

# General terms and conditions of sale

## For professional Clients

Note. This translation of the original Engrenages HPC French Terms and Conditions is offered as a guide only. In the case of any dispute, the terms and conditions in the original French document will apply.

### 1 - APPLICATION AND ENFORCEMENT OF THESE TERMS AND CONDITIONS OF SALE.

The act of a professional Client ( "The client" ) placing an order with Engrenages HPC ( "HPC" ) implies the complete and unreserved agreement by the Client to these general terms and conditions of sale, to the exclusion of any other documents such as catalogues produced by HPC, which are provided for information only and are merely intended as an indication, and regardless of any other information that may be included on the Client's order documents, the Client's terms and conditions of purchase or in any other document transmitted by the Client to HPC.

Any conditions applied by the Client will therefore by default be not accepted by HPC, regardless of when they may be brought to their attention unless they have been explicitly confirmed in writing by HPC.

Only specifications relating to custom-made parts can modify these general terms and conditions but should there be a conflict between these T+Cs and the specifications of the pieces to be manufactured, these T+Cs shall take precedence

The fact that HPC does not immediately apply any of the clauses in these terms and conditions should not be interpreted as meaning that they may not do so at a later date.

### 2 - ORDERS.

Orders must be placed in writing to HPC by the Client. Any order placed by telephone must be confirmed in writing by the Client within 24 hours. Without such confirmation the order will be cancelled. An order will only become definitive and the sales contract confirmed when it is accepted by HPC, this acceptance taking the form of an order confirmation sent to the Client or the delivery of the products ordered.

In case of any modification HPC may deem necessary to be made to the Client's order and confirmed in the order acknowledgment sent to the Client, the latter is assumed to have accepted the modification unless HPC is advised in writing within 24 hours of receipt.

No order with a value lower than 20 Euros (before tax) will be accepted, this includes orders passed at the trade counter at HPC's offices.

No order with a value lower than 150 Euros (before tax) will be accepted from customers outside of France (EU countries included)

### 3 - ORDER MODIFICATIONS

Any modification to, or cancellation of an order requested by the Client will not be taken into consideration unless it is received in writing before the goods (for standard products) are despatched or manufacture is started (of custom-made products) and acceptance of the modification has been expressly confirmed by HPC in a fax addressed to the Client within 24 hours of the request. If either of these conditions is not fulfilled, the products ordered initially will be sent and full payment will become due.

### 4 - PRICES

All prices mentioned in the catalogue are given excluding any taxes. Value Added Tax (VAT) at the current rate, delivery and packing charges as marked in the catalogue and any insurance to which the Client wishes to subscribe, will be added to these prices. Choice of packaging material will be made by HPC unless the Client has made a prior request.

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Unless stated to the contrary, products are sold at the price applicable the day the order is placed. Prices quoted in the catalogue are those applicable on the date of publication marked on the cover of said catalogue. HPC reserves the right to modify these prices at any time.

### 5 - DELIVERY METHODS AND TIMES.

#### A - DESPATCH DATES

Items in stock on the date an order is accepted can be made available for collection or despatched within a maximum of 72 hours. For catalogue items not in stock at the time the order is accepted or for special items, an estimated despatch time will be given when the order is accepted.

Should the estimated delivery date given by HPC be exceeded by more than thirty (30) working days and except in the case of force majeure, the Client has the right to cancel the order within thirty (30) working days from the estimated delivery date by sending a registered letter.

For the purposes of the Terms and Conditions, force majeure is considered to cover, but not limited to such events as: war, riot, fire, industrial disputes, natural disasters or failure of their suppliers to deliver.

#### B - DELIVERY

Unless stated otherwise, delivery is carried out by the collection of the goods by Client from HPC's premises in Dardilly 69570 (France) or by delivery by a means of transport chosen by HPC or the Client. Products are sold from Dardilly 69570 France (HPC premises) and are transported at the risk of the Client, the goods remaining the property of HPC until full payment is received as explained in Clause 10.

