

General Terms and Conditions of Supplies and Services

A. General

1. The following terms and conditions shall form an integral part of contracts governing our supplies and services unless expressly agreed otherwise elsewhere. General terms and conditions of business of the Buyer which conflict with the following terms and conditions are expressly rejected.
2. Should a provision of these terms and conditions be invalid, this shall not mean that the other provisions are invalid.

B. Prices and currency

1. Unless expressly agreed otherwise, prices shall apply EXW Seller 's works in accordance with Incoterms (2000); unless otherwise instructed by the Buyer, the forwarding agent may be chosen by the Seller at the Buyer 's expense. Value Added Tax, if applicable, shall be charged separately at the statutory rate.
2. In the event of delays by the Buyer, we shall be entitled to increase the agreed price to the extent of the additional costs resulting there from.

Changes to the scope of supply and any additional costs incurred thereby require the mutual agreement of both parties.

C. Payment, default

1. Unless expressly agreed otherwise, payment of our invoices shall be in Euro and due immediately on receipt without cash discount.

Payment shall be deemed to have been effected only when credited unconditionally to our account.
2. The withholding of payments or offsetting on the basis of any counterclaims of the Buyer disputed by us shall not be permissible.
3. In the event that the Buyer exceeds an agreed or set payment period by more than 3 weeks, we shall charge the Buyer interest as legally foreseen (8% in excess of the reference discount rate of the European Central Bank). We reserve the right to enforce a higher claim for damages caused by default.
4. If the Buyer is in default of payment, we shall, after a period of grace set by us has elapsed, be free to rescind the contract or claim damages for non-performance in the amount of the loss incurred. In the event of a rescission for reasons for which the Buyer is responsible, we shall charge the Buyer with the costs incurred by us in connection with the rescission of the contract, including assembly, dismantling, freight and packaging, loss of value, restoration, compensation for the use of property, etc.

5. If, on the basis of contractual agreement, the Buyer is entitled to pay in instalments and if an instalment is more than 4 weeks overdue, the entire remaining balance shall become due for immediate payment.

D. Retention of title

1. Our supplies shall remain our property until all amounts outstanding to us, for whatever reason under law, are paid completely.
2. In the event of breach of contract by the Buyer, especially default of payment, we shall be entitled after due notice, to repossess supplies, which the Buyer shall be obliged to surrender. The exercising of our right of retention of title and the execution of a levy by us shall not constitute rescission of contract.

E. Delivery/performance period, liability for delay in delivery/performance

1. An agreed delivery period shall be complied with if before its expiry the delivery has left our works, or -if collection was agreed upon – the Buyer has been informed that the delivery is ready for shipment. Partial deliveries are permitted.
2. The delivery/performance period shall be appropriately extended if a delay is caused by circumstances beyond our control. These shall include in particular force majeure, labour disputes, delays caused by the Buyer (e.g. by failure to furnish documents and/or approvals on time, by modifications of the Buyer to the agreed scope of supplies and services, etc.) and other impediments beyond our control, in so far as such impediments can be proven to influence the completion of delivery of our supply and/or service.
3. If the Buyer suffers damage as a result of a delay in delivery or performance for which we are solely responsible, the Buyer, after an additional grace period of 14 days, shall be entitled to claim liquidated damages which are our sole obligation and the Buyer's exclusive remedy. Said liquidated damages shall amount to 0.3% for each full week of delay, but in total not more than 3% of the value of that part of our total supply or total service which as a result of the delay cannot be used on time or in accordance with the contract. If delivery or performance is delayed in accordance with this section and after the Buyer has twice granted us a reasonable period of grace with the express declaration that the Buyer will refuse to accept the supply or service after expiry of this period and if the period of grace is not complied with, the Buyer shall be entitled to rescind the contract. Any further claims of the Buyer for delays are excluded. The above exclusions of liability shall not apply if an act of wilful misconduct or gross negligence with regard to the delay can be imputed to a member of our management board or one of our senior executives.

