

# GENERAL TERMS AND CONDITIONS OF PURCHASE FOR PRODUCTS AND SERVICES

The present general conditions are provided to the Client in order to enable it to place orders for Products and Technical Service to baron engineering.

Consequently, the sole fact that the buyer places an order shall constitute its full and complete adhesion, without reservation, to the present general conditions. baron engineering shall not be bound by any other document which it has provided, including any sales material or catalogues, which have only an illustrative value.

Any conditions provided by the buyer which conflict with these conditions shall not be invocable against baron engineering except with the express acceptance of the latter, regardless of when it has been brought to the knowledge of baron engineering.

baron engineering reserves the right to modify the present general conditions at any time.

## Definitions

baron engineering: baron engineering S.A.S. - a company having its registered office at 4 *impasse de la Gerbe 91370 Verrières-le-Buisson FRANCE*

Client: any legal entity or individual which orders a Product or a Technical Service from baron engineering.

Product: any product manufactured at the request of the Client, as well as any Product displayed in baron engineering's catalogues or baron engineering's offers or quotes.

Technical Service: any service, engineering work, or technical assistance provided directly or indirectly by baron engineering to the Client.

## 1. OFFERS

Any offer made by baron engineering is valid only for the period indicated in the offer or quote.

## 2. ORDERS FOR PRODUCTS AND TECHNICAL SERVICES

Acceptance of orders: baron engineering shall be bound by orders for Products and Technical Services only after it has definitely accepted such orders and confirmed such acceptance in writing. In the event that baron engineering either receives or requests a deposit as set forth in article "Down Payment" hereof, the receipt of such deposit shall not confer acceptance of the order. In any event, baron engineering shall be bound by orders taken by its representatives and employees only when such orders have been definitively confirmed in writing.

Modification or cancellation of the order: no modification or cancellation of the Client's order made after final acceptance by baron engineering of the order will be effective without the agreement of baron engineering as to the conditions of such modification or cancellation. In any case, the deposit already paid by the Client shall be retained by baron engineering and not be returned to the Client.

baron engineering reserves the right to modify Products at any time. baron engineering does not have the obligation to modify the Products previously delivered or those in the process of being manufactured or delivered; baron engineering also reserves the right to modify its Product models without providing prior notice.

Errors in the taking of orders: baron engineering reserves the right to correct, without incurring any liability, all errors which may be made in the taking of orders.

## 3. DELIVERY-SHIPMENT OF PRODUCTS AND TECHNICAL SERVICES

Address for shipping and for Technical Service: Products are shipped to the address provided by the Client. Technical Service are performed in baron engineering office or preferred location unless otherwise agreed between baron engineering and the Client.

Costs of delivery and of Technical Service: all delivery charges, including costs relating to transport, customs, insurance, packaging, handling and hand delivery, shall be borne by the Client. Travel and accommodation costs incurred in the provision of Technical Services shall also be borne by the Client.

Risks of transfer: all risks relating to the Products, particularly those of loss or of damage to the Products, shall be assumed by the Client as from the time of delivery from baron engineering's factory « Ex-works ».

Dates and periods: the dates and periods provided by baron engineering for the delivery of Products and the execution of Technical Services are purely indicative. baron engineering reserves the right to conduct both partial deliveries and Technical Services. Failure to comply with such dates or periods shall not give rise to damages, nor to the withdrawal or cancellation of orders in progress. All such periods will automatically be postponed in the event of modifications in orders for either Products or Technical Services.

Force majeure: baron engineering shall not be held responsible for any non-performance or delay in execution of orders due to causes independent of its will. Such causes include, but are not limited to, force majeure, (acts of the Client or acts of God), fires, strikes, flooding, epidemics, quarantines, wars, delays in transport or travel, shortages in manpower, raw materials, or means of production, or any other causes beyond the reasonable control of baron engineering. In case of delays due to any of these causes, the date of delivery or of Technical Service shall be postponed without the Client being freed of any of its obligations. baron engineering may not be held responsible for any damages suffered by the Client, whether losses of use or profit or other damages resulting directly or indirectly from delays in delivery.

Receipt of the order: the Client undertakes to take delivery as from the time that the Product is placed at its disposal and to assume all storage costs, as the case may be. Any delay in collecting the merchandise delivered shall result in payment of storage and handling costs, calculated according to the rates then in effect.



**Non conformity:** all complaints relating to apparent defects in the Product, to the non-conformity of the delivered Product, to the Product which was ordered or indicated on the bill of lading, or to the Technical Service, should be made in writing within eight days of the arrival of said Product or the execution of said Technical Service, unless otherwise explicitly stated in the offer sent by baron engineering. It is the responsibility of the Client to provide all proof of the reality of alleged defects or anomalies. The Client should provide baron engineering with all means by which to certify the existence of these defects and to repair them, and shall abstain from itself effecting such repair or having third parties intervene for this purpose.