Unless otherwise agreed, goods are sold "ex-works" and transport is carried out at the Client's cost by a transport method chosen by HPC unless one has been specified by the Client.

In case of loss or damage during transit, it is the Client's responsibility to make any claims or remarks to the transporter in writing by recommended letter or other legally accepted means within 3 days of reception of the products (article L133-3 of the French Commercial Code)

HPC reserves the right to make partial deliveries from an order where necessary.

#### C - RECEPTION

Without prejudice to any claims for damaged goods made direct to the transport company concerned, any complaints regarding differences between the products delivered and those products ordered or identified on the delivery document, should be sent in writing to HPC within 30 days of receipt of the goods. Claims received outside of this period will not be accepted

It is the Client's responsibility to provide full proof of the existence of problems or faults with the goods supplied. He must give HPC access and means to evaluate and rectify any problems. He will not however attempt to repair any faults either directly or by intervention of a third party.

HPC's guarantee is limited to the free replacement or repair of products or components that they have agreed are faulty.

Any product for which the Client required repair or replacement under guarantee must be returned to HPC's service department whose authorisation is required before any replacement can be made. Transport costs will be charged to the Client if a claim for replacement under guarantee is found not to be applicable.

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### 6 - METHODS OF PAYMENT.

Invoices which will be sent at the same time as goods are despatched, are payable as follows:

- On receipt
- 30 days from the end of the month of the date of the invoice or summary invoice. This method of payment is subject to acceptance by HPC and may be withdrawn at any moment without the Client's approval.
- in Euros
- by cheque, credit card, bank transfer, or promissory note, the choice of method of payment cannot change the payment due date.

No discounts are made for advance payments.

### 7 - LATE OR NON PAYMENT

If payment is not made within the period quoted above and after receipt of a formal notice of non payment with payment not being received within 8 days, the Client will be liable for charges equivalent to an interest rate of one and a half times the prevailing legal interest rate on the sum owed as well as any costs associated with the final collection of the unpaid sum. Any claims by the Client do not exempt him from paying an invoice on or before the due date. Non or partial payments will lead to the immediate requirement for the Client to pay all sums outstanding to HPC, even if they are not yet due and whatever the intended method of payment might be.

### 8 - GARANTEE.

HPC guarantees the Client against faults or hidden defects that appear in the products sold under the conditions stipulated in article 1641 of the French Civil Code.

For products made to a Client's specification, HPC's responsibility is limited to manufacturing items that conform to the specifications supplied but does not guarantee their functionality or suitability for any application the Client may use them for. The Client is solely responsible for the information transmitted to HPC.

For standard products, HPC guarantees their conformity to the specifications quoted in the catalogue except where the original manufacturer has changed the technical specification. Any action to invoke HPC's responsibility and/or the implementation of the guarantee offered by HPC must be made within 30 days of receipt of the goods by the Client. Any claim under the guarantee will be limited to an amount equal to the price paid for the product. In no case can damage caused by a product marketed by HPC be a reason to any claim for damages or repair.

In the event that a product manufactured to a Client's specification infringes the rights of a third party, the Client accepts responsibility for refunding all the costs (procedure, claims, damages, lawyers' expenses, other advisors...) suffered by HPC and will actively cooperate at his own expense in the defence of the latter.

The guarantee will be considered void if products have been modified or interfered with in any way by the Client without prior written agreement from HPC or if the products have been used in any abnormal way or under unsuitable conditions taking into account their characteristics and normal applicable uses and standards (in particular in the event of use or installation in any aerial or space going craft for which the products are completely unsuited)

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### **9 - RETURNED MATERIAL.**

Every returned product must be the subject of a formal written agreement between the HPC and the Client by fax, email or letter.

The choice of transport method will be made by HPC. Any product returned without this prior agreement will be stored on behalf of the Client but will not oblige HPC to provide a refund or replacement.

In any event, no product returned more than 30 days after receipt of the product by the Client will be accepted. The cost of returning a product is always the responsibility of the purchaser and the risk in the product remains with him. Any returned product must be addressed to HPC's registered office.

