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GENERAL TERMS AND CONDITIONS OF SALE

Article 1–Purpose and scope

These general terms and conditions have been established by ERI S.A.S. within the framework of its activity of design, manufacture, assembly, maintenance of industrial machines and apply automatically to all its sales and services, in respect of any professional Client, unless otherwise agreed beforehand and in writing by the Seller.
They define the rights and obligations of the Seller and its Client with regard to the supply of parts or products and industrial services that the Seller may have to carry out for the Client.
Any order implies the unreserved acceptance of the Customer and its adherence to these terms and conditions which prevail over any other possible stipulations, in particular any purchase or order conditions, unless otherwise agreed beforehand in writing by the Seller.
The Customer expressly acknowledges that these general terms and conditions have been communicated to him in accordance with Article L. 441-6 of the Commercial Code.

Article 2 – Intellectual property

These do not confer on the Client any ownership right of any kind whatsoever, direct or indirect, in the know-how, trade names and commercial names, trademarks, logos and other intellectual property rights related to the Company and/or its products and/or services. Any misappropriation or use outside the user permissions granted to the client may be prosecuted under the provisions of the CPI (book VII) of common law on contractual liability and/or in unfair or parasitic competition against its authors. The protected elements may not be the subject of any advertising or communication of any kind whatsoever, without prior written consent from ERI. The customer shall refrain from committing or allowing any act or omission that may challenge or compromise the aforementioned property or intellectual property rights or that may lead to a violation of the property or intellectual property rights of a third party.
All plans, studies, quotes, descriptions, technical documents, projects and others submitted to the Client are communicated to them as part of a loan for use whose purpose is the evaluation and discussion of ERI's commercial offer. They may not be copied, reproduced or communicated to third parties for any purpose or under any conditions whatsoever, except with authorization. The studies, tooling, plates and moulds remain the property of ERI in all cases, regardless of the Client's participation in the production costs; however, when they are used to manufacture goods whose model is the exclusive property of the Client, the latter has exclusive use of it in ERI's workshops, but may not require its transfer outside the premises without prior and express agreement. In addition, ERI studies, significantly modifying the specifications or the design of the parts for economic reasons or due to manufacturing techniques and resulting in an improvement in the product's use value, remain its exclusive property and may not be communicated, executed or reproduced without its written authorization. Any transfer of intellectual property or know-how shall be subject to a written contract.
The Client undertakes not to communicate to any unauthorized natural or legal person, directly or indirectly, all or part of the commercial, technical, financial, administrative, personal, etc. which have been communicated to him by ERI or of which he may have become aware during the execution of the contract and/or its negotiations and/or test phases. Any disclosure detrimental to ERI's interests would incur the liability of the Client, who assumes the respect by its duly authorized employees, agents or subcontractors for the foregoing confidentiality agreement.

Article 3 – Collaboration of the Parties

The creation of special equipment, made to meet the specific needs of the Client, a professional competent in his specialty and sole master of the purpose of the equipment to be carried out, is a delicate task that can be completed only through close collaboration between the Parties. This collaboration is based on the definition by the Client of its needs and the desired purpose, and their communication to the manufacturer. The Customer has the obligation to provide ERI with all complete, accurate and reliable information and data, not only regarding its needs, operating conditions and environment but also regarding the particularities of the products and processes that it will have to deal with the equipment. The satisfaction of his needs will largely depend on the information provided by him. ERII may not, therefore, be held liable for any omission or error contained in the information provided by the Client. This collaboration also applies to the design, construction and development phases of the equipment.
For its part, ERI will inform the Client, even before its commitment, of its technical knowledge of the constraints of construction and the possible effects that it may know related to the use of the equipment. Furthermore, any modification of the operating conditions that may be necessary following the introduction of the equipment on the premises must be borne by the Customer.

Article 4 – Quotes, pre-studies and studies

The study, the intellectual part of the order, represents a considerable share of the investment. The Parties may agree that the study shall include a preliminary or feasibility study leading to the costing of the investment, to know the principles, the method of construction, and the number and type of parts needed. The study itself is the intellectual implementation of the specifications, integrating, if necessary, the results of the pre-study.
If a study carried out is not followed by a service order, the costs incurred will be charged to the Client and the documents returned.

Article 5 – Specifications

The Client, a professional competent in his specialty and sole master of the purpose of the project to be carried out, is solely responsible for drawing up a call for tenders, an order, and precise technical specifications, adapted and informed (notably the plan, equipment, and technical specifications) defining the characteristics of the service to be provided. These documents, accompanied by IT support, clearly and accurately define its needs and the expected uses of the equipment, and direct ERI on the resources it must implement to meet them, so that ERI cannot be held liable for any omission or error contained in these specifications.

