

**1. TERMS OF SALE OF THE ESSENCE**

All sales made by our Company for delivery outside France are subject to these General Terms of Sale which are binding on the Buyer and our Company. Any order placed with our Company shall imply the acceptance by the Buyer of these General Terms of Sale which rule out the application of the Buyer's own general terms of purchase conditions. No derogation here from is valid unless expressly accepted in writing by our Company.

**2. FORMATION OF CONTRACT, AMENDMENT OF ORDERS**

Contracts and orders become firm and definitive only after written acceptance and confirmation by our Company. The same rule applies to all amendments. An order which is being carried out or for which raw materials have been purchased may not be cancelled partly or totally. In other cases, any partial or total cancellation of any order is subject to an express agreement by our Company.

Our Company reserves the right to have all or part of the contractual deliveries and corresponding sales administration made by subsidiaries or associated companies.

**3. PRICES - TERMS OF PAYMENT**

The prices applicable to the sales of goods to Buyer are those stipulated in writing by our Company and accepted by Buyer or, in the absence thereof, those stated in the general price list of our Company in force at the time the order is accepted.

Unless otherwise agreed upon in writing, the prices are EX WORKS (as defined in the 2000 INCOTERMS) net prices plus VAT at the current statutory rate. The terms of payment are stipulated in the order or contract. In the absence of any provision to the contrary in the order or contract, due dates shall be thirty days after the date of delivery. Whatever the means of payment agreed upon, Buyer's obligations shall only be discharged upon such means of payment being honoured in full. Any charges and costs incurred in connection with the payment shall be borne by Buyer.

In the case of claim or legal action brought by Buyer for any cause whatsoever, Buyer shall have no rights of retention or set-off. Our Company reserves the right, upon default in the payment of an invoice or statement of invoices at an agreed upon due date, either to cancel the order or to hold up delivery and, in all cases, to demand immediate payment for all merchandise previously delivered, the sums due becoming immediately payable and bearing interest as of the due date at the rate of 2% above the rate for overdrawn accounts as quoted by our Company's usual French bankers from the due date or, if due date is a day in which banks in France are not open, from the next following day in which banks in France are open. Such interest shall only comprise a portion of the damages and interest that our Company hereby reserves the right to claim. The Buyer shall also be liable for the cost of protest and return for drafts which for any reason whatsoever are not paid at their due date.

Our Company shall have the right at any time during execution of an order or contract to require all guarantees it may deem necessary for the payment of goods. Should our Company not obtain the guarantees requested, it shall have the right to suspend or cancel all or part of the order or contract remaining to be executed.

Should the Buyer cease to pay its debts when due or fail to make a payment when due to our Company, the Buyer shall stop utilizing, transforming or selling the goods on which we have retained title and our Company shall be entitled to repossess the goods pursuant to Article 8 hereof.

**4. QUALITY, ACCEPTANCE OF GOODS AT THE FACTORY**

All goods leaving our factory are deemed in conformity with the quality and specifications ordered and our Company is only responsible for such conformity, the Buyer alone being responsible for the choice of products based on their intended use.

Unless otherwise agreed by our Company in writing, product specifications as to weight, dimension, capacity, output and other matters are indicative only and are not contractually binding. Except as otherwise agreed upon in writing, the goods shall be delivered unpacked. There will be no acceptance of goods at the factory unless required by the contract or order. If acceptance is to be made at the factory, our Company shall not be required to summon the Buyer unless expressly required to do so in the contract or order and if the Buyer fails to appear for acceptance on the date specified in the contract or order or in any notice from our Company, the goods shall be deemed accepted.

**5. DELIVERY - FORCE MAJEURE**

Delivery times indicated for each order are only estimates and shall in no event constitute a firm undertaking on our part to deliver on a specific date. Consequently, in the absence of express agreement on our part when the order is placed, our Company shall not be liable for any damages, interest, indemnification or penalty for late delivery. All goods shall be delivered EX WORKS (as such term is defined in the 2000 INCOTERMS) unless otherwise agreed in writing between our Company and the Buyer. The Buyer shall bear all risks of the goods from the time when they have been delivered EX WORKS and our Company shall not incur any liability for damages or deterioration of any kind to or of the goods after that time.

As regards the performance of our obligations, cases of force majeure are any unforeseeable and insurmountable circumstance, occurring independently of the will of and beyond the control of our Company, including but not limited to fire, explosion, flood, war, strike, lockout, labour interruption, serious accident, shortage of labour, shortage of raw materials and/or means of transport or energy or governmental act or regulation, which intervenes after the execution of the order or contract and prevents the performance of all or part thereof. Notwithstanding the limitation to events which cannot be overcome despite our efforts, the settlement of any strike or other labour dispute or of any legal proceeding will be entirely in our Company's discretion and our Company will not be required by this clause to settle any such strike, action or proceeding.