**Returns:** any return of Products must be formally agreed between baron engineering and the Client. Any Product returned without such an agreement shall be held at the disposal of the Client, at its costs, and shall not result in the establishment of a credit. The costs and risks of returns shall be the responsibility of the Client. No Products will be accepted for return after a period of 60 days following the date of delivery.

Any Products returned with agreement of baron engineering will result in a credit for the benefit of the buyer, after qualitative and quantitative verification of the Products returned. In case any apparent defects or non-conformity of the Products delivered is duly certified by baron engineering in accordance with the conditions set forth in article "Non conformity" hereof, the Client may obtain, subject to the choice of baron engineering, either free replacement or reimbursement of said Products, to the exclusion of payment of any indemnity or damage.

In case of a failure to execute the Technical Service, duly certified by baron engineering in accordance with the conditions set forth in article "Non conformity" hereof, the Client may obtain, subject to the choice of baron engineering, either a new Technical Service without charge or reimbursement of the first Technical Service, to the exclusion of payment of any indemnity or damage.

**Best effort:** in case the offer or quote stipulates that the Technical Service includes some "research" or "R&D" or "study" or "evaluation" work, baron engineering cannot guarantee that the initial goals will be fully met, by nature of a research work or study. Only a best effort commitment will be ensured by baron engineering.

#### **4. PRICE AND PAYMENT**

**Price structure:** prices shall be agreed upon in accordance with the conditions stipulated in article 3 hereof, and shall be net excluding all present or future taxes or duties. Therefore, the price shall be increased by the amount of any present or future taxes or duties levied against baron engineering in the context of the sale and delivery of the products and the Technical Service.

Unless indicated to the contrary, the cost of installing the Products shall not be included in the price quoted by baron engineering, such installation being at the costs and risks of the Client.

**Prices in effect:** the products are provided at the prices in effect at the time that the order is placed, it being understood that such prices may be modified and corrected by any formula for revision stipulated on the offer or quote, as the case may be. The price for Technical Services is dealt with on a case by case basis.

**Methods of payment:** unless agreed otherwise, payment will be made by bank transfer. Payment for Products will be made at 30 days net. Payment for Technical Services shall be made upon receipt of the invoice. When the duration of a Technical Service exceeds one month, a partial invoice may be issued each month.

**Late payment and default:** any late payment shall result in, automatically and without a notice to pay being necessary, article 1153 of the French Civil Code notwithstanding, payment of interest for lateness calculated at least one and a half point of the legal interest rate. Such interest shall run from the date on which payment was due until the date of full payment. Further, baron engineering reserves the right to suspend or cancel all orders in the process of being made by the Client, and the sums due from other orders shall become immediately payable, if baron engineering chooses to cancel such orders. Moreover, in the event of a default in payment, the sale shall be automatically cancelled, if baron engineering deems this appropriate, forty-eight hours after a notice to pay is not heeded. baron engineering may also, through legal means, request the return of its Products without prejudice to its right to damages or other compensation. Such decision shall affect not only the order being processed, but any prior unpaid orders, whether they have been delivered or are in the process of being delivered.

The Client shall reimburse baron engineering for all costs incurred pursuant to the recovery of amounts owing to it by the Client, including legal fees.

**Guarantee for payment:** any deterioration in the Clients' credit may justify baron engineering's requiring guarantees or deposits before executing the orders received.

**Retention money:** any retention money, accepted by baron engineering with the placement of an order, shall be payable as from delivery of the Product or placement of it at the disposal of the Client. Such payment shall be made in exchange for presentation, by baron engineering to the Client, of a bank guarantee equal to the amount of the retention money and including a precise date of release. Such retention may not, under any circumstances, constitute a cash deduction.

#### **5. PATENTS AND INTELLECTUAL PROPERTY RIGHTS**

The sale of Products or Technical Services to Clients shall not result in the transfer of any industrial property right held by baron engineering.

baron engineering may, without liability on its part, interrupt the delivery of any Products if, in its opinion, use of the Product could constitute an imitation or an unauthorized usage of any patent, authors' rights, trademark or secret of manufacturing or trading.

