

Constructions Mécaniques de Normandie's (CMN) General Terms and Conditions (G.T.C.)

Version from 2017/04/12

1. Preamble

These General Terms and Conditions (GTC) shall apply to any sales of goods and/or services between Constructions Mécaniques de Normandie, RCS Paris, B 562 110 965, hereinafter: « The SELLER » and the order holder, hereinafter « The BUYER ».

2. content and conclusion of contract

2.1 The GTC apply except when specific conditions expressly provide otherwise on the order. Acceptance of the order shall be deemed an express acceptance of these GTC by the BUYER. The BUYER therefore waives the application of any other disposition. Except otherwise provided, the order shall enter into force on its issuance date.

2.2 The order is formalized by a written commitment on a "purchase order" signed by an authorized person, after the establishment of a quotation. The prices are fixed, non-revisable and established according to the rules of Incoterm "EXW" (Incoterm 2010 ICC Paris).

2.3 The beginning of the order: the acceptance, the design, the production, the invoicing or delivery in whole or part of the order, involves the full acceptance of these GTC by the BUYER.

2.4 The order shall be deemed accepted eight (8) calendar days after its issuance date.

3. Delivery, Title and Risks

3.1 The Product or service is deemed delivered when put at the BUYER's disposal on our facilities in Cherbourg, or any other place specifically stated in the order according to the rules of Incoterm EXW (incoterms 2010 ICC Paris).

3.2 Until full payment, products remain the property of the SELLER

3.3 risks of loss of, or damage to the products and liability for any damage/ loss they may cause, are transferred to the BUYER upon delivery.

4. Delivery Date – End of Work

4.1 Delivery date and end of work/ services date are stated on the order.

4.2 The SELLER undertakes to do its best efforts to deliver the goods on schedule. The SELLER will notify the BUYER in the shortest terms in case of delay.

4.3 Advance deliveries shall be made with the BUYER's prior consent.

5. Packaging – Transport

5.1 Products must present an efficient protection until final destination for the purpose of handling or storage by the BUYER or its subcontractors. Damages caused by an improper packaging, insufficient or inadequate shall be borne by the SELLER until delivery.

5.2 Every package has a shipping order with the order number and for each item the material description and the line number. There shall only be one shipping order per purchase order.

6. Compliance – Quality

6.1 Products and services shall comply with contractual requirements and shall be fit to purpose to be accepted by the BUYER. They must comply with the usual quality standards as well as the applicable legislation and standards. Products shall be delivered on full completion with all necessary instructions for correct use. Compliant products shall be subject to a delivery receipt signed by the BUYER and which constitutes formal acceptance.

6.2 The BUYER shall have the right to ascertain the progress order in the SELLER's facilities every six (6) weeks after prior notification to the SELLER one (1) month in advance.

7. Modifications

The BUYER shall modify the order and its components provided that those modifications shall be subjected to an adjustment price and deadlines of the order without any penalties for the SELLER. The adjustment price order shall be calculated on the shipping order price basis, or failing such, to the agreed terms between the parties. The SELLER shall not perform any major modification without the BUYER's first approval, but shall on an exceptional basis perform minor modifications that do not have a major impact on the order nature.

8. Invoicing and Payment

8.1 The SELLER shall send one invoice per order. It shall include the identifying number of the purchased order and shall be sent to the address mentioned on the purchase order signed by the BUYER. Payments shall be made by bank transfer at thirty (30) days end of month, from the issuance date of invoice. Any invoice shall refer to only one order and mention the purchase order number and the line number of each item.

8.2 Any late payment from the BUYER shall give rise to the payment of interest calculated on the BCE rate +10% in accordance with the applicable legislation plus a fixed compensation for recovery fees of 40 Euros. Interest for late payment shall be due from the day following the settlement date on the invoice, without necessity of a reminder.

