



TERMS OF SALE

Article 1 : GENERAL

Any order placed with LATTY implies that the Buyer accepts these terms of sale and abandons his own terms of purchase, including the conditions of the syndicate. This acceptance is taken for granted if no reserve is expressed by the Buyer within 10 days. The details given in the catalogues and leaflets, whatever the medium, do not commit LATTY who may modify them. LATTY is bound by commitments which could be made by his representatives or employees only under reserve there has been an agreement from LATTY. The agreement will be taken for granted should this agreement not be contested by LATTY within 15 working days as from the receipt of the order. Possible discord will be notified to the Buyer with the same period of time.

The sales agreement is perfect only under reserve of acceptance by LATTY of the Buyer's request.

Article 2 : DELIVERY TIME

Delivery times are established according to the information given to LATTY on the day of the order.

In no case can a delay in delivery give place to any compensation.

LATTY is freed by right from any commitment relative to delivery times

- in case the terms of payment have not been complied with by the Buyer
- in case of force majeure
- in case of raw material shortage

Article 3 : PRICE

Unless otherwise stipulated, LATTY prices are quoted ex-works, either in EUR, exclusive of taxes, or in a foreign currency.

They may be revised in the event of significant and sudden increase in the price of raw materials or exchange rates. Modalities will be defined if need be within the special terms.

Article 4 : TRANSPORT AND DELIVERY

In case of sale ex-works, all transport, insurance, customs, handling operations, and on-site installation are carried out by the Buyer, at his own cost and at his own risk. It is up to the Buyer to check the shipments upon delivery and to make a claim, if need be, against the carriers.

In all cases, the Buyer should express reservations upon delivery. These reserves should be written down on the delivery note as well as on the consignment note. Any later claim relative to the condition of the delivered goods cannot be taken into consideration.

Should it be the case, it is up to the Buyer, or to his authorized agent in charge of taking delivery of the goods, to express his comments and reservations with the carrier. This should be done within three working days as from the date of delivery, in compliance with the commercial law. Should this formality not be carried out by the receiving customer, he will be dismissed of all his rights to compensation and, should he deprive LATTY of their own rights, he will owe LATTY the corresponding amounts.

In case of collection by the customer at LATTY, the goods are deemed to have been checked at the time of collection. In no case can a collection of goods by the Buyer give rise to a transport credit.

Every delivery is accompanied with a delivery note with the details of the goods delivered. The Buyer should inform LATTY in writing, within three working days, of any noticed discrepancies. In the absence of notification of reservations within this period of time, deliveries from LATTY are deemed to have been carried out in compliance with the delivery note.

Article 5 : PROPERTY RESERVE AND PAYMENT

5.1. Property reserve

The transfer of property of the sold good is subject to the payment of the price by the Buyer on the settlement date or dates in compliance with the law of 12th May, 1980.

However, the risks are transferred as from the delivery (in case of carriage-paid sale), or as from the collection (in case of ex-works sale).

As an express convention, LATTY sales contracts are always concluded under the avoidance clause of the full payment by the Buyer on the scheduled settlement date or dates.

5.2. Resale or use

The goods remain the seller's property until their price has fully been paid. As a mere tolerance, LATTY authorizes, as from now, the Buyer to resell or use the designated goods under condition the Buyer pays, as soon as the goods have been resold, the full price remaining to be paid, the corresponding amounts being from then on secured in favour of LATTY in compliance with article 2071 of the civil code, the Buyer becoming a mere bailee of the price.

5.3. Payment

The payment is made according to the modalities as agreed upon the order.

Extension time for payment is a mere tolerance granted by LATTY in respect of the Buyer's references. LATTY reserves the right to cancel this extension time without any possible recourse for the Buyer and without any reduction in the price, in the event of deterioration in these references.

In case of payment by accepted draft, the Buyer should return the acceptance within eight days as from the receipt of the invoice or of the corresponding statement. In case of cash payment by check, the Buyer should settle the invoice as soon he receives it. In these cases, no other delivery can occur until the draft or the check has been received by LATTY.