Once the material has been accepted by HPC for return, a Credit Note for the value of the products, valid for duration of six months will be issued. The condition and quantity of all products returned will be subject to inspection.

In the case of an obvious problem or the non-conformity of the product has been confirmed by HPC, the Client will either receive at the discretion of HPC, either replacement products or a refund, no other charges or penalties will be accepted.

### **10 - RETENTION OF PROPERTY**

The transfer of property in any standard or custom-made part is subject to the full payment of the invoice, payment is understood to take place the day funds reach HPC's bank account.

The above provision does not stop the risk in the product passing to the Client (in particular risk of loss, deterioration, and damage caused by the shipped parts) once the parts have been handed over or dispatched by HPC.

If a Client supplies a product for modification, repair or to be used as a sample, the Client remains the owner of the original product and is responsible for the cost of their transport to and from HPC. The Client also accepts all risks related to their transport, any possible modification by HPC, and any damage that might be caused.

### **11 - APPLICABLE LAW - COURT OF JURISDICTION.**

Sales concluded with HPC are subject to French law.

Any dispute which may arise between the two parties relating to the interpretation and/or execution and/or termination of the contract will be brought before the competent commercial courts of the jurisdiction for the registered office of HPC, even in the event of case of appeal or plurality of defendants.

Photos are non-contractual

All product information is subject to technical modifications where necessary

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## (For non-professional Clients )

Note. This translation of the original Engrenages HPC French Terms and Conditions is offered as a guide only. In the case of any dispute, the terms and conditions in the original French document will apply. 6- METHODS OF PAYMENT.

### 1 - APPLICATION AND ENFORCEMENT OF THESE TERMS AND CONDITIONS OF SALE.

The act of a non-professional customer ( "The Client" ) placing an order with Engrenages HPC ( "HPC" ) implies the complete and unreserved agreement by the Client to these general terms and conditions of sale, regardless of any other information that may be included on the Client's order or any other document.

Any conditions applied by the Client will therefore by default be not accepted by HPC, regardless of when they may be brought to their attention unless they have been explicitly confirmed in writing by HPC.

Only specifications relating to custom-made parts can modify these general terms and conditions but should there be a conflict between these T+C's and the specifications of the pieces to be manufactured, these T+C's shall take precedence

The fact that HPC does not immediately apply any of the clauses in these terms and conditions should not be interpreted as meaning that they may not do so at a later date.

### 2 - ORDERS.

Orders must be placed in writing to HPC by the Client. Any order placed by telephone must be confirmed in writing by the Client within 24 hours. Without such confirmation the order will be cancelled. An order will only become definitive and the sales contract confirmed when it is accepted by HPC, this acceptance taking the form of an order confirmation sent to the Client or the delivery of the products ordered.

In case of any modification HPC may deem necessary to be made to the Client's order and confirmed in the order acknowledgment sent to the Client, the latter is assumed to have accepted the modification unless HPC is advised in writing within 24 hours of receipt.

No order with a value lower than 20 Euros (before tax) will be accepted.

No order with a value lower than 150 Euros (before tax) will be accepted from customers in the European Union (with the exception of Germany, Belgium, Spain, The Netherlands, Italy, Luxemburg and Switzerland) or from non European Union countries.

With non-professional customers having the status of "consumers", Article L.12-17 (and the following) of French Consumer law apply to all contracts concluded at a distance or away from business premises.

In particular HPC will provide all of the information, either in these Terms and Conditions, the order document or the order acknowledgement, the client is entitled to receive.

