

GENERAL TERMS AND CONDITIONS OF SALE

PREAMBLE

a) GENERAL POINTS - ENFORCEABILITY

These Terms and Conditions of Sale govern all items offered for sale by MECA-INOX. Any derogation therefore is only possible with the written agreement and express acceptance of MECA-INOX as part of a determined sale. The act of placing an order automatically implies the buyer's unreserved acceptance of these terms and the total exclusion of any of its general terms and conditions of purchase, whenever these may be enforced against us. These terms form an integral part of the agreement. The nullity of one provision shall not invalidate the overall agreement.

b) FORMATION OF AGREEMENT

The agreement is only deemed complete following written acceptance (advice of receipt) of the order on the part of MECA-INOX. This latter is only bound by the commitments entered into by its employees or representatives following written confirmation. Likewise, any verbal or telephone order shall be confirmed in writing. If a discrepancy should arise concerning the order and its acceptance, it is said acceptance which shall be deemed valid. The buyer, in such circumstances, shall have 15 calendar days in which to notify its refusal in writing.

c) CONTENT OF AGREEMENT

The agreement shall be strictly limited to the supplies and provision of services expressly mentioned therein as regards the specifications, including the destination of the equipment, supplied by the buyer. Save any special provisions in the agreement and should our Company be responsible for the design of the equipment ordered, its manufacture shall be compliant with the provisions of the compulsory standards in force in France at the time of the order. All details, photos, weights, prices and drawings contained in the catalogues, brochures and price lists are given purely for information purposes, MECA-INOX reserves the right to make any modifications thereto. MECA-INOX also reserves the right to outsource all or part of the studies, supplies and provision of services forming the subject matter of the agreement, and to replace said supplies and provision of services forming the subject matter of the agreement with supplies and provision of services of an equivalent or greater value, providing there is no resultant price increase, or deterioration in quality for the buyer.

d) ADDENDUM TO AGREEMENT

Any additional service or supply not expressly provided in the basic agreement shall require separate agreement in the form of a written addendum, which shall be accepted and signed by both parties. Said addendum shall be governed by the General Terms and Conditions of Sale as in the case of the modified agreement.

e) CANCELLATION OF AGREEMENT

No orders once accepted shall be cancelled without the prior written agreement of MECA-INOX. The costs resulting from such cancellations shall be borne and settled by the buyer. MECA-INOX is not under obligation to take back any returns of new equipment. In the event where it does accept such goods back into stock, entirely at its discretion, and only within three months from the date of invoice, a refund shall be issued at the invoice price less 30%, plus stock restitution costs. The equipment shall be returned carriage paid and in its original packing, at the exclusive risks of the buyer.

I) OWNERSHIP OF STUDIES, PLANS AND DOCUMENTS

MECA-INOX retains full and total intellectual property rights over these studies, plans and documents. They can neither be used, copied, reproduced, transmitted, communicated or assigned to third parties; in these respects they must be restored at simple request, including if the buyer has been asked to contribute to the cost of studies. If any studies conducted at the buyer's request, or if any documents supplied to buyer, are not followed up with an order, any study and/or travel costs that this may have incurred shall be invoiced to said buyer. Any failure to comply with these rules shall result in legal proceedings.

II) PRICES

Our prices, which are established at time of order acceptance, are quoted exclusive of taxes, customs charges, transport, insurance costs, without packaging and ex-works. MECA-INOX reserves the right to revise its prices in accordance with the review formula appended to its estimate and forming an integral part of the agreement.

III) TERMS OF PAYMENT

a) TAXES:

The taxes in force at the time of billing are invoiced and payable in their totality at the time of delivery. In order to benefit from the scheme applicable to tax exempt sales at the time of billing, the buyer, when placing an order, shall supply the supporting export documents in force. Any late dispatch of said documents shall not constitute a bar to payment of invoices at their contractual due date, including that of any taxes contained therein. Any refunds of exempt taxes and accounting regulation shall only be conducted after receipt of these documents.

b) TERMS AND CONDITIONS GOVERNING PAYMENT:

In accordance with the law on the modernisation of the Economy (LME) No.2008-776 of 4 August 2008 (article L441-6 of the Commercial code) the timeframe agreed between the parties for the payment of sums due shall not exceed forty-five days at end of month or sixty days from date of invoice issuance.

In accordance with the law on the modernisation of the Economy (LME) No.2008-776 of 4 August 2008 (article L441-6 of the Commercial code) the following facts are punishable by a civil fine of anything up to two million Euros:

- The fact of subjecting a partner to payment terms not in compliance with the legal limit,
- The act of asking the supplier, with no objective reason, to defer the date of invoice issuance.