In the case payments have not been made as scheduled by the parties, LATTY reserves the right to take back the delivered goods and possibly cancel the contract.

The costs of any kind related to this take-back operation shall be borne by the Buyer.

The remittance of a draft or any other document creating a liability to pay is not considered to be a payment in the sense of this clause.

Whatever the provisions previously agreed upon, the amounts remaining to be paid become immediately payable in the case one of these payments is not made on the scheduled date.

A payment delay 8 (eight) days behind schedule, or insolvency of any kind will have, whatever the mode of payment provided for and without any prior notice, the following consequences :

- the return of the goods to LATTY
 - the right to keep the instalments that have been paid, up to 40% of the sales price.
 - LATTY right to suspend the fulfilment of any other orders which could have been accepted, notwithstanding any compensation and interest.
- The same delay will have, after prior formal demand by recorded delivery letter remained unsuccessful within eight days, the following consequences:
- a default interest at the rate of 3 times the legal interest on the amount of the debt inclusive of tax, as from the contractual date of payment, this until the actual day of payment (according articles L441-3 et 441-6 of French code of commerce).
 - a contractual fine corresponding to 12% of the amount of the debt inclusive of tax with a minimum of 150 Eur, should the Buyer's failure have forced LATTY to take pre-contentious action.
 - the invoicing of expenses of all kinds paid by LATTY or put at their expense.

According articles L-441-3 and L.441-6 of the French code of commerce, a fixed sum of 40€ by invoice will become payable from the due date as a compensation for the creditor own recovery costs.

This compensation is not subject to VAT.

This compensation is different of the late payment charge applied

Article 6 : GUARANTEES

6.1. General

Guarantees of use can be granted by LATTY, case by case, and only in the case where LATTY have been thoroughly informed of the exact use for their product by the Buyer.

6.2. Products made up to the Buyer's requirements

LATTY products made in compliance with the Buyer's specifications, in particular with a specification sheet, are guaranteed only for the period agreed upon, as from the date of delivery. This warranty applies only to the use according to the conditions which have been agreed upon by contract.

6.3. Application of the warranty

The guarantee is limited to the replacement of the parts which have been recognized as defective by LATTY technical department. The carriage and the labour costs are borne by the Buyer.

Any claim within the warranty should be forwarded with the faulty part or with the indication of the part's batch number and the date of putting into operation.

Unless a latent defect has been proved, the warranty does not apply to wear parts.

Any deviation in the use of the goods, any modification brought to the material by an unauthorized person without LATTY consent, or the use of non-original spare parts, imply the loss of entitlement to the warranty.

In order to be entitled to claim the benefit of these provisions, the Buyer should inform LATTY, without any delay and in writing, of the defects which he attributes to the product and provide all evidence thereof. He should also make it possible for LATTY to see these defects and to bring remedies.



6.4. Services not covered by the warranty

The services and replacement which are not covered by the warranty and which are carried out by LATTY after-sales department will be the object of an initial cost estimate. The travel and labour expenses of LATTY technicians from the after-sales department are borne by the Buyer.

6.5. Spare parts

With the exception of the latent defect, LATTY is only responsible for the compliance of the part to the specifications.

It is up to the Buyer to select the spare part according to his application and to the results which are expected by him.

In no case can the replacement of a part from an assembly extend the warranty period for the assembly.

6.6. Force majeure

LATTY is freed from his contractual obligations in case of force majeure. All events that are usually considered by the jurisprudence as force majeure will be reasons for the extinction or suspension of LATTY obligations without any recourse for the Buyer.

Article 7 : LIABILITIES & INSURANCES

7.1. General

LATTY and the Buyer recognize each other as specialists of the products sold as regard the skills of the empowered people.