### 3 - RIGHT TO WITHDRAW

For any order for standard parts, the Client has a right of withdrawal as defined in Article L.121-21 of French Consumer law and to cancel an order within 14 clear days of the receipt of the merchandise. In this case, the expenses mentioned in Articles L121-23 to L121-25 of the French Consumer Code, including any costs for returning the goods, remain at the expense of the Client. In accordance with Article L121-21-8 of the Consumer Code, the Client does not have this right if the goods ordered have

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been either made to his specifications or modified to his requirements.  
A standard form of withdrawal is downloadable from the HPC website

### **5 - ORDER MODIFICATIONS**

Any modification to, or cancellation of an order requested by the Client will not be taken into consideration unless it is received in writing before the goods (for standard products) are despatched or manufacture is started (of custom-made products) and acceptance of the modification has been expressly confirmed by HPC in a fax addressed to the Client within 24 hours of the request

### **6 - PRICES**

All prices mentioned in the catalogue exclude any taxes. Value Added Tax (VAT) at the current rate, delivery and packing charges as marked in the catalogue and any insurance to which the Client wishes to subscribe, will be added to these prices. Choice of packaging material will be made by HPC unless the Client has made a prior request.

Unless stated to the contrary, products are sold at the price applicable the day the order is placed. Prices quoted in the catalogue are those applicable on the date of publication marked on the cover of said catalogue. HPC reserves the right to modify these prices at any time. Notwithstanding, prices are guaranteed for Customers who buy their products at a distance for a period of two (2) months from the catalogue publication date.

#### **A- DESPATCH DATES**

Items in stock on the date an order is accepted can be made available for collection or despatched within a maximum of 72 hours. For catalogue items not in stock at the time the order is accepted or for special items, an estimated despatch time will be given when the order is accepted.

Should the estimated delivery date given by HPC be exceeded by more than thirty (30) working days and except in the case of force majeure, the Client has the right to cancel the order within thirty (30) working days from the estimated delivery date by sending a registered letter to HPC.

For the purposes of the Terms and Conditions, force majeure is considered to cover, but not limited to such events as: war, riot, fire, industrial disputes, natural disasters or failure of their suppliers to deliver.

Cancellation of the order will be effective from the day that HPC receives the registered letter unless the goods have already been despatched.

HPC will be obliged to fully reimburse to the Client any money received within 14 days of the order being cancelled at the latest. Interest will be payable in the case of late payment

#### **B- DELIVERY**

Unless stated otherwise, delivery is deemed to have been made either by the collection of the goods by Client from HPC's premises in Dardilly 69570 (France) or by delivery a means of transport chosen by HPC to the Client. Products are sold from Dardilly 69570 France (HPC premises) and are transported at the risk of the Client, the goods remaining the property of HPC until full payment is received as explained in Clause 10.

The delivery shall place no later than 30 days after the contract has been agreed.

HPC reserves the right to make partial deliveries from an order.

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### 6 - METHODS OF PAYMENT.

Invoices which will be sent at the same time as the order is received, are payable as follows:

- On placing the order or in case of a sale at the trade counter, in cash.
- in Euros
- by cheque or credit card, the choice of either method of payment will not change the payment due date.

As a reminder, in the case of a sale "off-premises", Article L.121-18-2 of the French Consumer Law, stipulates that HPC cannot receive payment in any form from the Client before the expiration of a 7 day period from the date the contact has been agreed.

### 7 - LATE OR NON PAYMENT

If payment is not made within the period quoted above and after receipt of a formal notice of non payment with payment not being received within 8 days, the Client will be liable for charges equivalent to an interest rate of one and a half times the prevailing legal interest rate on the sum owed as well as any costs associated with the final collection of the unpaid sum. Any claims by the Client do not exempt him from paying an invoice on or before the due date. Non or partial payments will lead to the immediate requirement for the Client to pay all sums outstanding to HPC, even if they are not yet due and whatever the intended method of payment might be.

### 8 - GARANTEE.

For products made to a Client's specification, HPC does not act as a design author and its responsibility is limited to manufacturing items that conform to the specifications supplied by the Client. It does not guarantee in any way their operational characteristics which remains the sole responsibility of the Client. The Client is solely responsible for the information transmitted to HPC.

For standard products, HPC guarantees their conformity to the specifications quoted in the catalogue except where the original manufacturer has changed the technical specification. Any action to invoke HPC's responsibility and/or the implementation of the guarantee offered by HPC must be made within 30 days of receipt of the goods by the Client. Any claim under the guarantee will be limited to an amount equal to the price paid for the product. In no case can damage caused by a product marketed by HPC be a reason to any claim for compensation or repair.

