and lead times.

No firm sale may be cancelled by the Customer. Otherwise, the Supplier will be entitled to ask for the contract to be applied and the amounts stipulated therein to be paid in full.

4. Delivery

4.1. The delivery is deemed to be made ex-works or warehouse of the Supplier, "Ex-Works - 1, rue de Barcelone - 66270 LE SOLER", in accordance with the latest INCOTERMS edition. The Products travel from the Supplier's warehouses at the risk of the Customer.

4.2. Delivery times are purely indicative and are not guaranteed. In any event, deliveries may only be made on time if the Buyer is up-to-date in respect of all of its obligations towards the Seller.

Delivery delays shall not result in the cancellation or amendment of the contract, and may not give rise to the award of damages and interest. Should any of the products ordered be out of stock, the Supplier shall warn the Customer as soon as possible with a view to providing it with an indicative delivery date.

4.3. It is up to the Customer to check the products upon delivery. In the event of damage or a non-conformity with respect to what is indicated on the delivery note, the Customer will (i) indicate its reserves on the delivery note and will immediately inform the Supplier of this in writing and (ii) will inform the carrier of the reserves in the manner and timescale required by applicable law, as well as inform the Supplier at the same time.

4.4. Upon receipt of the products, the Customer must check at its cost the compliance in terms of the nature and quantity of the products delivered with the order and that there are no visible defects.

Claims regarding visible defects or the non-conformity of the delivered products must be made in writing within a maximum of eight (8) days as of the delivery of the products and must be duly justified in order to allow the Supplier to assess the reality of the Customer's claim or reserve. Failing this, the delivery will be considered as compliant with the order, both in terms of quality and quantity, it being understood that no claim will be considered once the product has been used.

In the event of a visible defect or non-compliance, the Customer may only be able to have the products replaced and no refund in respect of any other cost and/or compensation of any kind whatsoever shall be payable. The costs incurred when any new products are taken back or delivered are the sole responsibility of the Seller.

4.5. In the event of the penalties and compensation having been agreed by mutual agreement, they will have a compensatory value which is fixed, payable in full and exclusive of any other penalty or compensation. These contractual penalties will be capped and shall only apply to the part of the goods or services in question.

5. Product returns

No return may be carried out and accepted without the prior agreement of the Supplier irrespective of the reason. As appropriate, the products are returned in the state in which they were delivered and at the cost and risk of the Customer.

6. Products

6.1. The products which have been delivered comply with applicable technical regulations and standards. The packaging complies with applicable environmental regulations depending on the use intended for the products.

6.2. The Customer is responsible for the choice of product depending on the use that it has planned for it and in accordance with its technical needs. The Customer is responsible for using it in a manner that would normally be expected and in accordance with current legislation regarding safety (including the NFC18-510 standard authorising ELECTRICAL WORK) and the environment as well as with the standards applicable to its profession.

7. Guarantees

7.1. The products sold are covered by the legal guarantee concerning hidden defects, within the meaning of article 1641 of the Civil Code. Should the Customer decide to implement the guarantee against hidden defects of the goods sold within the meaning of article 1641 of the Civil Code, it may choose between cancelling the sale or reducing the selling price in accordance with article 1644 of the civil code.

7.2. The Supplier provides a 12 month guarantee as of the delivery date of the products. The guarantee covers any manufacturing or material defect in accordance with the guarantee certificate, which may be included with the products or services. In order to invoke the guarantee, the Customer must immediately inform the Supplier in writing about the defects that it attributes to the product and must provide details about how it was being used when these defects were noticed.

The guarantee involves, at the option of the Supplier, either replacing or repairing the product which has been recognized by the Supplier as being faulty. Unless specifically agreed otherwise by the parties, transportation and shipping costs will be paid for by the customer.

7.3. The guarantee shall not apply, and the Supplier may not be held liable in any of the following cases:

- working parts (in particular the wear and tear of the blades and the insulation). Damage to the insulator (marks, cuts etc.) on the individual tools are not covered by the guarantee;

- installation or use which is non-compliant with professional standards, or the established technical specifications (in particular cutting of unsuitable materials, falls from a height greater than 2 m);

- non-compliance with the instructions on installation, use and maintenance;

- supervision, storage or maintenance errors;

- modification to or work carried out by the Customer or a third party on the product and which was not authorised by the Supplier and/or using non-original parts or consumables.

The guarantee shall not apply and the Supplier shall not be held liable at all in the event of the Customer not-paying and it may not invoke the introduction of third parties in order to suspend or defer its payments.

8. Payment terms

8.1. The terms and conditions of payment are as follows:

- The maximum payment term is 60 days from the date on which the invoice was issued;
- A discount will be granted for cash prepayments (0.5% per full month);
- Cheques and bills of exchange are only considered as payments once they have actually been cashed;
- The contractually agreed payment dates may not be challenged unilaterally by the Customer under any pretext whatsoever, including in the event of a dispute.

8.2. In accordance with article L. 441 . 6 of the Commercial Code, in the event of late or non- payment, the Customer will as of rights be liable and this without prejudice to any claims for damages and interest:

- For late payment penalties calculated based on a rate equal to the most recent refinancing rate of the European Central Bank plus ten percentage points, applied to the entire amounts due or remaining due. The penalties are payable on the day following the settlement date indicated on the invoice without a reminder being necessary;
- for flat-rate compensation for recovery costs of which the amount is set by decree at €40.

Any late payment of an instalment will result in, as the Supplier sees fit, the contractual term expiring, and all of the amounts owed becoming immediately payable.

The act of the Supplier invoking any of these provisions does not deprive it of the option of implementing the retention of title clause stipulated under article 9.