7.2. Technical obligations

For the standard products on catalogue, and in the absence of specifications from the Buyer as regards the use of the product, LATTY are only liable to the compliance of their product with the specifications of their technical documents and with the standard conditions of use specified.

In this case, the Buyer is always responsible for the choice of the product, for the adequation between the product sold and the result expected. He is responsible for its proper use and for its fitting according to the rules and to LATTY recommendations. LATTY has in no case any obligation as regards the final result.

For products which have been the object of specifications from the customer (for example a specifications sheet) accepted by LATTY, LATTY obligation is limited to the compliance of their product with the specifications given in the contractual documents and to the achievement of the performance as defined in these documents, and in the conditions provided (notably as regards environment and operating constraints). Any implementation which does not fall within these conditions is deemed to be an abnormal use of the product.

In any case, LATTY can only be responsible for the only conditions and constraints of use of any kind which they have been informed of.

7.3. Obligations of advice

LATTY is at the disposal of his customers to give them any advice regarding the use of his products. The request should be formulated in writing.

The information and advice provided by LATTY depends on the information given by the customer. It is therefore up to the customer to make sure the information is accurate and complete. Any consequence resulting from incomplete, missing, or erroneous information from the customer will be the customer's responsibility and cannot be attributed to LATTY in any way.

The information and advice provided by LATTY do not take details into account such as cycles, peaks, hammer blows in pipes (pressure peaks, etc.) if they have not been mentioned by the customer.

The information and advice provided by LATTY are sincere, taking into consideration LATTY's experience and knowledge.

7.4. The Buyer and retailer

7.4.1. The end-user's data are not known to LATTY

Except in the case LATTY has been in direct relation with the endusers regarding the need to be complied with, the Buyer and retailer is always responsible for the advice provided by him to his customers and for the proper adequation between the product purchased, the conditions of use and the result expected by the final customer, the said results and constraints not being known to LATTY.

LATTY is at the Buyer and retailer's disposal to help him with this task, this being restricted to the information which are transmitted to LATTY.

7.4.2. The end-user's data are known to LATTY

It is the Buyer and retailer's responsibility to forward in extenso the requests from his own customer and reply with LATTY recommendations. Any failure, even partial, would involve the Buyer and retailer's responsibility.

7.5. Insurances

LATTY are insured for all the usual risks arising from their activity at the usual level for the profession. The valid certificates and tables of guarantees are at their customer's disposal.

Article 8 : INTELLECTUAL OR INDUSTRIAL PROPERTY and REPRODUCTION RIGHT

The Customer recognizes the industrial and intellectual property of LATTY on the documents which can be remitted to him on the occasion of an order.

The drawings, models or any other technical document from LATTY and remitted to the Customer, are and remain the full and complete property of LATTY. The Customer commits to observe their strictly confidential nature and to have it also observed by his employees.

They cannot be disclosed or remitted to anyone without LATTY prior consent in writing, nor can they be used otherwise than within the framework of relations with LATTY, and they should be returned immediately upon the first demand.

Any reproduction or representation, even partial, by any means whatsoever, on any medium whatsoever, of these documents, carried out without LATTY written consent is illegal and constitutes a forgery.

The non-observance of this obligation can involve on LATTY part the immediate cancellation without requiring any formality or procedure whatsoever, of all the orders in progress at that time, and without prejudice of damages that LATTY are entitled to claim.

Article 9 : SPECIAL TERMS OF SALE

These general terms of sale do not exclude the application of special terms of sale.

Article 10 : LAW AND JURISDICTION and LANGUAGE

The French law applies to LATTY sales as well as to the related agreements. The orders from the Buyer are placed under formal condition only in the event of contestations relative to the supplies and their settlement. The Trade Court of the seller's head office will be the only competent court, with the exclusion of any other jurisdiction appointed by the Buyer, even in the case plurality of defendant.

Any document shall be drafted in French. In case of difference in interpretations between a text drafted in French and a text drafted in a foreign language, the text in French shall prevail.

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