

INNELEC GENERAL TERMS OF SALE

1. Application and enforceability of the General Terms of Sale

These General Terms of Sale will be effective from 1 January 2018 and will invalidate, and supersede, the entirety of any prior terms and conditions. They apply to all products and/or services marketed by INNELEC and apply to regular commercial exchanges, as well as those carried out via Virtual Business®, Commando PDV®, EDI and any other electronic means, whether present or future. These Terms and Conditions will apply to any order delivered to a single address and invoiced to a single account. Unless otherwise stated, our offers will be valid for 15 days. These General Terms and Conditions form an integral part thereof.

These General Terms of Sale will be systematically sent, or issued, to each Client so that the Client can place an order. These General Terms of Sale form the basis of commercial negotiations in accordance with article L.441-6 of the French Commercial Code (*Code de Commerce*). They will apply to all orders placed with INNELEC by the Client. As a result, any order placed with INNELEC will, mandatorily, imply, as an essential and determining requirement, unqualified assent by the Client of these General Terms of Sale, the provisions of which will prevail over all provisions to the contrary in the Client's Terms of Purchase or any other commercial document the Client may have. Any conflicting Term of Purchase put forward by the Client will, therefore, be unenforceable against INNELEC, unless INNELEC provides its express, prior, written acceptance, irrespective of when the term is brought to INNELEC's attention. The fact that the seller fails to avail any of these General Terms of Sale, at any given moment, cannot be construed as it waiving its right to use any one of these terms at a later time. In any event, any amendment, or potential addition, must be formalised, in accordance with these General Terms of Sale, in the annual written agreement under article L.441-7 of the French Commercial Code and must clearly state the respective obligations accepted by each of the parties through the amendment or addition.

These General Terms of Sale may be amended at any time, it being understood that notification of any potential amendment will be sent by any means including post, email, fax, recorded delivery and will take effect in 30 days.

2. Opening an account

The first order placed by a Client must be accompanied by a request to open an account through our website www.innelec.com and must include full bank details, an extract "K-Bis" issued not more than 3 months prior and a photocopy of the front and back of the Director, or Manager's, ID card or passport.

3. Order validity

Any order made in writing, or over the phone, will be held to be firm and definitive. Orders are not subject to written confirmation by INNELEC, unless such confirmation is expressly requested by the Client. Only the complete, or partial, delivery of goods will imply INNELEC's acceptance of the order. INNELEC reserves the right to reject orders in the event the Client fails to perform any of its obligations and, more generally, to reject any order presented in a way that is to be considered unusual, regardless of reason, or made in bad faith. Any orders cancelled without INNELEC's agreement will be subject at least to the Client being charged for expenses and outlays incurred, with the obligation to fulfil the order being enforceable by INNELEC. Any order cancelled without INNELEC's consent will be subject to the Client being charged for expenses and outlays incurred.

4. Pricing terms

INNELEC regularly amends the rates available on Virtual Business®, with new rates invalidating and replacing prior rates. Our prices are non-inclusive of tax for the packaged material, ex-warehouse (Incoterm EXW), port and insurance fees, which will be borne by the Client, excluding those orders complying with the terms and conditions for free shipping. In the event a specific packaging is required, for example, blister, security tag, etc..., these additional features will be invoiced. We invoice based on the current price on the effective day of invoice. Without prejudice to article L.442-6-I-12° of the French Commercial Code, our rates and volume discounts may

be amended at any time and without warning, based on the economic terms in force, and, in particular, based on Euro/Dollar exchange rates, on the price of raw materials (oil) or other essentials. The rates on products that bear the code: "L" are subject to the liquidation release terms and the products that bear the code: "S" are not, themselves, subject to any release.

5. Payment Terms and Delays

The merchandise is payable INNELEC's headquarters, into the account listed on the order and without discount. The payment is to be made either by Carte Bleue (credit card), when the order is placed, and subject to all banking information having been provided through our secure interface on our Virtual Business® extranet, or by wire transfer received prior to the merchandise being dispatched.

