



PICARD TECHNOLOGIES

GENERAL TERMS AND CONDITIONS OF SALE *(Applicable as of January 1, 2015)*

These general terms and conditions of sale apply to all our sales transactions. The purchaser is presumed to consent to these terms and conditions unless specifically agreed otherwise in writing. By placing an order with our company, the purchaser accepts our general terms and conditions of sale notwithstanding any provisions contained in the purchaser's purchase documents.

PRICES

All prices are exclusive of taxes, to which the prevailing rate of value added tax will be applied.

Ex warehouse prices, minimum billing and carriage-paid shipments must be confirmed with our sales department.

Prices quoted are valid for one (1) month, for firm and blanket orders for the quantity indicated, unless specifically agreed otherwise by our company and the purchaser. Should the cost price or the cost of materials increase during this period, price offers may be subject to modification.

Orders are considered to have been accepted once we send acknowledgment we have received your order.

The goods will be billed at the prices prevailing at the time of our sales offer.

DELIVERY TIMES

Delivery times are given as a guideline and deliveries are understood to be ex our warehouses. Any delays in delivery do not entitle the buyer to cancel the order, refuse the merchandise, claim damages or compensation for delayed delivery.

Contractual delivery dates may be extended for any reason which prevents the company from fulfilling its delivery obligations, in particular in the event of force majeure. For the purposes of these general terms and conditions of sale, 'force majeure' means any incident beyond our reasonable control, such as, and in particular, strike activity, embargo, equipment accident, riot, war, natural disaster, fire, etc. or any similar incident such as adverse weather conditions, supply problems, transportation disruption, accidental production stoppage, etc.

It is explicitly agreed that an event of force majeure cannot, under any circumstances, absolve the purchaser from paying the agreed price within the agreed time limit.

TRANSPORT – TRANSFER OF RISKS

Our merchandise is expedited at the risk of the consignee, even if carriage is paid by the consignor. In the event of a delayed delivery, missing or damaged merchandise, a statement must be duly made by the consignee prior to taking delivery of the merchandise, and redress must be sought from the carrier responsible. The purchaser must inform our company immediately by sending a copy of the consignment note showing the recorded irregularity.

CLAIMS – RETURN OF GOODS

Only claims notified to us in writing within three (3) days of receipt of the items will be accepted.

Goods will only be accepted if their return has been pre-authorized by us in writing. They must be returned to our premises, carriage paid, within one week, and must comprise only goods in perfect condition, in their original packaging.

The return of parts is regarded as final only after the returned consignment has been examined and approved by our Quality Control department.

WARRANTY

Our products are guaranteed against all material or manufacturing defects for 1 year as of the delivery date recorded in our warehouses, providing the products have been stored in normal storage conditions and in the packaging in which we sent them.

Our parts require careful storage and we advise you not to stack them on top of each other.

Our warranty provides solely for the most rapid replacement of a part we acknowledge to be defective by a part costing no more than its sales price. No additional compensation will be paid. The company will decide either to replace or revise the defective parts, provided the parts have not been modified or re-machined. The company shall not be held responsible for whatsoever bodily injury, material or immaterial damage resulting directly or indirectly from the inappropriate modification, incorrect use or storage conditions of its products.

PAYMENT

In accordance with Article L.441-6 of the French *Code de commerce* (Commercial Code), as provided for by the *Loi de modernisation de l'économie* (Law to Modernize the Economy) No. 2008-776, effective August 4, 2008, the payment period agreed on by the parties cannot exceed forty-five (45) days end of month or sixty (60) days as of the billing date.

The first order is payable on a pro forma basis. Cash payments confer no entitlement to discount or interest.

SPECIAL CONDITIONS – INTERNATIONAL PAYMENTS

Payment by documentary remittance or documentary credit can also be arranged when the order is placed. The customer is responsible for paying any fees related to these formalities.

Before the letter of credit arrangement is initiated, we must receive notification of the customer's bank's SWIFT code, so that we can check the information and ensure no mistakes are reproduced on the documentation concerned.

Any charges incurred for rectifying mistakes in the letter of credit shall be at the customer's expense, unless the error is a legitimate one for which we acknowledge responsibility.

LATE PAYMENT

In accordance with Article L.441-6, paragraph 2 of the Commercial Code, as provided for by the Law to Modernize the Economy No. 2008-776, effective August 4, 2008, any overdue payment will incur a late payment penalty equal to three (3) times the legal rate of interest in effect on the date the merchandise was delivered. The penalty is calculated on the amount outstanding, including taxes, accruing from the payment due date, with no advance formal notice being required.

As stipulated in Article L.441-5 of the Commercial Code, any delay in payment will automatically incur a fixed recovery charge of forty (40) euros, in addition to late payment penalties. The supplier may make an additional charge if the recovery costs are shown by the supporting documents to exceed the fixed fee.

In the event of late payment, the company has the right of retention with respect to the parts and tooling equipment in its possession, and may suspend deliveries.

Should the supplier learn of a deterioration in the customer's circumstances as established by financial information and/or as witnessed by a delay in payment, deliveries shall only be made in consideration of immediate payment.

RETENTION OF TITLE CLAUSE

Delivered goods will remain the property of Picard Technologies until full payment of the invoiced amount. However, once the merchandise is delivered, the purchaser is responsible for its correct storage and insurance.

INTELLECTUAL PROPERTY AND CONFIDENTIALITY

Picard Technologies retains the intellectual property and the know-how with regard to the machining and engineering methods it employs.

Even if the purchaser has participated wholly or partly in tooling costs, this does not provide for the transfer of tooling ownership or for the transfer of ownership relating to any associated intellectual property or know-how.

All documents supplied to the purchaser and, in particular, technical documents and plans, etc. are confidential. The purchaser undertakes to keep the information contained in the documents strictly confidential.

CHANGES AND CANCELLATIONS

Accepted orders may be changed or cancelled only with our prior written agreement. If the order includes products or parts which have been custom made to the purchaser's specifications and the purchaser modifies or cancels the order, the purchaser is obliged to accept delivery of the finished parts, at the price agreed. The purchaser must also accept delivery of any parts being manufactured, at the price corresponding to their stage of completion. The purchaser shall also reimburse the supplier for any loss incurred on materials the supplier has purchased or ordered to manufacture the customer's order.

ERRORS

All typographical errors are subject to correction.

ELECTION OF DOMICILE AND ALLOCATION OF JURISDICTION

In the event of a dispute, the courts where our head office is located shall have jurisdiction.

The general terms and conditions of sale herein are subject to French law and to the Vienna Convention on Contracts for the International Sale of Goods.

Done at Rouvignies, on December 22, 2014