

**PURCHASING AND SUB-CONTRACTING GENERAL TERMS**  
**PCM Manufacturing France SAS / PCM Europe SAS / PCM Technologies SAS**

Any order which has been accepted in compliance with the article 1 or which completion has begun obeys to the following General Terms, which prevail on any clause we did not accept (including the supplier's general sales terms) except in case of special accepted in writing derogations.

**1. ORDER ACCEPTANCE**

1.1. The order commits our company only if it has been signed by a person in charge. Any order asking for a price, a delivery date or technical specifications to be confirmed is conditional and only commits us as from the date at which we accepted the order in writing.

1.2. When the order does not feature any particular technical specification, the acceptance of the order implies that the technical specifications featuring in the supplier's documents are contractual.

**2. PRICE**

Unless otherwise stated and accepted in writing, prices are firm and cannot be changed. They are stated carriage paid and packing free, free of any additional duty. We only accept disposable packing.

**3. COMPLETION OF THE ORDER**

3.1. The supplier shall authorise any duly appointed agent from our company to come and visit its premises to inspect the supplies and outstanding orders concerning our company.

3.2. The supplier can neither have our order completed by another supplier nor can he sub-contract it partially or totally without our written consent. In any case, he remains the only person responsible for the completion of the order.

**4. DELIVERY**

4.1. No more than the expected quantity must be delivered. This specification also applies to scattered orders. We shall send back the surplus at our convenience according to the article 5.4.

4.2. Deliveries must take place as specified on our orders concerning day, time and place. They must be accompanied by a voucher featuring the order number and the quantity of delivered packages. Should these requirements not be met, we may ask the supplier to pay damages worth the totality of the loss.

**5. RECEPTION**

5.1. We shall call reception the acceptance of supplies after a conformity control conducted by our authorised services, in compliance with our standards.

5.2. The property transfer occurs as soon as the goods have been accepted as defined in 5.1. Or 30 days after the date of delivery at our Reception Department at the latest.

5.3. Our company keeps the supplies in its premises during the period going from the delivery at our Reception Department and until the reception as defined in 5.1. Or the submitting of a non-conformity notice.

5.4. The supplier may be sent back carriage forward and at his risks any good which would not be up to standards. He may also come and collect the goods himself within 48 hours as from the submission of the non-conformity notice.

5.5. The non-conformity notice implies at our convenience either the immediate replacement of the refused goods or the end of our obligations coming from our order, or the termination of our contract.

5.6. The reception date is valid for all the supplies of the considered item of the order.

**6. WARRANTY – LIABILITIES**

6.1. The supplier warrants the goods against any defect caused by their design, their manufacture or their material during one year at least as from the reception as defined at 5.1.

6.2. Any defect noticed during the warranty period will immediately imply either the replacement or the repair of the item, or will cause the drafting of an accountancy debit, at our convenience.

6.3. Moreover and without any time limit, the supplier is liable for any damage and loss caused by latent defects in his supply.

6.4. The supplier is liable for any good belonging to us which would have been entrusted to him or loaded on vehicles owned by him or requested by him.

6.5. Any replacement or repair of a good entrusted to our suppliers resulting from an unsatisfactory completion of our order is at the expense of our suppliers.

**7. INSURANCE**

Without modifying the suppliers' liabilities resulting from the acceptance of our orders, we may impose on our suppliers to take out an insurance covering some risks to determine. We may as well ask them to prove that these are valid and meet our requirements.

**8. INVOICING - PAYMENT**

8.1. To each delivery must correspond a different invoice featuring the number of the order form and that of the delivery voucher.

8.2. Every invoice must feature the breakdown of the basic price, the discounts, and, if needed, the additional charges agreed when the order was accepted. The amount due before tax and taxes will be specified separately.

8.3. Our payments are made by bank transfer within 45 days end of month as from the delivery date if it is conform to the order form, or as from the receipt of the invoice if the latter date comes after the former. Should the goods be delivered after schedule, the deadline for the payment would be postponed for the same duration and would start from the receipt date of the goods in our premises or from the receipt date of the invoice if the latter date comes after the former.

**9. TOOLS**

The invoicing of tools or moulds, or participation to the purchase of tools or moulds is only accepted if these caused an order to be placed and if they were received according to the particular conditions which were defined when the order was placed. They are then our property or co-property and must be identified as such. They can only be used to complete our orders and will have to be given back to us as full owners at our first order. In such a case, the supplier would be paid his participation back, less a depreciation based on the maximum duration of 3 years after the date of creation of the tools. If needed, we would invoice the supplier for the costs of maintenance and adaptation.

**10. CANCELLATION OR TERMINATION**

We may cancel in writing and without any kind of damages a part or the whole of an order which:

- Still has not been accepted by the supplier as defined in the article 1, the post stamp setting the date.

- Still has not been fully delivered on the last day of the deadline agreed when placing the order.

- has been placed with a supplier who is not in a condition to ensure the good completion of our order in the agreed conditions anymore, or who has filed for bankruptcy or gone into liquidation.

**11. INDUSTRIAL PROPERTY**

11.1. A supplier cannot quote the name of our company in the list his clients without our prior written consent.

11.2. The supplier must respect the obligation to professional secrecy. He shall implement any measure to avoid all or part of our know-how and, more generally any information which we gave him as confidential, to be known by third parties. This obligation will only terminate when this know-how belongs by law to the public knowledge.

11.3. Any invention, patentable or not, made by the sub-contractor when completing one of our orders but out of any particular instruction from our company fully belongs to the sub-contractor. However, our Company and its subsidiaries will benefit from a free use of the technique which has been invented.

11.4. Any invention, patentable or not, made by the sub-contractor when completing one of our orders explicitly concerning the development of a new product or process belongs to our Company. The sub-contractor will only be authorised to use this invention and the know-how we would have given him, for the completion of our orders and with a particular agreement with our company.

11.5. Our company will deal with any problem linked with accusation of copying patents or other industrial property rights belonging to third parties, concerning any process or any product subject of a part or of the totality of a manufacturing file that we submitted to a sub-contractor for one of our orders.

11.6. Should we submit a manufacturing file to one of our suppliers when placing an order, this file and any copy which would have been made will have to be given back to us as soon as possible after the completion of the order.

**12. ENFORCEABLE LAW**

The hereby convention and its sequels depend on the French law to which the parts accept without condition to refer to. French law will therefore be the only enforceable law whatever informations mentioned on other documentations.

**13. JURISDICTIONAL CLAUSE**

The Nanterre Court (France) is the only court authorised to judge a litigation about this agreement.

This clause is also valid if there are several defenders and for any request or in case of intervention or call in warranty.

Payments by bill of exchange will not operate either novation or derogation to these jurisdictional clauses which are part and parcel of the agreement.