If, in the opinion of baron engineering, use of the Product is or would constitute grounds for a lawsuit, particularly for infringement, the Client shall authorize baron engineering, at the choice and costs of baron engineering, to (a) arrange for the Client to obtain the right to use the Product previously provided, (b) replace said Product with an equivalent Product which does not result in an



infringement, (c) modify the Product in such a way that it ceases to constitute an infringement, yet remains equivalent, or (d) reimburse the purchase price of the Product (minus a reduction equal to depreciation from usage).

baron engineering makes no warranty regarding patents, authors' rights, trademarks or secrets of manufacture for Products made according to the specifications of the Client or used by the Client jointly with products not provided by baron engineering. In the event of a claim or proceeding regarding such Products, the Client undertakes to defend and indemnify baron engineering.

## **6. WARRANTY AND LIABILITY**

Warranty: baron engineering warrants that, as from delivery date and for a maximum duration of 12 months all products and software designed under a Technical Service are free from design or manufacturing defects, without prejudice of the legal latent defects warranty whenever applicable.

Within the frame of the above warranty, baron engineering shall repair or replace, free of charge, all or part of whatever product may prove to be defective in either design and/or manufacture, provided baron engineering receives, from the Client, a full description of said defects within 2 weeks of their emergence.

The Client authorizes baron engineering to proceed to all verifications before effecting or subcontracting either a repair or a possible replacement of the Product, whatever baron engineering choice may be.

All above operations can, at baron engineering discretion, be performed in the Client's premises or in premises especially chosen by baron engineering. Whatever the case, baron engineering is entitled to invoice the Client for all shipping costs incurred; in case products prove to be truly defective, baron engineering shall credit the Client of all shipping costs incurred.

A 90 days workmanship warranty will apply to all products either repaired or replaced by baron engineering, effective as from delivery date by baron engineering of said products to the Client.

However, baron engineering warranty is not applicable to products that have: suffered a more intensive use than provided for, been mishandled, not been used according to their purpose, been incorrectly installed by a third-party, suffered change(s), adaptation(s), modification(s), repair(s) other than effected or authorized by baron engineering.

The above is the sole product related warranty granted by baron engineering. The Client is not authorized to grant any tacit nor express warranty on behalf of baron engineering.

Liability: the client expressly waves any and all of his rights to any claim or suit against baron engineering, its brokers and/or insurers, subject to public policy exceptions.

When installation instructions are provided by baron engineering, the client agrees to install the baron engineering Product per these instructions. He acknowledges that the final acceptance test has been performed on the baron engineering product.

Having satisfactorily got the final acceptance test, he expressly waves any and all of his rights to any claim or suit against baron engineering, its brokers and/or insurers, including all incidental and consequential damages related to the system integration of the product, subject to public policy exceptions.

## **7. RESERVATION OF TITLE**

Notwithstanding the provisions of article "Risk of transfer" hereof, baron engineering shall retain full title of all Products until complete payment, even in the event of bankruptcy proceeding, such as judicial receivership or liquidation against the Client. baron engineering reserves the right to exercise of this clause relating to reservation of title, and the Client may not impose enforcement of such clause against baron engineering.

In the event the Client does not respect any of the payment dates or the present clause on the reservation of title, baron engineering may proceed as is set forth in article "Late payment and default" hereof.

The Client shall ensure that identification of the merchandise is always possible. Merchandise in stock is presumed to be unpaid. All changes in the Product, by integration with new material or by transformation without the addition of materials, shall be deemed to be made for baron engineering and baron engineering shall be the co-owner of the Product, up to the amount of its initial value.

The Client may in no event, without the prior approval of baron engineering, resell the Product before having fully paid the agreed price.

## **8. APPLICABLE LAW AND JURISDICTION**

Applicable law: all contracts, as well as any orders accepted by baron engineering, will be governed by French law regarding the formation, execution, interpretation and termination of said contracts and orders.

Jurisdiction: any disputes arising out of the relations between baron engineering and the Client shall be within the exclusive jurisdiction of the Commercial Court of Evry - France, regardless of the place of delivery of the Product or of the performance of the Technical Services, the method of payment accepted, and even in case of multiple defendants.

## **9. MISCELLANEOUS**

Assignment: the Client shall not assign any of its obligations, nor any of its rights with respect to the present general conditions, without the previous approval of baron engineering.

Inoperative provision: if any provision whatsoever shall be removed or declared invalid, the validity of the other provisions will not be affected.

Modification: no modification hereto shall be effected without a written agreement signed by both parties.

Waiver: the fact that baron engineering does not, at a given moment, exercises any of the provisions of the present general conditions, shall not be interpreted as a subsequent waiver of the exercise of any of the said conditions.

Special conditions: while it is possible for baron engineering to negotiate special conditions with the Client which are different from the present general conditions no such special conditions may, without the formal written acceptance of baron engineering, prevail over the present general conditions.