Article 6 – Confidentiality

The parties reciprocally undertake a general obligation of confidentiality covering all confidential oral or written information, whatever it may be and in any medium whatsoever (discussion reports, plans, electronic data interchange, activities, facilities, projects, know-how, products, etc.) exchanged in the context of preparing and executing the contract, with the exception of information already in the public domain or becoming so otherwise than by the act or fault of the Client.

The Parties undertake to take all necessary measures to ensure compliance with this obligation of confidentiality, throughout the duration of the contract and even after its expiry, and undertake, as an obligation of result, to ensure compliance with this obligation by all their employees and servants, whether permanent or casual.

The Customer guarantees that at the time of placing the order, the content of the plans and specifications and their implementation conditions do not use intellectual property rights or know-how held by a third party, nor contravene any legal or contractual obligation. The Client guarantees ERI against all direct or indirect consequences of any liability action resulting in particular from an action for infringement or unfair competition.

Article 7 – Content and formation of the contract

Only have the quality of contractual documents:

- these T&Cs in force
- the specific conditions expressly accepted by both Parties, in particular the specifications (necessary specifications, material, treatments already carried out on this material, standard parts provided as a test, etc.)
- the Client's documents supplementing these T&Cs
- the studies, quotes, and technical documents communicated before the formation of the main Contract and accepted by the Parties.
- the delivery note
- The invoice

Article 8 – Order

To be valid, any commercial agreement must be subject to a written agreement by the authorized persons or departments of ERI. Any order issued exclusively by the Customer's authorized personnel will be taken into account upon receipt of the voucher letter for approval accompanying the Acknowledgment of Receipt of Order/ARC issued by ERI. The Client's signature must be affixed to the ARC preceded by the current date as well as the mention "bon pour accord." The delivery period starts from the date on which ERI receives the items mentioned above.

Any cancellation of an order before delivery will result in the invoicing of all costs incurred (specific equipment, study fees, labor and supply expenses, tooling) and all direct or indirect consequences, material and immaterial, resulting therefrom. Any deposit paid will remain acquired by ERI.

The order is limited to the only items defined in the order accepted in writing by ERI; for additional supplies, services or services, the prices and new deadlines are specially discussed between the Parties. In no case may they prejudice those of the main control.

Once the order has been accepted by ERI, the contract may not be cancelled or modified for any reason whatsoever, unless expressly agreed to by ERI. In this case, ERI shall be entitled to claim compensation for any costs incurred (specific equipment, study costs, labor and supply expenses, tooling) and for all direct and indirect consequences resulting therefrom. Furthermore, in the event of acceptance of contract termination, the deposit already paid will remain vested in ERI.

Article 9 – Technical acceptance, tests, complaints

The Client assumes full responsibility for the design of parts and tools according to the industrial result that he is seeking and which he alone knows with precision. It therefore decides on the technical specifications, which set out the specifications for all aspects of the parts and tools to be manufactured and the services to be provided, as well as the nature and methods of inspection and testing required upon receipt. These special inspections and tests are the responsibility of the Ordering Party. ERI is required to comply with the specifications of the plan and the specifications as well as the application of the rules of art and practice relating to the profession.

In the absence of specific specifications on inspections of parts and tooling in delivery condition, ERI carries out a visual and dimensional inspection.

The Ordering Party is required to carry out the legal acceptance of the products, by which it acknowledges compliance with the contract. Receipt is recognition of the absence of apparent defects.

Equipment (mechanical parts in steel, aluminum, stainless steel, copper, plastics, etc.) made on lathes and machining centers, notably with digital control, boiler work, components for industrial equipment, mechanically welded components, mechanical sub-assemblies, etc.) may be

tested in ERI's workshops before being made available according to the usual reception standards, in the presence of the Client if requested and subject to acceptance.

The Client will check the parts upon delivery and, in any case, within a period not exceeding 15 days.

In the event of a dispute regarding a defect, the Customer must alert ERI as soon as possible so that it can take the necessary corrective action. Any intervention by the Customer on the delivered parts may only take place with the express agreement of ERI.

In the event that the Parties agree to implement a security hold to guarantee the performance of the services and satisfy, if applicable, the reservations made upon receipt, this must strictly comply with the provisions of Public Order Law No. 71-584 of July 16, 1971.

If modifications, alterations or repairs are necessary, new tests will be carried out after completion, followed by a new report indicating receipt until the complete removal of any reservations.