Subject to probative financial elements (balance sheet, statement of profits/losses and forecast future cash) and to an outstanding amount agreed by our credit-insurance company, INNELEC may, in certain situations, agree to extended payment deadlines of 30 days. Under all circumstances, the period in which to make payment will run from the date on which the invoice is issued. For Clients based in DROM (Overseas Departments and Regions)- COM (Overseas collectivities), this time frame will be taken into account once the invoice in question clears customs at the destination port, or from the 21st day if the merchandise is made available to the Client, or its representative, on French territory. The discount rate, if applicable as a result of early payment and if agreed by INNELEC, may be reviewed at any time by INNELEC after having provided 30 days' notice. Without prejudice to the terms agreed in the annual written agreement described below, INNELEC reserves the right to amend or rescind, at any time and without warning, the different payment methods and timeframes and/or discounts agreed with the Client in the event of payment incident, reduction or suppression of an outstanding amount through our credit insurance company.

Should the Client fail to respond within 15 days following the payment date stated on the invoice, the credit note, or the invoice, will be deemed to be accepted by the Client. Unless previously agreed by INNELEC, the challenge of an invoice by one of the parties will not, under any circumstance, result in a deferred payment, nor will it authorise the partial payment thereof.

The terms of payment may not be delayed under any pretext, including litigation. INNELEC reserves the right to invoice the outstanding bank charges (€15 per Recovered Bill of Exchange rejected) deriving from the resulting rejection or without grounds for the bills or promissory notes that it issues. The sale, transfer, discount in pledge or contribution to the company's goodwill or its material by the Client, judicial liquidation or redress, bankruptcy, insolvency as well as, if the payments or acceptance of one of the drafts have not been carried out in due time, authorise INNELEC, with all rights reserved, to suspend all deliveries or cancel all orders until full payment has been made and rescind potential contrary terms of payment agreed to by the Client.

In addition, in accordance with articles L.441-3 and L.441-6 of the French Commercial Code, any failure on the part of the Client, whether full or partial, to fulfil its payment obligations or any delay in payment, will be enforceable *de jure* without the need to issue a reminder:

- Of a single compensatory payment for recovering costs set at 40 euros
- A penalty payment in an amount equal to three times the legal interest rate in force on the date of maturity

Interest will start to accrue from the payment date that appears on the invoice and will continue to accrue until full payment of all outstanding balances, payable to INNELEC, have been settled. Each month started will be payable in full. INNELEC will be able to charge *de jure* the penalties for late payments to any price reduction owed to the Client. In the event of non-payment, even partial, on one of the



maturities agreed for any of the deliveries, INNELEC reserves the possibility to immediately enforce payment of the full sum owed by the Client for any reason. In the event of payment by way of bill of exchange, failure to return the bill within 30 days will be considered refusal to accept and will amount to payment default.

In the event of delayed or non-compliance, whether in full or in part, by the Client of its payment obligations, INNELEC will be entitled to notify the Client, by any means, of the suspension of its deliveries. These provisions will cease to have effect once full payment of the invoices has been settled, the Client accepting, therefore, the new delivery timeframes of which INNELEC has notified it. In the event of insolvency, payment after the maturity date, safeguard procedures, redress or judicial liquidation, INNELEC may, subject to the mandatory provisions of article L.622-13 of the French Commercial Code:

- Proceed *de jure* and, without the need for any formality, to repossess the merchandise corresponding to the order in question and, possibly, to previous unpaid orders irrespective of whether or not the payment thereof is due;
- Terminate *de jure* the agreement in its entirety, issuing a mere notification to the Client, by recorded delivery, without any formality and without prejudice to the exercise of any of its other rights.

Any credit deterioration experienced by the Client may, at any time, justify an immediate payment of both present, and future, orders and certain guarantees in respect of the risks run to comply with certain deadline and payment method requirements. This will be particularly applicable in the event of assignment, location-management, collateralisation or a contribution to goodwill or some elements thereof, or even a change in control, or structure, of the Client's company or to the CEO, all of which may have a negative impact on the Client's credit.

In accordance with article L.622-7 of the French Commercial Code and express agreement, in the event a safeguard, receivership or judicial liquidation procedure is instigated by the Client, the unpaid amount of the invoices that have been issued for deliveries made for the benefit of INNELEC and potential reductions of amounts due, will be offset against the amounts outstanding to INNELEC, with these being immediately payable. If, however, INNELEC is obligated to instruct a third-party agent (lawyer, bailiff, etc.) to retrieve payment of the amounts owed, it is expressly agreed by way of a one-off *de jure* penalty clause, which may not be reduced, that an increase of 10% of the amount owed by the Client will be applied without prejudice to the late-payment interest, damages and possible interests that may be claimed.

