

PURCHASING STANDARD TERMS

An order may only oblige PROTECHNIC if it is signed by one of its duly authorized representatives and if it refers to the present purchasing standard terms (the "Terms").

1. ACCEPTANCE OF THE ORDER BY THE SELLER

1.1 Acceptance by beginning of execution

The delivery or beginning of invoicing or of execution of the supply is equivalent to the acceptance of the order. The date of effectiveness of the order is the one stipulated on the order. Any order shall be wholly fulfilled.

1.2 Acceptance by acknowledgement of receipt

Any order shall be confirmed by the seller (the "Seller") to PROTECHNIC through the acknowledgement of receipt attached to the order, within two calendar days following its sending.

This acknowledgement of receipt must be dated and signed by a duly authorized representative and covered by the commercial seal of the Seller.

1.3 Tacit acceptance

After the five day delay of article 1.2 above, the Seller shall be considered as having accepted all the terms of the order.

1.4 Except for contrary disposition, any order accepted by the Seller in accordance with article 2 below, implies the existence of a purchasing contract (such order or contract being hereinafter referred to as the "Contract") and leads to the acceptance without reservations of the Seller to the present Terms and its waiver to its own standard terms of sell. Any departure shall be subject of a formal and written agreement from PROTECHNIC.

2. DELIVERY

2.1 Delivery shall be made during the days and hours indicated in the Contract. Save for any contrary provision contained in the Contract, delivery shall occur in accordance with the DDP Incoterm (INCOTERMS 2000 - ICC Publication N° 560),

Save for previous agreement, PROTECHNIC will refuse any delivery made out of the days and hours stipulated in the Contract. It rests with the Seller to take the necessary measures near its carriers and delivery men to ensure that they respect delivery hours of PROTECHNIC.

2.2 Any delivery may be refused if not accompanied by:

- A delivery docket with the supplier letterhead, indication of the order number, description in the same terms as in the initial document of the delivered goods (designation, quantities, specifications...) and, where necessary, a detailed description of goods in each crate or other form of packaging, as well as gross and net weight.

Under no circumstance PROTECHNIC shall be responsible for any delay of payment due to the failure to provide the delivery docket or the provision of an incomplete or illegible delivery docket.

These documents make part of the provision.

Save for written agreement of PROTECHNIC, no partial provision may be accepted.

3. RECEIPT / ACCEPTANCE OF THE GOODS

The receipt of the goods occurs in PROTECHNIC's factory or any other place stipulated in the Contract.

3.1 Conditions of acceptance of the goods

Any delivered good shall be considered as accepted after inspection by PROTECHNIC to ensure compliance with the terms and specifications contained in the Contract or with the applicable regulations.

Inspection performed in supplier's premises, by its own services or by Government or other bodies shall under no circumstances entail exemption from the present clause.

3.2 Rejection of the goods

We reserve the right to return to supplier, at its costs and risk, and to claim replacement or reimbursement, of goods not accepted, regardless of legal guarantees covering goods delivered and accepted.

Quantities shall be those corresponding to our order. We reserve the right to return to the supplier, at supplier's expense, all premature or surplus deliveries and to claim delivery of undelivered quantities as ordered.

We reserve the right to modify the quantities and delivery dates unless within 10 days from such notification of modification, the supplier rejects formally the said modification.

4. DELIVERY TIMES

The delivery time stipulated in the Contract is obligatory. Unless otherwise stated, the delivery time refers to goods delivered to the delivery address written in the Contract.

Any delay, for any reason whatsoever, during the execution of the Contract, shall be duly report with all justificatory explanations and measures to be improved in order to cancel this delay.

If the Seller doesn't deliver the goods in the deadline stipulated in the Contract, PROTECHNIC will be entitled to deduct from the payments due to the Seller some delay penalties, calculated as follows: 1% of the goods before tax price, from the first day of delay, within the limitation of 15% of the Contract price.

Beyond this limitation, PROTECHNIC reserves the right to request the compensation of the direct material damage connected to the failure of the Seller to fulfil its obligation of delivery.

PROTECHNIC reserves the right to cancel, by simple registered letter with return receipt requested, all or part of the Contract that is not executed within thirty (30) days after the stipulated delivery time and shall be entitled to claim compensation.

5. TRANSFER OF OWNERSHIP AND RISKS

Save for otherwise stated in the Contract, the transfer of ownership and risks occurs on the date of acceptance of the goods in accordance with article 3 above, PROTECHNIC rejecting any retention of title clause.

6. ASSIGNEMENT, TRANSFER AND SUB-CONTRACTING

The Seller is the sole responsible of the Contract execution which he undertakes not to assign, transfer or sub-contract, in totality or in parts, to third parties without PROTECHNIC's previous and written agreement.