In the event that a product manufactured to a Client's specification infringes the rights of a third party, the Client accepts responsibility for refunding all the costs (procedure, claims, damages, lawyers' expenses, other advisors...) suffered by HPC and will actively cooperate at his own expense in the defence of the latter.

The Client receives a legal guarantee against hidden defects (Articles 1641 - 1648 of the French Civil Code) and the legal guarantee of conformity (Art. L.211-4 - L.211-14 of the Consumer Code) in conditions provided for by Article L133-3 of the Consumer Code.

HPC guarantees the Client against hidden defects or faults of the products sold under the conditions of Article 1641 of the French Civil Code and in accordance with Article 1641 of the French Civil Code, reproduced below:

Art. 1641: A seller is bound to a warranty on account of the latent defects of the thing sold which render it unfit for the use for which it was intended, or which so impair that use that the buyer would not have acquired it, or would only have given a lesser price for it, had he known of them.

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Art. 1642: A seller is not liable for defects which are obvious and which the buyer could ascertain for himself.

Art. 1642-1: Does not apply.

Art. 1643: He is liable for latent defects, even though he did not know of them, unless he has stipulated that he would not be bound to any warranty in that case.

Art. 1644: In the cases of Articles 1641 and 1643, the buyer has the choice either of returning the thing and having the price repaid to him or of keeping the thing and having a part of the price repaid to him, as appraised by experts.

Art. 1645: Where the seller knew of the defects of the thing, he is liable, in addition to restitution of the price which he received from him, for all damages towards the buyer.

Art. 1646: Where the seller did not know of the defects of the thing, he is only liable for restitution of the price and for reimbursing the buyer for the costs occasioned by the sale.

Art. 1646-1: Does not apply.

Art. 1647: Where the thing which had defects perishes because of its bad quality, the loss falls upon the seller who is liable to the buyer for restitution of the price and other compensations explained in the two preceding Articles. But a loss occasioned by a fortuitous event falls upon the buyer.

Art. 1648: The action resulting from latent vices must be brought by the buyer "within a period of two years following the discovery of the vice"

In the case provided for in Article 1642-1, the action must be brought, under pain of being time-barred, within the year following the date on which the seller may be discharged from patent defects.

Art. 1649: It does not take place with regard to sales made by order of the court.

HPC also guarantees the Client the compliance of products sold, in the conditions of Articles L211-4 and following, of the French Consumer Code, reproduced below:

Article L211-4: The seller is required to deliver a product which conforms to the contract and is held liable for any lack of conformity which exists upon delivery. He is also held liable for any lack of conformity caused by the packaging or the assembly instructions, or the installation if he assumed responsibility therefore or had it carried out under his responsibility.

Article L211-5: To conform to the contract, the product must:

1. Be suitable for the purpose usually associated with such a product and, if applicable: - correspond to the description given by the seller and have the features that the seller presented to the buyer in the form of a sample or model;

- have the features that a buyer might reasonably expect it to have considering the public statements made by the seller, the producer or his representative, including advertising and labelling;

2. Or have the features defined by mutual agreement between the parties or be suitable for any special requirement of the buyer which was made known to the seller and which the latter agreed to.

Article L211-6: The seller is not bound by the public statements of the producer or his representative if it is established that he was unaware of them and could not rightfully be expected to have been aware of them.

Article L211-7: In the absence of proof to the contrary, any lack of conformity appearing within six months of delivery of the product is presumed to have existed at the time of delivery. The seller may



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refute that presumption if it is incompatible with the nature of the product or the non-conformity invoked.

Article L211-8: The buyer is entitled to demand that the product conform to the contract. He may nevertheless not contest its conformity by invoking a defect that he was aware of, or could not have been unaware of, when he entered into the contract. The same shall apply when the defect originates from materials he has supplied himself.

Article L211-9: In the event of lack of conformity, the buyer shall choose between repair and replacement of the product. The seller may nevertheless elect not to proceed in accordance with the buyer's choice if that choice gives rise to a manifestly disproportionate cost compared with the other option given the value of the product or the seriousness of the defect. He is then required to proceed with the option not chosen by the buyer, unless this proves impossible.