Article 10 – Delivery – Transport – Insurance - Customs

Unless otherwise indicated, regardless of the destination of the equipment and the terms of sale, delivery is deemed to have been made to the ERI premises mentioned in the order acknowledgment. The Customer is informed in writing of the delivery date. Delivery and the transfer of risk are carried out either by direct delivery to the Customer, or by notice of availability, or by delivery on site to the carrier designated by the Customer. If the equipment is not picked up by the Customer, ERI may, at the Customer's sole expense and risk, arrange for the transport, storage and insurance of the equipment, duly identified by any means whatsoever on its premises or in any other place, the Client remaining fully liable for all of its obligations, in particular payment, ERI declining any subsequent liability in this regard.

All packaging, transport, insurance, customs, granting, handling operations carried out are the responsibility, risks and dangers of the Client, who must under his responsibility check the shipment upon arrival, and exercise, if necessary, all remedies against the carriers, Freight forwarders, commission agents, etc.

In the event of a delivery that does not comply with the specifications of the order, ERI's liability is strictly limited to the obligation to replace the non-compliant goods, to the exclusion of any damages.

ERI declines all responsibility for the consequences of using products with an apparent defect or error in the execution of the order for the Customer; any anomaly must be reported within the required timeframe.

From the transfer of risks, the Client shall assume responsibility for insuring the equipment against all risks, particularly those related to transport, until full payment is made to ERI. The interests and rights of ERI in this regard will be clearly indicated on the relevant business policy

Unless otherwise stipulated and costed, the installations and assemblies are carried out by the Client under its sole responsibility, and in accordance with the regulations and notices provided to the Client, if applicable. ERI is not responsible for any easements or specifications of any kind that have not been reported to it by the Client.

Article 11 – Delivery times

Unless otherwise expressly agreed, the delivery or execution times indicated on quotes, offers and acknowledgments of receipt of orders are deemed to be indicative. They shall be deferred for any reason that has made it impossible for ERI to fulfil its obligations, particularly in cases of force majeure.
Delivery times start on the later of the following dates:

- date of final acceptance of the Ordering Party's order,
- date of payment of any agreed deposit,
- date of receipt of all materials, equipment, tooling, specifications owed by the Client for the proper execution of the contract,
- the date of execution of prior contractual or legal obligations.

A request to postpone the delivery date of a firm order beyond the scheduled delivery period may be considered by ERI as an order cancellation. These deadlines will be automatically extended in the event of additional work requested by the Client, or, if applicable, in the event of the Customer's delay in making available to ERI the premises necessary for the assembly or the provision of any technical information required for the execution of the order. Delays in delivery caused by ERI may under no circumstances justify the termination of the order or give rise to any penalty or compensation whatsoever, unless expressly stipulated otherwise. Late payment penalties are exceptional and subject to special prior agreements. In the event that penalties and compensation have been agreed upon, they shall have a lump-sum indemnity value, which shall be in full discharge of liability and shall be exclusive of any other sanction or compensation. In no case may they exceed 5% of the value of the equipment not yet delivered.

Delivery is intended for goods available in the ERI workshops, invoiced and not returnable packaging, unless otherwise agreed.

The risks are transferred accordingly to the Ordering Party upon delivery without prejudice to ERI's right to invoke the benefit of the retention of title clause or use its right of retention.

Delivery is made by handing over the equipment directly, either to the Client or to their designated carrier, if no one has been chosen by ERI. If this is impossible or in the absence of instructions on the destination, it is considered to have been carried out simply by a notice of availability, with the parts then being invoiced and stored at the expense, risk, and peril of the Ordering Party.

It is the responsibility of the Customer to check upon arrival: the condition, quantity, and conformity of the equipment with the dispatch note, and to immediately inform ERI of any possible disputes.

Article 12 – Guarantee

The duration and scope of the warranty will be stated on the order acknowledgment. It is strictly personal to the Client and cannot be assigned, unless expressly agreed otherwise.

The warranty period begins on the day the equipment is put into operation at the Customer's premises, provided that this takes place no later than 15 days after the date on which ERI makes it available.

Replacement or redone parts are guaranteed under the same conditions as the original equipment. The other documents see the initial warranty period only extended by a possible justified detention period.

The warranty does not apply in the case of defects arising from materials supplied by the Customer, a design imposed by the Customer, modifications made without ERI's written consent or where the Customer has replaced parts with those having another origin.

Commercial supplies are covered by the guarantee of the supplier concerned, which ERI does not replace.

