

GENERAL TERMS AND CONDITIONS OF SALE

LTR INDUSTRIES

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PAPETERIES DE SAINT GIRON

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Article 1 - Scope

1.1 These general terms and conditions of sale (hereafter the "GTCS") apply to the products marketed by one or more of the companies listed above, (hereafter separately or collectively as the case may be, known as the "VENDOR") to its customers (hereafter known as the "PURCHASER").

1.2 These GTCS and the price or tariff conditions pertaining thereto are given to any PURCHASER before any order is placed.

Placing an order implies that the PURCHASER accepts the GTCS without reservation, which apply to product deliveries as of 1 January 2007.

1.3 Once accepted by the PURCHASER, the GTCS constitute the only contractual regulations governing trading relations between the parties.

1.4 Subject to the application of the current law, the VENDOR reserves the right to modify the general terms and conditions of sale at any time, giving two (2) months notice by recorded delivery. It is expressly agreed that, if the PURCHASER does not dispute all or some of the clauses in the new conditions within fifteen (15) days of their notification or their first presentation, the new clauses shall be fully binding on the PURCHASER.

1.5 The fact that the VENDOR may decide not to invoke any of the provisions in these GTCS shall not be construed as waiving the right to invoke them at a later date.

1.6 In the event that any of the GTCS clauses should become illegal in the eyes of the applicable law, the said clause shall be considered as not being effective between the parties, on the understanding that the other provisions in the GTCS shall continue to be fully valid and effective.

1.7 The PURCHASER is responsible for obtaining any authorisation that may be required to import and market the VENDOR's products in the country or countries for which the PURCHASER intends them, and for the payment of any fees, duties or taxes linked to the import and marketing of these products in the said country or countries subject to the content of the Incoterms agreed between the PURCHASER and the VENDOR.

Article 2 - Concluding the contract

2.1 The contract between the VENDOR and the PURCHASER shall be concluded only after the VENDOR has accepted the order in writing.

2.2 The VENDOR shall not take account of any request to modify the composition or volume of a product order placed by the PURCHASER unless the PURCHASER makes the request in writing (including by fax or email) and it reaches the VENDOR 2 days before the manufacture of the products starts. After this time, no changes to the order may be accepted by the VENDOR.

Article 3 - Delivery times-Acceptance of goods

3.1 Delivery times

3.1.1 The delivery times proposed by the VENDOR have contractual force and are mandatory. The VENDOR undertakes to make the products available and/or to deliver them to their destination in accordance with the conditions accepted in the order, subject to all the conditions issued having been fulfilled (letter of credit, export licence, etc.).

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3.1.2 The VENDOR must inform the PURCHASER of any delivery delays beyond the times initially agreed and a new delivery date must be agreed. Any delay beyond the initial estimated delivery times may not give rise to the cancellation of the order placed by the PURCHASER and registered by the VENDOR.

3.2 Acceptance

3.2.1 In the event of damage to the delivered products or of products missing from the order, it is the PURCHASER's responsibility to notify any reservations to the carrier at the time of delivery.

Acceptance without reservation of the products ordered by the PURCHASER covers all conspicuous defects and/or missing products.

3.2.2 Without prejudice to the measures the PURCHASER must take with respect to the carrier as described in clause 3.2.1, in the event of conspicuous defects to the products or missing products, the VENDOR will accept a complaint, of whatever kind, only if it is made in writing, and sent by recorded delivery or by email, within a maximum of 30 days from the date the products were delivered.

3.2.3 The PURCHASER is responsible for providing any evidence of the facts of the conspicuous defects or missing products.

3.2.4 The PURCHASER may not return any goods without prior written agreement (by fax or email) from the VENDOR. The VENDOR will pay the cost of returning the goods only if a conspicuous defect is effectively ascertained by the latter.

3.2.5 Any complaint made by the PURCHASER which is not accepted by the VENDOR according to the conditions and means described in this article, does not suspend the PURCHASER's responsibility to pay for the products concerned.

3.2.6 The VENDOR's liability may not be questioned for the destruction, damage, loss or theft of the products during transport, unless the Incoterm chosen by the parties for the order in question makes the VENDOR liable for the same.

Article 4 - Price conditions

4.1. Price of Products

4.1.1 Prices are fixed according to the tariff in force the day the order is placed. They always exclude tax.

4.2. Payment terms

4.2.1 The price shall be paid according to the terms defined by the VENDOR hereafter.

4.2.2 Invoices must be paid in full within thirty days of the date on the invoice.

Exceptionally, in the event of an order for a new account, or at the request of the VENDOR, delivery may not be made until the VENDOR has effectively been paid the invoice amount.

Only the effective receipt of the sums corresponding to payment of the invoice (in principal and, if necessary, incidental expenses) by the VENDOR is considered full payment in the terms of these GTCS.

4.2.3 Any sum not paid at the due date will incur payment by the customer of penalties equal to three times the legal interest rate and a fixed 40-euro compensation for collection charges.. These penalties and compensation are due automatically the day following the date on the invoice.

4.2.4 In the event that a due invoice is not paid in full, and after a notice to pay has remained without effect for 30 days, the VENDOR reserves the right to suspend any current and/or future deliveries until pending invoices have been paid in full.

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Article 5 - Price reductions

5.1 Price reductions

Product sale prices are firm. The VENDOR does not give any price reductions, discounts, rebates or refunds.