8.3. The Customer also undertakes to pay to the supplier as a penalty clause, 15% of the principal owed in compensation, in accordance with the provisions of article 1231-5 of the Civil Code.

8.4. The Customer formally undertakes not to engage in any illicit practice consisting of automatically debiting or invoicing the Supplier for sums which were not expressly recognized by it in writing.

8.5. In the event of a deterioration of the Customer's circumstances recorded by any means and/or demonstrated by a significant delay in payment or repeated delays or should the financial situation differ significantly from the data provided, the Supplier reserves the right to demand additional guarantees, to require immediate payment in return for the delivery of the pending orders, and to suspend any order or refuse any new order.

9. Retention of title

The Supplier retains full ownership of the goods concerned by the contract until the effective payment of the full price in terms of the principal and incidental costs. Failure to pay any of the instalments may cause a claim to be placed on these goods.

However, once the goods have been made available or delivered at an agreed place, the Customer becomes liable for any damage that these goods may suffer or which may be caused to them.

The Customer undertakes not to pledge or transfer as collateral the ownership of the products sold until the price has been paid in full.

The Customer is required to take any necessary steps for individualising the products and any defensive measures in order to make known the right of ownership of the Supplier in the event of a seizure or a claim from a third party. Products in stock will be presumed to be unpaid. In the event of non-payment on the due date, the Supplier may invoke its right of ownership if after 8 (eight) days of the Customer having received a registered letter with acknowledgement of receipt, the formal demand contained therein has remained unanswered. In this case, the products must be returned to the Supplier, at the cost and risks of the Customer, without prejudice to the exercise of any other right of the Supplier.

The Customer must take out comprehensive insurance at its own expense as cover against the risks which may arise as of the delivery of the products, and include the Supplier as a beneficiary of the said insurance.

10. Unforeseen events and force majeure

In the event of the occurrence of an event beyond the control of the parties which affects the balance of the contract to the point of seriously prejudicing the ability of either of the parties to fulfil its obligations, each party will promptly inform the other party and the parties will agree to negotiate the amendment of this contract in good faith.

Neither of the parties to the contract may be held liable for its delay in meeting or its failure to perform any of the obligations incumbent upon it in respect of the contract if this delay or failure are the direct or indirect effect of a force majeure event within the meaning of article 1218 of the Civil Code.

Each party will inform the other party, promptly, of the occurrence of a force majeure event of which it has become aware. The parties must consult each other as soon as possible to examine the consequences of the force majeure event in good faith and jointly agree on the measures which may be taken.

Should these events last for more than two months, the Supplier or the Customer may terminate the contract.

11. Intellectual property and confidentiality

11.1. The Supplier is the holder of all the intellectual and industrial property rights concerning the products and the brand "DERANCOURT". The intellectual property rights, as well as the know-how which form part of the documents provided, the delivered products and the services performed remain the exclusive property of the Supplier. Any transfer of intellectual property or know-how rights must be the subject of a specific contract.

11.2. The parties undertake mutually to be bound by a general obligation of confidentiality concerning any confidential information, whether verbal or written, and irrespective of the format in which it was exchanged as part of the preparation and performance of the contract except for information which is generally known to the public or that has become so other than through the fault of or by the actions of the Customer.

The parties undertake not to use all or part of the confidential information for purposes or for any activity other than for the performance of the contract and not to make any copies or imitations of all or part of the confidential information.

The parties undertake to take all the necessary measures to ensure the compliance with this obligation of confidentiality, for the entire term of the contract and for five (5) years as of its expiry, and guarantee that all of their employees and sub-contractors or other contractors will meet this obligation.

The parties may, however, be required to disclose confidential information if the law or a legal institution (judge, authority) requires them to do so. In this case, the party concerned must inform the other party beforehand.

11.3. Each party guarantees that the items that is has provided or designed for the performance of the contract do not make use of the intellectual property or know-how rights owned by a third party (plans, specifications, processes, and their implementation conditions, etc.). They guarantee each other against the direct or indirect consequences of any civil or criminal liability action resulting in particular from an act of forgery or unfair competition.

12. Liability

12.1. When delivered the products are in compliance with applicable regulations.

The liability of the Supplier is strictly limited to its compliance with the contractual specifications. The liability of the Supplier will be limited to the direct material damage caused to the Customer resulting from faults attributable to the Supplier in the performance of the contract.

The Supplier will not be required to provide compensation in respect of immaterial damage or consequential loss (such as: operating losses, loss of profit, missed opportunities, commercial harm, lost earnings) or the harmful consequences of the faults committed by the Customer or third parties in conjunction with the performance of the contract.

The liability of the Supplier, all causes except for personal injury and gross negligence, is limited to an amount capped at the value of the order.

The Customer guarantees that its insurers or third parties which have a contractual relationship with it will waive their right to take legal action against the Supplier or its insurers beyond the limits and exclusions set out above.

12.2. The Supplier may not be held liable in the event of the law of the country where the products are delivered not being observed. It is up to the Customer to check with the local authorities about the options for importing or using the products that the Customer plans to order.

12.3. In accordance with the regulations on electrical and electronic equipment and the disposal of the waste which comes from these items, and in the absence of other regulatory provisions, the obligations relating to the organisation, to the financing of the collection and treatment of this waste, are transferred to the Customer. For this purpose, the Customer is responsible for collecting the electrical and electronic equipment items which have been purchased, and for processing and recycling them.

13. Applicable law and jurisdiction

The applicable law is French law.

The Parties shall attempt to settle their disagreements amicably before applying to the competent Court.

In the absence of an amicable agreement, any dispute relating to the contract will be brought before the Commercial Court of Perpignan, even in the event of summary proceedings and multiple respondents.