Within the meaning of these general terms and conditions, the payment timeframe is established, unless otherwise agreed, at 45 days end of month as from date of invoice issuance. Derogation therefrom is possible by means of special provisions stipulating a shorter timeframe. The application of the law shall not affect any shorter payment timeframes previously agreed upon. It is furthermore recalled that a deposit is by definition made in cash, without payment conditions. In case of staggered payments, orders are payable 1/3 at time of order, 1/3 during course of manufacture, with the balance being proportional to the dispatches made from our warehouses.

Any deposit at time of order shall be applied against the price thereof and does not constitute a down-payment whose abandonment might allow the parties to release themselves from the agreement. All claims regarding an invoice shall be made within ten days following receipt. Our Company reserves the right to terminate the agreement by registered letter with advice of receipt, if full payment does not arrive within eight days following date of dispatch of a formal notice sent by registered post. It shall, furthermore, obtain reparation for the totality of the losses suffered. In the event of late payment, the buyer shall incur, on grounds of the criminal clause, payment of a penalty equal to 3 times the legal interest rate on the part of the outstanding payment.

The following shall be deemed late payment:

- any cheque not received within 1 day of the due date.
- a bill of exchange not returned within 15 days from date of invoice.
- a transfer not made to the seller by the value date.

IV) TIMEFRAMES

The availability timeframes given for the equipment are stated for information purposes only. They commence once the following conditions are fulfilled:

- 1° Receipt of all the information needed for the performance of the agreement,
- 2° Receipt of deposit due at time of order,

These timeframes do not take account of annual holidays and possible delays in buyer's receipt of products. If no timeframe has been established, equipment shall be delivered in accordance with production capabilities. Late deliveries may not bring about the cancellation of the agreement, either in part or in whole. Nevertheless, if the parties have agreed in advance in writing upon a derogation to these terms and conditions, the seller shall incur a penalty equal to 0.5% of the amount of the undelivered goods, per week of late delivery as of the third week. Said

penalty shall not exceed 5% excluding taxes of the amount of the undelivered goods. Our Company shall automatically be released from any obligations relating to delivery timeframes in the event of buyer's failure to satisfy the terms of payment and in the event of any circumstances beyond our Company's control, whether or not it may be termed a case of force majeure or exceptional circumstance, preventing it from performing its undertakings under the normal conditions.

VI) TECHNICAL ACCEPTANCE, TESTS, INSPECTIONS, CERTIFICATES

All acceptance, inspection, and test operations requested by the buyer are for its account.

These additional operations shall be carried out at the plant or on premises chosen by MECA-INOX. If the buyer, having been notified of the date of these operations, fails to appear, an affidavit shall be sent to that buyer and acceptance shall be deemed to have taken place. If the buyer considers that acceptance is not satisfactory, it shall notify MECA-INOX within 4 calendar days of receipt by registered letter. Any compilation of certificates other than the standard ones supplied by MECA-INOX shall be for the buyer's account.

VI) PACKAGING, DELIVERY, TRANSPORT, INSURANCE, CUSTOMS

The delivery terms agreed upon are construed in accordance with the INCOTERMS in force at the date of concluding the agreement. If no special delivery provision has been agreed upon, delivery shall be ex-works (ExW). In the absence of any special request issued by the buyer, the need for packaging shall be left to the discretion of MECA-INOX. Packaging is always due from the buyer and is not taken back by MECA-INOX. If the buyer itself designates the packaging, or the company required to perform it, MECA-INOX shall not be held responsible for any damage due to defective or inappropriate packaging. Excepting contrary provisions, all sales are deemed to include "provision of equipment". MECA-INOX reserves the right to fragment its deliveries. The transfer of risks pertaining to the goods sold takes place at this point. All handling, transport, customs and insurance operations are for the buyer's account. If MECA-INOX were to take charge of transport operations, then it is at the express request of the buyer. MECA-INOX would then be acting in the name and on behalf of the buyer. These services would be billed separately. In all cases, MECA-INOX is not a party to the transport agreement. Even if it may be led to participate in handling operations in order to facilitate the buyer's or carrier's task, it shall not be considered responsible for any damage to goods resulting from their transport. If the buyer does not take delivery of the equipment at the date resulting from this agreement, it is nonetheless under obligation to comply with the due dates normally provided for the payment of deliveries.

VII) COMMISSIONING, ASSEMBLY, SET-UP

Unless otherwise stipulated, set-up is performed by the buyer and under its sole responsibility. If it were to be conducted by MECA-INOX, the buyer would be under obligation to provide any technical aid and equipment necessary for the smooth running of operations. In such cases, an agreement would be drawn up setting forth the reciprocal undertakings of the parties.