F. Delay in call for/taking of delivery

1. If delivery is postponed at the request of the Buyer, or if the Buyer fails to call for delivery within the agreed period, we may use the item and supply another item that complies with the contract without the Buyer thereby becoming entitled to rescind the contract. Any extra costs incurred by us due to this delay shall be borne by the Buyer.
2. If the Buyer fails to take delivery at the agreed date (delay in taking delivery), we, at the expense and risk of the Buyer, may store the supplies at a location of our choice. If storage takes place on our premises, we shall charge, in addition to our other costs, a monthly

storage fee equal to 2.5 % of the net order value plus applicable Value Added Tax starting from the day notification was given that the delivery was ready for shipment.

3. If the Buyer finally refuses to call for or take delivery, or if he fails, after a reasonable additional grace period of 3 weeks granted to him in writing has elapsed, to respond to a demand that the delivery be called for or taken, we may at our discretion claim damages to the amount of 25% of the net order value plus applicable Value Added Tax or claim damages, plus applicable Value Added Tax, to the amount of the damage actually proved by us. This shall not affect our statutory rights regarding specific performance or contract rescission.

G. Acceptance, delays in acceptance

1. After delivery and/or performance and after our notification of readiness for immediate acceptance, the Buyer shall, as agreed separately, be obliged to accept the supplies and/or services immediately and to countersign the acceptance protocol provided by us, unless there is a major deficiency (e.g. non-fulfilment of agreed performance, hazard stemming from supply/service). The Buyer's warranty rights shall not be affected by this acceptance and shall remain valid.
2. Acceptance shall be deemed to have taken place if the Buyer has put our equipment into operation or if he makes use of products which have been produced on our equipment or if acceptance is delayed for reasons beyond our control (in this case acceptance is deemed to have taken place after 12 calendar days have passed since our notification of readiness for acceptance) or at the latest after 3 months after delivery.

H. Passing of risk

1. Unless otherwise agreed, risk shall pass to the Buyer in accordance with Incoterms (2000) EXW. This shall apply also to partial shipments, or if we have agreed to perform other services, e.g. bearing of shipment our insurance costs or transportation and installation or start-up.
2. If shipment is delayed for reasons for which the Buyer is responsible, risk shall pass to the Buyer from the day the supplies are ready for shipment. We shall, however, be obliged to take out the insurances the Buyer requires at the Buyer's request and expense.

I. Warranty

1. We shall accept the following liability for defects with respect to new supplies and/or services as our sole obligation and the Buyer's exclusive remedy:
 - a) Within a reasonable period and during normal business hours, we shall at our own discretion rectify, replace free of charge all faulty parts of the supplies and/or services or repeat them on the basis of the INCOTERMS agreed for the original supply. Replaced parts shall become the Seller's property.
 - b) This provision shall apply to all parts of the supply which, within 12 months after acceptance prove to be unserviceable or significantly impaired in their serviceability as a result of circumstances existing prior to the passing of risk -in particular as a result of defective design, poor materials or deficient construction.

We shall be informed in writing without delay if such defects are detected in order to avoid any exclusion of liability. Replaced parts shall become our property.

- c) Wear and corrosion shall be excluded from our warranty. We shall not be liable for any damage, which occurs as a result of unsuitable or incorrect use, defective installation and/or start-up, inappropriate maintenance or inspection by the Buyer or third parties not appointed by us.
- d) In order to prevent the exclusion of claims, the Buyer shall give us the necessary time and opportunity to effect all repairs and replacement supplies which seem necessary to us as well as to carry out the technical tests on the supplies before their start-up. We shall not be obliged to correct defects as long as the Buyer fails to fulfil his obligations to us unless to an insignificant extent.
- e) In the event of impossibility, non-performance or failure of the repairs, the Buyer may rescind the contract or reduce the contract price if the Buyer has twice called upon us in vain to remedy the faults within an appropriate period.
- f) Additional claims of the Buyer, including but not limited to claims for damages not occurring in the supplies and/or services themselves, are excluded. This exclusion from liability shall not apply in cases of wilful misconduct or gross negligence on the part of a member of our management board or one of our senior executives and in cases when as a result of a defective supply liability for personal injury and property damage to privately used items has been incurred under the product liability act. Nor shall it apply in the case of failure to comply with guaranteed properties if the object of such guarantee was to safeguard the Buyer against damages not occurring in the supplies and/or services themselves.
- g) The right of the Buyer to make claims arising from defects shall expire in relation to supplies at the latest 15 months after the final main delivery under the relevant contract and in relation to services 12 months after their performance.
- h) There shall be no special warranty period with respect to replacement parts and the remedying of defective supplies and/or services. In the case of used items being supplied any warranty claims shall be excluded. Warranty claims shall also end in the case of unauthorized repair performed or contracted by the Buyer.