9. Guarantee

9.1 The guarantee mainly consists in the adjustment and/or free replacement of goods or defectives parts. The guarantee is necessarily extended to workforce and travel fees, transport and packaging incurred for this occasion. The SELLER warrants that the goods were delivered in accordance with the order and are not subject to any industrial or artistic property claim (patents, trademarks, drawings and design...). The Guarantee is expressly excluded for defects attributable to the BUYER for improper use of goods, non compliance with the SELLER's instructions or for lack of maintenance

9.2 This Guarantee is granted for twelve (12) months from the acceptance of equipments, works or services.

9.3 The SELLER isn't liable for any hidden defects.

10. Intellectual Property

The SELLER shall remain the only owner of any information, drawings, design, and other technical information which may have been disclosed by the SELLER to the BUYER for the order or the offer, and generally of the know-how or intellectual property arising from the execution of the order or disclosed to the BUYER in all ways. These information shall be kept confidential by the BUYER until the SELLER decides otherwise. The BUYER commits to only use these information for the order process and to restate them on simple request.

11. Liability – Insurance

11.1 BUYER and SELLER are respectively liable in case of failure to fulfill their contractual obligations which isn't caused by a force majeure event, unjustified unilateral termination, cessation of activity or collective proceeding.

11.2 The SELLER commits to take all necessary insurance and to indemnify the BUYER during the execution of the order for any loss of, damage to third parties and death or corporal damages arising from the BUYER's act or omission or its subcontractors, servants or agents. At the BUYER's request, the SELLER shall have to justify a valid certificate of liability insurance.

11.3 The SELLER, upon request of the BUYER, shall be able to provide the BUYER with the social declarations certificate less than six (6) months old, according to the French decree n°2011-1601 from November 21st, 2011.

11.4 The SELLER's total liability shall not exceed 50% of the price of the purchase order.

12. Security

12.1 The BUYER at its own costs shall have to take any necessary administrative authorizations for the activity of its own personnel working on the SELLER's site. The personnel of the BUYER shall accept any identity checks and other verifications that can be performed by the SELLER's security agents, and the State's agents.

12.2 The BUYER's personnel working on site shall be equipped as the SELLER's personnel. The Personal Protective Equipment (PPE), the security helmet, glasses and shoes are mandatory. The BUYER's personnel shall also be subjected to internal regulations and to the respect of security and safety rules on site.

13. Confidentiality

The BUYER commits to provide the necessary documents for the service organization, to respect the given instructions and not to disclose any information to any third parties without the written authorization of the SELLER.

14. Suspension - Termination

14.1 In case of non-payment of due invoice or defect of the BUYER, the SELLER shall be entitled to

suspend the contract upon the sending of a registered letter. If the BUYER doesn't fully rectify the situation, the SELLER shall be entitled to terminate the contract eight (8) days after formal notice remained unsuccessful.

14.2 The BUYER shall suspend the order upon notification to the SELLER one (1) month before, provided that an indemnity shall be due and correspond to the contract price increased of the additional expenses directly incurred by this suspension and after deduction of any amount already paid.

14.3 In case of force majeure or facts arising from the BUYER's customers and compelling the BUYER to terminate the contract, the indemnity shall be equal to the amounts specifically committed by the SELLER for this order and after deduction of any amount already paid.

14.4 The SELLER reserves the right to terminate or automatically rescind the contract without legal formalities in case of serious or repeated contractual default by the BUYER, especially in case of serious late payment and/or repeated.

15. Force Majeure

Force Majeure means an event beyond the control of the affected party, which couldn't be reasonably foreseen at the time of conclusion of the order and for which the consequences can't be avoided by appropriate measures, thus preventing the affected party from performing its obligations. If the order is delayed due to Force Majeure, occurring during the contractual deadlines, the execution delay shall be modified as a consequence. The SELLER shall inform the BUYER in writing of the Force Majeure event upon knowledge and commits to take any reasonable measures to minimize the delay. The SELLER shall provide the BUYER with proofs of the event one (1) month from the occurrence of the force majeure event. If the Force Majeure continues over two (2) months, BUYER and SELLER shall be entitled to terminate the order according to the provisions of article 15.3.

16. Dispute Settlement

The present order shall be governed by French law. The Vienna Convention on international sales of goods signed in 1980 is expressly excluded. Any dispute which may not be amicably settled shall be submitted to the jurisdiction of Paris.

17. Miscellaneous

17.1 Should a stipulation in these terms and conditions be or become ineffective, the effectiveness of all other stipulations remain valid and applicable and the parties will make their best efforts to replace the ineffective stipulation by a valid one with the same economic impact.

17.2 No failure or delay by a party in exercising any right of action shall constitute a waiver.