VIII) CONTRACTUAL WARRANTY

In all cases, including those where MECA-INOX might take care of conception and execution of orders consigned thereto, its warranty is limited to the physical and mechanical characteristics to the exclusion of all others. The warranty becomes effective at the time the goods are made available. The term of warranty, which shall not exceed 12 months, is halved if the equipment is used day and night. It guarantees the buyer against any hidden defect in design, manufacture or materials. However, it only covers replacement or repair of defective equipment in MECA-INOX workshops. It does not cover costs incurred in the transport, dismantling and reassembly of the parts at issue, or any other related costs, the latter remaining for the account of the buyer. MECA-INOX shall not be held liable for indemnifying any damage caused to persons and possessions, other than the goods at issue, nor for any loss of earnings resulting from the stoppage of operations.

The buyer is under obligation to proceed with a scrupulously detailed examination of the Product at time of acceptance. In order to be covered by this warranty, any defects in the Product that should be revealed by such detailed examination should be notified to MECA-INOX within 4 calendar days as from receipt of Product. Any subsequent evidence of a hidden defect shall be immediately notified to MECA-INOX.

The warranty does not apply where the customer's installation is not compliant with the customary rules and procedures, or in case of damage or accident resulting from negligence, defective maintenance and supervision, from changes made in the operating conditions or usage of equipment not in compliance with the purpose for which it is intended and the seller's provisions. Nor does it apply to those elements, which, due to the nature of their constituent materials or function, undergo wear and tear. Likewise, it does not apply in case of buyer's failure to pay and cannot be availed of to suspend or defer payments.

It shall cease to apply in case of storage conditions that are non-compliant with the seller's specifications, in case of repairs or dismantling of equipment conducted by persons not approved by the seller or if parts other than those supplied by the seller have been substituted unbeknownst to the seller for the original parts. The replacement of one or more parts shall not bring about an extension of warranty. MECA-INOX reserves the right to modify all or part of the supply to satisfy the terms of the warranty. If the repairs conducted by MECA-INOX exceed the scope of the warranty, any additional costs shall be invoiced to the buyer. Any guarantee deposits that MECA-INOX might be required to make to the buyer in respect of warranty shall be restored thereto on expiry of the warranty term, its release from its obligations occurring immediately at this date. In all situations, the MECA-INOX warranty shall not exceed that which is granted by the terms of its civil liability insurance policy.

IX) DISPUTES

In the event of any disputes relating to any supplies or payment thereof, irrespective of the agreed terms and conditions of sale and mode of payment, including in the event of a guarantee claim or in the case of multiple defendants, the Pontaise commercial court shall entertain sole jurisdiction in the settlement of the dispute. Documents drafted in French are only of contractual value and only valid between the parties. French law exclusively governs our sales, to the express exclusion of all other international conventions and laws governing the conflict of laws that might lead to the application of any other legislation.

X) RESERVE OF OWNERSHIP CLAUSE

"All goods sold by MECA-INOX shall remain its property until the buyer has fulfilled all obligations, and particularly until full payment of the price in principal, taxes and any other additional amounts". Payment of the price is taken to mean the effective remittance of cash, collection of cheques, payment of bills of exchange, and transfer of the amount to the MECA-INOX account. The buyer is authorised to resell the goods within the context of its normal business operations. In such circumstances, it transfers to the seller all claims in its favour arising out of the resale of goods to the third party buyer. Said authorisation for resale is withdrawn automatically if the buyer is in cessation of payments. Nevertheless, the buyer can neither pledge the goods, nor transfer the ownership thereof by way of guarantee. Should the right of ownership enjoyed by MECA-INOX be infringed by a third party, notably by seizure, the buyer shall immediately notify MECA-INOX by registered letter, raise any objections in respect of third parties and take all protective and implementing measures. Nevertheless, as from the date of its availability, the buyer inherits the risks inherent in becoming the owner of the thing sold. It shall insure the good for third party fire and theft and to cover all risks at its own expense. MECA-INOX may ask the buyer to show proof of payment of premiums. In the event of a claim, if the good is not destroyed, the insurance payments shall serve to restore the good to its proper condition. If the good is totally destroyed, MECA-INOX shall retain any insurance indemnification.

XI) RESOLUTION CLAUSE

If payment is not received within 8 days following dispatch of a formal notice by registered letter, MECA-INOX may terminate the agreement by registered letter. It may also obtain reparation of full losses suffered. If, further to events such as those described in section IV, the performance of the agreement becomes impossible within a reasonable time, each party has the right to withdraw from the agreement, by simple written notification. Such resolution shall not jeopardise any completed sales of goods between the parties.