The Client undertakes to comply with all national laws and regulations, all professional practices and any provision whatsoever related to its activity, the compliance and safety of persons and materials or the Contract, any Community directives harmonising national technical rules and to inform ERI of any information affecting the order.
The warranty is excluded for replacements and repairs that result from normal wear and tear of appliances and machines, damage or accidents resulting from negligence, faulty monitoring or maintenance, defective use, improper installation, modification carried out without prior written agreement from ERI. The guarantor also does not apply to repairs of damage or accidents occurring during transport or the occurrence of incidents due to unforeseen circumstances or force majeure, or attributable to natural causes.

Any non-compliant installation will release ERI from any warranty, until the Client improves its installation or trains its dedicated staff.

ERI's liability is strictly limited to the obligation to replace, free of charge, parts recognised as defective by it (or reimbursement for any loss suffered by the Client), without compensation for any reason whatsoever.

Article 13 – Modification of the situation of the Ordering Party

In the event of a deterioration in the situation of the Principal assignee, as evidenced by financial information and a delay in payment, or when the financial situation differs significantly from the data made available, delivery will only take place in return for immediate payment.

In the event of a sale, transfer, pledging or contribution to a company of its business assets, or of a significant part of its assets or equipment by the Client, as also in the case ofnon-compliance with payment deadlines or in the event that the draft has not been returned with acceptance within the deadline, ERI reserves the right and without notice:

- to declare the forfeiture of the term and consequently the liability for any sums due.
- to suspend any delivery or service
- to note, on the one hand, the resolution of all current contracts and, on the other hand, to practice the retention of deposits received, tooling and parts held, until the eventual compensation is set.

The Client undertakes to inform ERI without delay of its cessation of payments, early dissolution, cessation of activity or opening of safeguard proceedings, reorganization or judicial liquidation.

Article 14 – Price, deadlines and payment method

The prices are set in euros, excluding taxes, excluding customs duties, and "ex works" unless otherwise specified in the contract.

The prices correspond exclusively to the services specified in the order expressly accepted by ERI, excluding any incidental costs such as: shipping, delivery fees, packaging, special controls, compliance certificates, specific insurance, all fees and taxes, etc.). In no case does the provision of services correspond to a fixed-price contract.

In the absence of a specific stipulation, offers and quotes remain valid for one month. Beyond this period, the price stipulated in the quote may be revised according to the new economic conditions.

Unless otherwise agreed, payments shall be made by transfer.

Deposits are paid in cash and will be invoiced according to the legal provisions in force.

The invoice mentions the date on which payment is due. The Client may not defer the contractual payment deadline if the receipt or dispatch of supplies made available to it at the factory is delayed or cannot be carried out for any other reason beyond ERI's control.
The period agreed between the Parties to pay the amounts due may not exceed 45 days at the end of the month or 60 days from the date of issue of the invoice (Art. L 441-6 C. Commercial);
Are liable to a civil fine of up to 2 million euros:

- the fact of subjecting a partner to settlement conditions that do not comply with the legal ceiling set at 60 days end of month from the date of issue of the invoice,
- the fact of asking the supplier, without any objective reason, to postpone the date of issue of the invoice.

The contractually agreed payment dates may not be unilaterally challenged by the Client on any pretext whatsoever, including in the event of a dispute or late inspection of documents.

Advance payments are made without discount unless otherwise agreed. For payments by check, money orders, or transfers, the right to a discount is assessed according to the date of the postmark or transfer order.

Any failure or delay in payment of an invoice issued by ERI will automatically result without the need for a prior formal notice:

- the forfeiture of the contractual term and the immediate enforceability of all other invoices not yet due
- the right by ERI to suspend, cancel, or refuse any order from the defaulting Customer, without delay or compensation
- the obligation for the Client to pay ERI in addition to the principal:
  - ✓ a late payment interest calculated by applying, from the date of unmet due date, on all amounts due and falling due, a late payment interest equal to the most recent refinancing rate of the European Central Bank increased by 10 points (Art L 441-6 al 12 C. commerce)
  - ✓ a flat-rate compensation of €40 for recovery costs in the event of late payment in commercial transactions (art L 441-6 and D441-5 Commercial Code as drafted by Decree No. 2012-1115 of 2/10/2012 applicable from January 1, 2013),
  - ✓ by way of criminal proceedings, a lump sum equal to 10% of the total amount due and/or made payable as a result of the forfeiture of the term.
  - ✓ any judicial and/or extra-judicial costs incurred,
  - ✓ All without prejudice to any compensation of any kind that may be payable to it, nor to the exercise of the retention of title clause.