J. Liability for items furnished by the Buyer

We shall accept no liability for items, services, drawings or documentation furnished by the Buyer, irrespective of whether these have been given our approval and/or are connected with our supplies/services or are used for them, nor for personal, material or property damage resulting from said items, services, drawings or documentation. If claims are made against us or if we incur damages relating to items, services, drawings or documentation furnished by the Buyer, the Buyer shall hold us free from all claims in this connection and compensate us for all damages and expenditures incurred. The above exclusion from liability shall not apply to specifications made by us for supplies and services to be furnished by the Buyer, in particular not to planning and design work. For these specifications, the above-mentioned provisions shall apply.

K. Provision of software

For the provision of software, our „Supplement to the General Terms and Conditions of Supplies and Services Valid for the Provision of Software “ shall apply.

L. Additional conditions of services

1. If, as a result of circumstances beyond our control, it is not possible before acceptance to perform work, in particular assembly, construction management, supervision, start-up, repairs, overhauls or conversions, we shall still be entitled to the portion of the payment commensurate with the work which has been performed.
2. We shall make our field assembly personnel available in accordance with the terms and conditions for field assignments applying on the date of performance.
3. The Buyer shall provide in due time the necessary physically and legally required conditions for our personnel to perform the work and shall ensure reasonable working conditions. The skilled workers as well as the labourers to be provided by the Buyer shall be made available to us free of charge and must be capable of doing the tasks required. We shall be entitled to reject unsuitable personnel and/or demand replacement thereof at the Buyer 's expense. The Buyer shall provide free of charge production materials and utilities such as compressed air, electricity, etc., as well as lifting gear and transport equipment needed for performing the services. Any material purchased on site by our personnel for performance of the services will be charged at cost.
4. We shall accept no liability for work performed by personnel provided by the Buyer.
5. If the work is interrupted or delayed for a reason beyond our control, the Buyer shall pay for the time involved at our rates of payment applying at the time and also cover any other costs incurred.
6. Connections for compressed air and electricity may not be installed by our personnel, but, in accordance with regulations, only by licensed tradesmen.

M. Liability

Beyond the contractual guarantee and warranty we shall be liable for damages not caused to the scope of supply itself, for whatever legal reasons, only in the case of malice aforethought, in the case of gross negligence of our owner, executive bodies of the company or executive managers, in the case of culpable fatal or bodily injury or impaired health, in the case of faults which we have fraudulently concealed or whose absence we have guaranteed and in the case of faults of the item of delivery in so far as there is liability for damages to persons or privately used objects under the product liability legislation.

In the case of culpable infringement of essential contractual obligations we shall also be liable for gross negligence by non-executive employees and minor negligence, in the latter case limited to damages typical for the contract and not reasonably predictable. Any further claims are excluded.

We shall, in particular, assume no liability for indirect damages such as economic loss, damage to objects other than the scope of supply, loss of profit, loss of earnings and other consequential damages, for whatever legal reasons.

N. Taxes for cross-border supplies and/or services

All taxes, customs duties, fees and other charges including statutory social contributions in the Buyer's country and/or the country of supplies/installation which are levied from us and/or our personnel and/or subcontractors as a result of or in connection with the conclusion and/or performance of the contract shall be paid by the Buyer.

O. Provision of documents, secrecy

1. Drawings, models, samples, software and other documents made available to the Buyer or produced by us on the basis of information provided by the Buyer may only be used for processing our offer or for use of the supplies and services ordered and shall not be disclosed to third parties without our prior written consent.
2. Furthermore, the Buyer shall, also after submission of our offers and/or performance of the order, not disclose to third parties any and all of our company's operations, facilities, plants, etc., as well as those of our subcontractors, which become known to the Buyer in connection with our supplies and services.

P. Place of performance/applicable law/jurisdiction

1. The obligations of both parties shall be fulfilled at our domicile in France.
2. Conclusion, content, interpretation and supplementation of the contract shall be governed by the French law to the exclusion of the United Nations Convention on Contracts on the International Sale of Goods of April 11, 1980.