5.1 Offsets

No payment may be offset at the sole initiative of the Client, in particular in the event of an allegation by the Client of a delay in delivery or non-conformity of the products delivered. INNELEC's prior written agreement will be an absolute requirement irrespective of the possible contrary provisions that may feature in the Client's Terms of Purchase.

In any event, offsetting may only be applied to an undisputed, outstanding and fixed amount, and will not be permitted by the Client in the following circumstances:

- Penalties, for whatever reason, are applied that have not been discussed, or validated, by INNELEC
- Accounts that are inconsistent, or invalidated, by INNELEC
- Any commercial transaction for which the counterparty has not been verified by INNELEC and that gives rise to the establishment of a payment and/or credit note.

Any offset not authorised by INNELEC will be understood to be payment default and will authorise INNELEC to reject any new product order and to suspend any current deliveries.

6. Electronic invoices

In accordance with article 289 bis of the general Code on Taxes, the Client unreservedly agrees to accept invoices electronically. As a result, the Client expressly declares that it definitively waives the right to receive invoices in paper format and agrees to provide us with an email address to which its invoices can be sent.

7. Retention of property

The merchandise sold will continue to be the property of INNELEC until full payment has been received. This ownership clause is to be interpreted in accordance with the legal provision and regulations in force and, to that effect, with the provisions of ruling n°2006-346 of 23 March 2006, "*relating to securities*". In this regard, it does not constitute a payment within the meaning of this clause, the discount of a draft, bank cheque or postal order or any security giving rise to a payment obligation. Payment will only be considered to have been made once INNELEC has received the actual price. If the products being retained have been sold by the Client, INNELEC security will be automatically transported on the claim for the price of the products sold by the Client. As from now, the Client assigns all securities resulting from the resale of unpaid for products, the ownership of which is retained, to INNELEC. Partial payments will be charged as a priority and at INNELEC's exclusive choosing, either on the oldest sale prices, or on merchandise before payment, the Client expressly agrees to provide, at INNELEC's first request for such information, the names and addresses of subpurchasers, as well as the value of the price so that INNELEC can exercise its right to claim either the merchandise or the price thereof whether held by the client or by a subpurchaser. The Client agrees to inform all third parties, in particular in the event of seizure, of the fact that the products covered by the retention of property clause belong to INNELEC, and to inform the Seller immediately of any seizure or similar.

In the event of safeguard procedure, judicial liquidation or redress from the Client, the products may be claimed in accordance with the legal provisions and/or regulations in force. In the event of a claim for merchandise, for partial or full non-payment, the products in stock will be held to be unpaid securities. In accordance with articles L.624-9 and L.624-16 of the French Commercial Code and notwithstanding any clause to the contrary, this retention of property clause may be opposed by the Client. INNELEC is already authorised by the Client, who so agrees, to take an inventory and/or confiscate the products that the Client has not paid for. Any accounts previously settled will be acquired, in their entirety, by INNELEC as penalty.

Without prejudice to this retention of property clause, any risks associated with the products sold will be borne by the Client and transferred to the Client upon invoicing for the merchandise and when they are made available to the transporters at INNELEC's warehouses. The Client alone will also be liable for all risks relating to the deterioration, loss and destruction of the products, whether partial or full, irrespective of the cause of the damage and even if it results from a fortuitous event or from force majeure. Until full payment has been received, the Client is prohibited from transferring collateral or pledge over the products sold under reserve of ownership, or from using them as a security. The Client agrees to inform all third parties, in particular in the event of seizure, of the fact that the products covered by the retention of property clause belong to INNELEC, and to inform INNELEC immediately of any seizure or similar.

The Client agrees to take out a policy with an insurance company operating in France, for all the stock in its possession or under its control, for their replacement value and will make certain that INNELEC's rights regarding this stock is included on the policy.

8. Exclusivity

No Client will have the right to exclusivity (France and DROM-COM only).

9. Protection of tools and other materials

If the Client themselves (or their employees) copy, attempt to copy, reproduce fully or partially, or go to the location of the tools, or other materials, resold by INNELEC, they will automatically be struck off the list of Clients and INNELEC reserves the right to bring immediate action against them for compensation, damages and interest. The Client will hold INNELEC harmless for any claim deriving from the sale, or use, of the products contrary to these indications.