Article L211-10 If neither repair nor replacement of the product is possible, the buyer may return the product and obtain reimbursement of the price or keep the product and obtain reimbursement of a portion of the price. He has the same option:

1. If the solution requested, proposed or agreed pursuant to Article L. 211-9 cannot be implemented within one month of the buyer making his claim;
2. Or if that solution cannot be implemented without major inconvenience for the buyer given the nature of the product and his intended use. The sale shall not be cancelled, however, if the lack of conformity is minor.

Article L211-11: The provisions of Articles L. 211-9 and L. 211-10 shall be applied at no cost to the buyer. Those same provisions shall not impede the awarding of damages.

Article L211-12: Action resulting from lack of conformity lapses two years after delivery of the product. NB: Order 2005-136 2005-02-17 Article 5: The provisions of the present order shall apply to contracts concluded subsequent to its entry into force.

Article L211-13 The provisions of the present section do not deprive the buyer of the right to bring an action on account of latent defects as provided for in Articles 1641 to 1649 of the Civil Code or any other action of a contractual or extra-contractual nature to which he is entitled under the law.

Article L211-14: An action for indemnity may be brought by the final seller against the successive sellers or intermediaries and the producer of tangible movable property, pursuant to the principles of the French Civil Code.

It is the Client's responsibility to provide any justification as to the presence of any defects or anomalies found. He must provide HPC every facility to proceed to observe and rectify such defects. He will not attempt to rectify them himself or to involve a third party for this purpose.

The guarantee will be considered void if products have been modified or interfered with in any way by the Client without prior written agreement from HPC or if the products have been used in any abnormal way or under unsuitable conditions taking into account their characteristics and normal applicable uses and standards (in particular in the event of use or installation in any aerial or space going craft for which the products are completely unsuited)

### 9 - RETURNED MATERIAL.

Every returned product must be the subject of a formal written agreement between the HPC and the Client by fax or letter.

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The choice of transport method will be made by HPC. Any product returned without this prior agreement will be stored on behalf of the Client but will not oblige HPC to provide a refund or replacement. This condition does not apply where the customer is using his right to withdraw as prescribed in law.

In any event, no product returned more than 30 days after receipt of the product by the Client will be accepted. Any returned product must be sent to HPC's registered office. The cost of returning a product is always the responsibility of the purchaser and the risk in the product remains with him..

Once the material has been accepted by HPC for return, a Credit Note will be issued for the value of the products, valid for a period of six months from the date it was issued. The condition and quantity of all products returned will be subject to inspection except in the case that the Client has exercised his right to withdraw from or to apply the guarantee.

In the case of an obvious problem or the non-conformity of the product has been confirmed by HPC, the Client will either receive at the discretion of HPC, either replacement products or a refund, no other charges or penalties will be accepted.

### **10 - RETENTION OF PROPERTY.**

The transfer of property in any standard or custom-made part is subject to the full payment of the invoice, payment is understood to take place the day funds reach HPC's bank account.

The above provision does not stop the risk in the product passing to the Client (in particular risk of loss, deterioration, and damage caused by the shipped parts) once the parts have been handed over or dispatched by HPC.

If a Client supplies a product for modification, repair or to be used as a sample, the Client remains the owner of the original product and is responsible for the cost of their transport to and from HPC. The Client also accepts all risks related to their transport, any possible modification by HPC, and any damage that might be caused.

### **11 - APPLICABLE LAW - COURT OF JURISDICTION.**

Sales concluded with HPC are subject to French law.

If required, the Customer may use a conventional mediator or any alternative dispute settlement process under the conditions of Article L.133-4 of the French Consumer Code.

Any dispute which may arise between the two parties relating to the interpretation and/or execution and/or termination of the contract will be brought before the competent commercial courts of the jurisdiction for the registered office of HPC, even in the event of case of appeal or plurality of defendants.

Photos are non-contractual

All product information is subject to technical modifications where necessary