5.2 The VENDOR does not give any discounts for early payment of invoices by the PURCHASER.

Article 6 - Transfer of risks and ownership

6.1. Transfer of risks

The risks related to the products are transferred to the PURCHASER according to the Incoterm agreed by the parties on a case by case basis, in accordance with the provisions of Incoterms 2010 published by the International Chamber of Commerce. By default, the said risks are deemed to have been transferred from the VENDOR to the PURCHASER as they are made available to the PURCHASER in the VENDOR's premises.

6.2. Title clause

6.2.1 The VENDOR retains title of the products delivered to the PURCHASER until the price in principal and accessory has been paid in full. The PURCHASER undertakes to store the products in conditions ensuring that the delivered products do not deteriorate and to separate products delivered but not yet paid for. In the event of resale, the PURCHASER shall inform the subsequent purchaser who must undertake to comply with this provision.

6.2.2 Cheques, letters of credit, drafts or any other bills of exchange creating an obligation to pay do not constitute payment under the terms of the current GTCS until their effective receipt by the VENDOR. The PURCHASER's original debt remains, with all the guarantees attached thereto, including the title, until the said bill of exchange has been paid in full.

In the event of a seizure or any other intervention by a third party on the products, the PURCHASER must inform the VENDOR of the same immediately, to allow the VENDOR to object and preserve his rights.

Furthermore, the PURCHASER undertakes to refrain from giving the title of the products as a pledge, or transferring it as security, if the products have not been paid in full.

6.2.3 The VENDOR authorises the PURCHASER to resell the products subject to this title clause in the context of the normal running of his business. In this case, the PURCHASER undertakes formally to refrain from transferring the subsequent purchaser's debt, in any form whatsoever, to anyone except the VENDOR until the price has been paid in full.

In the event of resale, the PURCHASER undertakes to inform subsequent purchasers that the products are subject to a title clause and to notify the VENDOR of this transfer so that he can preserve his rights and, if necessary, take action over the resale price with respect to the subsequent purchaser.

The PURCHASER undertakes to facilitate any operation by the VENDOR to take evidence aimed at facilitating an action to establish title.

6.2.4 In the event of a claim, the products in the PURCHASER's possession are presumed to be unpaid. They will be claimed accordingly from the amount of the unpaid invoices.

Article 7 - Guarantee

7.1 The products must be checked by the PURCHASER at the time of delivery in accordance with the provisions in article 3.

The VENDOR must be notified of any complaint, reservation or dispute concerning a conspicuous defect or missing products according to the terms and deadlines fixed in article 3 above.

Any complaint about a conspicuous defect or missing products will not be considered if it is made after the aforementioned deadline.

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7.2 Excluding cases where common law rules otherwise, the VENDOR's liability shall be limited to replacing the products concerned, to the exclusion of any other compensation or damages. Defects or deterioration of delivered products resulting from abnormal storage and/or preservation conditions at the PURCHASER's premises will not incur any compensation from the VENDOR.

Article 8 - Force majeure

8.1 In the event of cases of force majeure, the parties' obligations shall be suspended throughout the duration of the event subject to compliance with the obligations below.

The parties agree that by force majeure is meant any unforeseeable and compelling event preventing one of the parties from carrying out its agreed obligations to comply with these general terms and conditions of sale.

The following are considered as cases of force majeure, although the list is not exhaustive: natural disasters, fires, explosions, strikes, riots, war or attacks and the mandatory provisions of national or international public authorities.

8.2 The party who is a victim of a case of force majeure shall notify the other party in writing, especially by fax or electronic mail, within twenty-four (24) hours of the date when the events occur. These general terms and conditions of sale are then automatically suspended without compensation starting from the date the case of force majeure occurred. Similarly, the party who is a victim must inform the other party within twenty-four (24) hours of the end of the case of force majeure.

Article 9 - Confidentiality

9.1 The PURCHASER undertakes not to divulge, directly or indirectly, to a third party any information whatsoever concerning the trading relations he has with the VENDOR and especially any information concerning the composition of the VENDOR's products (hereafter known collectively as the "Confidential Information").

9.2 More particularly, without the list being considered exhaustive, the PURCHASER

- a) declares and guarantees that he will not divulge, without prior written agreement from the VENDOR, to any person whatsoever, the Confidential Information sent to him.
- b) shall prevent the inadvertent or unauthorised revelation, publication or dissemination of the said Confidential Information, except when obliged by law or as a result of a judicial ruling to divulge it, and
- c) when asked by the VENDOR, shall take the appropriate measures, through the written agreement of his employees, to ensure the protection and security of the confidentiality of the Confidential Information sent to him by the VENDOR.

9.3 The PURCHASER shall compensate the VENDOR for all financial consequences resulting from the violation of these obligations by him or his representatives, contractors or sub-contractors.

Article 10 - Assignment of jurisdiction

10.1. Any dispute concerning the application of these general terms and conditions of sale and their interpretation and execution, and of the sales contracts or orders concluded by the VENDOR, or the payment of the price, shall be brought before the courts in Quimper (29 – FRANCE), wherever the order, delivery and payment are made, and whatever the payment means, and even in the case of a third party defendant or where there are multiple defendants.

10.2. The jurisdiction is general and applies whether it is a main claim, incidental claim or urgent proceedings.

Article 11 - Applicable law

Any questions concerning the General Terms and Conditions of Sale and the sales they govern not covered by these contractual provisions shall be governed by material French law, to the exclusion of the Vienna Convention of 11 April 1980 on the international sale of goods.

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