The place of jurisdiction shall be DIJON/FRANCE.

Supplement to the General Terms and Conditions of Supplies and Services valid for the provision of software

A. License

1. With the supply of software (binary programmes) a non-exclusive and non-transferable right of use is granted.
2. The software, whether in part or in whole, may only be used on the central unit on which it was originally installed by us.
3. If a failure in the central unit makes it temporarily impossible to use the software, the latter can be used on another central unit for as long as the failure exists.

B. Copyright protection marks

1. The copyright protection marks on the data carriers must not be removed.

C. Secrecy obligation

1. The Buyer undertakes himself and his employees to keep the software secret, not to copy it, not to pass it on or make it accessible to third parties and to use it exclusively for the contemplated purpose.
2. For purposes of commissioning the equipment and for the performance of warranty and maintenance work, we are entitled to access the data stored by the Buyer. We also undertake to treat these data as confidential.

D. Property title to data carriers, rights to software

1. The data carriers and all rights to the software remain our property.
2. The Buyer is not entitled to copy the software onto other data carriers. However, this does not apply to temporary copying onto other data carriers for the purposes of data backup. The Buyer transfers and we receive the title to all copies of the software, made in breach of this agreement. The surrender of the copies necessary for the transfer of title is replaced by the agreement that the Buyer will hold the copies in custody free of charge for us.

E. Warranty

1. Both we and the Buyer acknowledge that, in the present state of the art, operation which is free of errors and interruptions and the complete elimination of all possible programme errors cannot be warranted, even when greatest care is taken. If within 12 months after acceptance an error to the software itself is found which can be proved to have been present at the time of the acceptance, we will make all reasonable efforts to remove the error and if necessary, replace the software free of charge.
2. Should removal of the defect finally fail, or be delayed due to reasons for which we are responsible notwithstanding a reminder and granting of a reasonable additional period of

grace, or finally refused, the Buyer shall be entitled to rescind the contract after he has twice in vain granted a period of grace.

3. Any further warranty claims with regard to the software are excluded.
4. Connection of the software with the Buyer's electronic data processing equipment (hardware, software and peripheral units) is carried out at the Buyer's risk. We shall not be liable for the compatibility of the software with the Buyer's electronic data processing equipment or that it will function with this through interfaces. Neither do we assume any liability that machines, plants or plant parts not supplied by us can be controlled in it.
5. Warranty claims are excluded if
 - the Buyer does not immediately notify us about the defect in a detailed report;
 - the Buyer has interfered with or modified the license software, which includes translating this into another programming language;
 - the error cannot be reproduced.

F. Liability

We shall be liable for damage to the software caused by us. For all other damages - no matter of what kind - not occurring in the software itself, including but not limited to damages in other programmes and/or the hardware used, for the loss of work results, sales, profits or data, we shall be liable only limited as described in our Conditions for Sale.

G. Infringement of industrial property rights

1. We will assist the Buyer to defend any suit or proceeding brought against him by third parties based on a claim of alleged infringement of an industrial property right. The Buyer must notify us immediately in writing if he is charged with such an infringement. We will indemnify the Buyer of all claims and legal costs if litigation is carried out exclusively in accordance with our instructions also including the selection of the attorneys at law.
2. We shall not be liable if
 - the infringement of the industrial property rights results from observing the Buyer's specification;
 - the infringement is due to the Buyer's interfering with the license software;
3. Should further use of the license software be prohibited by a court decision or if in our opinion such a decision is to be expected, we may, at our option,
 - procure for the Buyer the rights to continue using said license software;
 - replace the license software;
 - modify the license software so it becomes non-infringing.
4. The foregoing states our entire liability for infringement of industrial property rights.

H. Expiry of right of use

1. The right to use the license software expires if
 - the Buyer becomes insolvent;
 - the Buyer has judicially been declared bankrupt;
 - the Buyer loses the possession or the ownership of the controlled machines, plants or plant parts
 - a court decision states that the license software infringes the industrial property rights of a third party or parties.

2. In these cases, the data carriers are to be handed over to us, all copies are to be deleted and any use is to be refrained from.

Version: 10/2005