7. SECRET

The Supplier undertakes to treat as strictly confidential all technical and commercial information he may have had access to, during the performance of the Contract and 10 years after its termination.

The Supplier undertakes not to communicate to who ever or to use for his own purposes or for those of third parties without our prior and written agreement, all files, documents or tools either made available to him by us, or designed or developed and/or manufactured by him on our behalf.

The Supplier undertakes to return to us upon request, within the period stipulated and in any case at the expiry or termination of Contract, any files, documents any tools or equipment belonging to our company.

In case the Supplier would not respect these obligations, PROTECHNIC shall be entitled to terminate unilaterally and without formality any contract in progress, without prejudice to its other rights and remedies.

8. RESPONSABILITE - FORCE MAJEURE

Whatever may be the cause of the damage, the Parties expressly refrain from claiming each other for indirect and immaterial losses such as losses of profits or lost earnings (this list is not exhaustive).

Whatever may be the cause of the loss, the Parties agree that neither of them may be held liable for any loss if the loss was caused by a Force Majeure situation, which is defined as follows: all circumstances outside the Parties' control that were not foreseeable at the time of the Contract's conclusion, for which the Parties could not prevent or foresee the effects and that prevented, in good faith, the Contract's implementation.

The cause of exemption will suspend the fulfilment of the obligation that has become impossible, as well as the fulfilment of the correlative obligations.

If, following one of these events, it becomes impossible to implement the Contract within 90 days, each of the Parties will be entitled to withdraw from the Contract by written notification. In this case, the Contract will be automatically terminated and neither Party will be liable for any compensation as a result.

9. WARRANTY

Unless otherwise stated in the special purchasing conditions, the supplier warrants (parts, workmanship and transportation) that goods, object of the order shall be free from any defects of construction, manufacture, execution, adjustment, any professional misconduct... for a period of 12 months from the date of acceptance by PROTECHNIC.

This warranty implies that the Supplier shall repair on PROTECHNIC's site or on PROTECHNIC's customer's site or replace or reimburse all or part of the defective goods. It's being understood that costs and transportation charges to and from our company shall be borne by the Supplier.

Any repaired or replaced good shall be subject of a new 12 months warranty

10. PROPERTY RIGHTS

The Supplier warrants that goods object of the order shall not infringe any intellectual property rights of a third party and are free and clear of any encumbrances. Consequently, the Supplier shall indemnify and hold harmless our company from all liabilities, costs, damages, expenses, demands or losses arising from infringement or alleged infringement of any property right attached to all or part of the goods, object of the Contract.

The Supplier shall at its own expense, defend or settle such action and claim and shall pay any damages that may be awarded to the third party.

11. INVOICES AND PAYMENT

Invoices must be sent to our company in duplicate and must imperatively indicate the order number, quantities, designation, date and reference of the delivery docket and itemized prices. A separate invoice should be made out for each Contract. Any incomplete invoice will be returned to the Seller.

All payments are made by credit transfer, within the time-period stipulated in the particular Contract, on condition that the goods comply with the Contract and applicable regulations. PROTECHNIC might withhold an amount from the future bills of non-compliance. It's understood that the payments time-periods stipulated in the Contract start from the goods' delivery.

The price is firm from the confirmation of the order by the seller. It is not adjustable on the basis of changes in economic conditions.

12. INSURANCE

The Seller will take out and/or maintain in effect throughout the Contract's term any insurance policy needed to cover the risks and/or liabilities that it believes it could incur given the Contract's implementation, including the post-delivery civil liability policy.

In specific areas such as aviation, automotive, medical, PROTECHNIC might request a specific insurance.

13. TERMINATION

Without prejudice to the payment of delay penalties or to any right which PROTECHNIC would benefit, PROTECHNIC shall be entitled to terminate the Contract in whole or in part, by registered letter with acknowledgement or receipt and without any judicial formality, in case, notably:

- Of the Seller's failure to fulfil any of its contractual commitments
- That the Seller would be put into receivership or liquidation
- Of employment of illegal workforce
- Beyond a month late delivery or command execution
- In case of non-compliance with the confidentiality agreement
- Occurrence of an event of Force Majeure if performance of the contract were to be prevented for a period of 90 days

14. APPLICABLE LAW AND RESOLUTION OF DISPUTES

The present Condition and the Contract to which there are attached are covered by French law.

Any dispute concerning the Contract's interpretation or implementation that the Parties fail to resolve amicably within one month shall be resolved permanently by the Mulhouse Commercial Court.