10. Right to return

All our sales are final and definite. However, INNELEC may be required, from time to time, to offer certain products in sales transactions that have the option of being returned. All these transactions will mandatorily, therefore, give rise to the need for prior written proposals by INNELEC.

Likewise, INNELEC may be required to enter into return agreements with certain Clients in relation to certain products. In these situations, a mandatory yearly contract must be drawn up and signed by INNELEC's Management. Failure by either party to renew this agreement will be understood to mean that returns for the products purchased in the year following the non-renewal of these agreement will cease.

Any requests to return products must be sent, in writing, to INNELEC's SAV. No return, validated by INNELEC, will be accepted after the final date listed by INNELEC for returning products. This date is indicated on the Authorised Return Sheet (*Bon d'Autorisation de Retour*) sent to the Client. This Authorised Return Sheet must be returned to us complete and signed. Non-compliance with this requirement will result in its refusal. The pieces accepted for return must be in good condition, in their cellophane or their original integral, blister packaging and the product must be whole and without a price tag or similar (conversely, it is a mandatory requirement that our warranty ticket be present). The return of the products will involve the establishment of a credit note, in the amount of the products, at the rate in force as indicated on the Authorised Return Sheet, in favour of the Client, that can be used with future invoices. All return fees and, in particular, port fees will be borne by the Client. Any return request that does not strictly observe these rules will not be considered. Non-conforming products, or supernumeraries, returned without INNELEC's consent will continue to be available to the Client for 3 months. The Client is hereby advised that failure to remove them within this time period will result in the products being destroyed and no reimbursement being permitted, in any form, as compensation for the destroyed products.

The procedure relating to the return of unsold products is detailed in our SAV-SCE-18.01 table in the current, separately edited version and forms an integral part hereof.

11. Defective products

11.1 Procedure

Products that have been previously tested by the consumer, which present a technical fault that has both been confirmed by the reseller and prevents the consumer from using the product in question, will be held to be defective. The fault must be clearly documented for each product returned, on plain paper or on the fault description sheet provided by INNELEC.

The procedure relating to the return of defective merchandise is detailed in our SAV-SCE-18.01 table in the current, separately edited version and forms an integral part hereof.

11.2 Warranty

As distributor, INNELEC does not provide any contractual warrant in relation to the products in its catalogue other than the legal warranty set out in articles 1641 to 1649 of the French Civil Code (*Code Civil*). Any contractual warranty agreed by the editor, or the manufacturer, will be binding only on this party.

Products with packaging that has been worn down during their transportation to the Client do not fall within the definition of defective products. They must be returned separately within a maximum of 8 days following their receipt.

12. Shipments, deliveries and terms for accepting deliveries

12.1 Delivery fees in France (outside French overseas departments and regions - Overseas collectivities)

12.2

All product orders over €500, before tax, will be delivered free of charge when destined for a single delivery point. Orders below this amount will be subject to a postage and packaging fee of €10, before

tax, if more than €152 before tax and €15, before tax, for orders falling below €152 before tax. If the Client has already placed an order for €500 before tax, any other orders placed that same day will be delivered, without postage and packaging fees being applied, from the time that the new orders for deliverable products exceed, individually, €152 before tax.

12.3 Fees for delivery to other destinations

To all other destinations, delivery fees will be invoiced in euros, based on geographic location and type of dispatch required and accepted by the Client.

12.4 Terms for accepting deliveries

The Client will only discharge the transporter once it is sure that the packages are in perfect condition. It will fall to the Client receiving the products to check for correct compliance with the transport contract and, in the event of breach, that they take the necessary measures and claim any remedy from the transporter:

- If a package is damaged or there is a package missing, or in the event of dispute based on any other grounds: immediately and definitely establish the nature, and importance, of the damage at the time of receipt on the shipping note.

- Advise both the transporter and INNELEC, by recorded delivery, within three (3) days, excluding bank holidays, following the receipt of the transported items, of the reason for the complaint. This is required under penalty of preclusion under article L.133-3 of the French Commercial Code.

These two conditions are both absolutely necessary to establish the liability of the transporter. The receipt of products by the Client will extinguish any claim made against INNELEC in relation to obvious defects, excluding any potential defects, as detailed herein.