Occurrence of an event of force majeure shall entail, at our option, temporary suspension of deliveries, the time for execution of the order being extended for a period equal to that during which, on account of the event, our Company has been unable to perform its obligations or rescission of the contract without damages. Force majeure does not justify a suspension of payments for goods delivered. In the event of rescission of the contract, the Buyer must nevertheless accept delivery of goods already manufactured, which must be paid by him according to the terms of payment set forth in the contract.

**6. RETENTION OF TITLE**

We retain title to the goods sold or delivered until they have been paid in full by the Buyer. Accordingly, all our sales are always made subject to the conditions precedent of payment of the price in full and coupled with retention of title, the Buyer nonetheless bearing the risk of loss, liability or other risks of the goods as provided in the order or contract and in the INCOTERMS and consequently having to insure those risks. The remittance of a letter of credit or other commercial paper does not constitute payment in full.

The Buyer shall retain the goods sold by us until they are fully paid in a manner such that they can always be identified as our property. If goods not fully paid for cannot be identified and are kept with other goods of the same type supplied by our Company, such goods shall be presumed to be those not yet paid for and our retained title may be asserted in respect thereof. The Buyer may not pledge, chattel or mortgage the goods, or grant any right thereon to any third party. In the event of non-payment, and without prejudice to late charges as provided for herein, our Company may demand, by registered letter, return receipt requested, the restitution of the delivered merchandise at the cost and risk of Buyer. In default of immediate discharge by the Buyer of his obligation to return the goods, he may be compelled to do so by summary order authorizing us to repossess the goods to which we retain title at the Buyer's premises or elsewhere at the Buyer's sole expense. Should this retention of title provision be invalid under the law of the country in which the goods are situated, such protection for our Company as in that country corresponds to the above retention of title provision shall be deemed to have been agreed upon. Buyer shall take all measures necessary for such protection for our Company to come into effect and/or be maintained. Should a more extensive retention of title clause be permitted by the law of the country in which the goods are situated (such as - without prejudice to the generality of the foregoing - the assignment of Buyer's future claims resulting from the re-sale of the goods delivered by our Company), Buyer shall upon our Company's request implement such clause.

**7. WARRANTY - CLAIMS**

Our Company warrants that, for a period of twelve months from the delivery of the goods, they will be free from defects resulting from faults in material or fabrication which render the goods non-conforming with respect to the specifications contractually agreed by our Company. Our Company does not make or assume any warranties of any kind, expressed or implied, which extend beyond the description of the goods on the contract or order. Liability of our Company under this warranty is limited to replacement, repair or refund of the purchase price, at its choice, of the defective goods, even in the case of hidden defects. Our Company will in no case have any liability for direct, indirect, consequential or other damages in respect of the goods or defects therein, and gives no guarantee or warranty in respect of any recommendations it may give as to use of the goods or in respect of the absence of infringement of patents held by third parties.

OUR COMPANY GIVES NO OTHER WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Our Company's warranty applicable to the original goods shall also apply to the repair or replacement; any claims for defects shall be made within twelve months after completion of repair or replacement. All claims for damages to, defects in or loss of the goods must be received by our Company within fifteen days of the delivery of the goods.

Each claim shall set forth the grounds therefore in detail. The goods shall then be inspected jointly and the representatives of our Company shall be permitted to take such samples and make such inspections as we deem necessary. Any legal action on any grounds whatsoever must be brought by the Buyer within twelve months from the date of delivery. If the Buyer resells the goods sold to it by our Company, Buyer will cause the terms of this Article 7 to apply to the resale, without reservation. If Buyer fails to do so it will indemnify our Company in respect of all expenses, claims or damages in connection with liability related to the goods beyond the liability stipulated in such paragraphs.

**8. GOVERNING LAW - ARBITRATION**

These General Terms of Sale and any contract or order contemplated hereby shall be governed by and construed in accordance with the laws of France (excluding the provisions of the United Nations Convention on Contracts for the International Sale of Goods adopted in Vienna on April 11, 1980).

Our Company and the Buyer shall make every effort to settle amicably any controversy or claim arising out of or related to these General Terms of Sale and any contract of order contemplated hereby, or the breach thereof. Disputes, if any, which cannot be settled amicably shall be finally settled by arbitration in Paris, France, in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. Arbitration proceedings shall be conducted in the English language. The decision of the arbitrators shall be final, binding and enforceable upon the parties and judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof. In the event that the failure of our Company or the Buyer to comply with the decision of the arbitrators requires either party to apply to any court for enforcement of such award, the non-complying party shall be liable to the other for all cost of such litigation including attorneys fees.

**9. MISCELLANEOUS**

Any failure to enforce any provision of these conditions shall not be deemed to be a waiver of such provision. If any provision of these General Terms of Sale or any contract contemplated hereby is found to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not impair or affect the remaining provisions of these General Terms of Sale or any contract contemplated hereby or the validity or enforceability of such provision in any other jurisdiction. The Buyer shall be responsible for complying with all applicable laws and regulations concerning the importation and use of the goods.