Any complaint from the Client relating to ERI's invoices will only be examined within 2 months from the date of issue of the relevant invoice. After this period, any claim will be inadmissible against ERI.

If the Client fails to pay the full price by the due date, the creditor will send the debtor a formal notice by registered letter with acknowledgment of receipt. If the debtor fails to fulfill his obligation within one month from sending the formal notice, the contract will be automatically terminated; the Seller may then request the return of the products. In this case, this return will be made at the expense and risk of the defaulting Customer.

If the resolution is granted, the Seller may also claim, as a penalty clause and without further notice of default, compensation equal to 15% of the order amount, without prejudice to any other damages.

Article 15 – Liability

Although ERI devotes its best care to the manufacture of its equipment and to improving the performance of production lines in terms of quality and productivity, its obligations under these GTCS are obligations of means. Its liability is strictly limited to compliance with the specifications of the Ordering Party stipulated in the specifications. Indeed, as a Client, the Client is able, due to his professional competence in his specialty and according to the industrial production means at his disposal, to define the work precisely according to its own industrial data or those of its Clients. ERI will have to carry out professional rules of the art. The responsibility of ERI is excluded:

• for defects originating from materials or parts supplied by the Ordering Party
• for defects arising from a design carried out by the Client, technical choices or imposed subcontractors
• for defects resulting in whole or in part from normal wear and tear of the products supplied, damage or accidents attributable to the Ordering Party or a third party.
• in the event of abnormal or atypical use or use that does not comply with the intended purpose of the product, the rules of the art, or the recommendations or recommendations of ERI.
• in the event of intervention by the Customer or a third party on the product delivered without ERI's express consent.

In the event of ERI's pecuniary liability being recognised by an enforceable court decision, it shall be strictly limited to direct material damage caused by the Ordering Party resulting from faults attributable to ERI in the performance of the contract.

Under no circumstances will ERI be required to compensate for intangible or indirect damages such as: loss of business, profit, opportunity, commercial harm, loss of earnings.

In the event that penalties or compensation have been agreed upon by mutual agreement, they shall constitute lump-sum compensation, shall be considered as final and shall be exclusive of any other sanction or compensation.

ERI's civil liability for all causes, with the exception of personal injury and gross negligence, is limited to an amount not exceeding the invoiced and collected value of the defective supply. The Client guarantees that its insurers or third parties in a contractual relationship with it will waive their right to claim against ERI or its insurers beyond the limits and exclusions set out above.

The services provided comply with the applicable European technical regulations and the technical standards for which ERI has explicitly declared compliance. The Client undertakes to verify the conformity of the products, objects of services, with the safety and environmental legislation in force at the place of use.

ERI cannot be held liable for any special, accidental, indirect, material or immaterial damage, including but not limited to commercial losses, loss of profits, deprivation of use or price and acquisition costs of replacement products or services, and losses resulting from third-party claims. The Client is liable for any damage of any kind, whether material or immaterial, suffered by ERI as a result of the Client's or any person's failure to comply with its obligations.

Article 16 – Force majeure

In the event of an event outside the control of the Parties that compromises the balance of the contract to the point of making it detrimental for one of the Parties to perform its obligations, the Parties agree to negotiate in good faith the modification of the contract.

The following are considered as force majeure events, in addition to the cases usually retained by French case law: variations in the price of raw materials or energy, changes in customs duties or exchange rates, changes in legislation, natural cataclysm, severe climatic events, flooding, water damage, fire, armed conflict, war, attack, labor dispute, total or partial strikes, internal or external (at suppliers, service providers, carriers, posts, utilities, telecommunications, postal network, etc.), epidemics, blockage of means of transport, accidental stoppage of production, operational accidents, breakdown of machines, explosion, legal or administrative restrictions, internal or external technical or IT failure, mandatory injunction of the public authorities (embargo, import ban, etc.), act of the client and any other case beyond the control of ERI preventing the performance of the contract.

ERI will inform the Client of the force majeure event and its duration and foreseeable effects. The execution period will be extended by a period equal to all periods during which the event has continued. If the event continues or if its effects have not been overcome more than 2 months after its occurrence, the Parties shall meet to consider what action should be taken.

Article 17 – Applicable Law

By express agreement between the parties, this contract is subject to French law.

Article 18 – Jurisdiction clause

In the absence of an amicable agreement, any dispute relating to the application of these conditions of sale, their validity, interpretation, execution and more generally any dispute relating to the sale, subject of the contract, will be brought before the commercial court of Romans-sur-Isère (26100).