Transport and/or Delivery Slips that are endorsed will be processed free-of-charge within a period of 3 months commencing the date on which they are signed and with a limit of 5 orders per month. Beyond that, the Client will be charged €5 per Transport / Delivery Slip claimed when the actin question has been carried out in full.

* Transfer of risk: the Client declares to have been informed that the products shipped from INNELEC's warehouse will travel in the charge of the delivery transporter, at the risk and peril of the Client, which will be mandatorily be borne thereby, in the event of loss or damage, in accordance with the legal provisions under article L 133-3 of the French Commercial Code, formulate any necessary reservations expressed in relation to the delivery on the waybill or the travel voucher and confirm them within 3 days (excluding bank holidays) with the delivery transporter by means of letter sent recorded delivery and a copy thereof sent immediately to INNELEC, even in situations where no consideration has been paid. This will apply to all situations, whether the products have been delivered by an INNELEC transporter, or by one of the Client's transporters. Any complaint made by the Client by phone will only be treated as having been passed by INNELEC to the transporter after having been confirmed, in writing, within the above-mentioned three days. In the event no response has been received within this period, the Client will be held to have accepted the products.

* In the event the Client removes the merchandise (disposal) from INNELEC's warehouses, the sign-off sheets will, under all circumstances, give rise to the transfer of risk to the Client.

12.5 Delay in delivery

a) In Mainland France

For merchandise that is in stock, orders placed before 5 pm will, where possible, be dispatched the same day or, if this is not possible, the next working day. Deliveries are, generally, made by way of express delivery within a period of 24 - 48 hours. The delivery turnarounds indicated are purely for information purposes; possible delays will not entitle the Client to cancel the sale, reject the merchandise or claim damages.

For mass distribution, or a company that requires an appointment delivery, the timeframe may differ to accommodate the appointment. Appointment deliveries will require organisation and specific means to be used by our transporters and will, likewise, require the Client to take custody of the product without delay. In the event the driver is made to wait



30 min above the timetable agreed for the appointment delivery, this time will be invoiced at €50, before tax, per 30 min block of waiting time.

b) Other territories

Delivery turnarounds take into account the geographic location and type of dispatch required, and accepted, by the Client

12.6 VAT-free exports

Any Client with a registered office in mainland France and wishing to purchase the products without VAT, for the purposes of export, at

13. Intellectual property

The Client expressly recognises that it has not acquired, under this agreement, any right over one or more of the intellectual property that INNELEC uses, either due to being the holder, or because it is authorised by the holder, of these rights. These intellectual rights comprise the rights associated, in particular, with the different signs (trademarks, logos, visual marks) designs and models, manufacturing secrets, patents and copyrights. The Client cannot declare or use:

– for example, within the scope of promotional activities – trademarks, logos, visual marks, or any other intellectual property right will belong to INNELEC or those that is authorised to use or has the express, prior written authorisation of the holder of these rights for these purposes of this agreement. INNELEC reserves the right to oppose, terminate or demand the repair of any use that it holds to be disloyal, an act constituting commercial piracy, contrary to its image or to the authorisation that is has granted. In the even that, despite prohibition under this article, the Client uses, either with or without authorisation, the intellectual property rights belonging to INNELEC or those that it is authorised to use and that that usage would incite third parties to instigate an action against INNELEC, the Client will cover all costs incurred by INNELEC. As such, if the Client has any knowledge of a breach of an intellectual property right that belongs to INNELEC, or that it is authorised to use, it will inform it of the breach immediately by fax or email, which will be confirmed as being received by letter sent recorded delivery. In addition, the Client will inform INNELEC, as soon as it becomes aware of such, of any judicial action to be brought against it that relates to the intellectual property rights of the products sold, and will not take any steps without having first referred such to INNELEC, which will follow up, where necessary with the holder of the rights.

14. Liability limitation/penalties

No penalty, of any nature, nor any pre-established penalty that may feature in the commercial documents issued by the Client will be accepted by INNELEC without INNELEC's prior, written agreement, irrespective of the reason for the penalty. INNELEC will not be liable for any losses, whether direct or indirect, that may be suffered by the Client, in particular lost profits and/or sales revenue, interrupted activity and/or any loss resulting from operating losses experienced by the Client. INNELEC's liability with regard to losses suffered by the Client within the scope of the contractual relationship with the Client, regardless of the grounds for the attempted action, will be limited to the order price paid by the Client, including the price of the product that may have caused the damage. Either way, INNELEC can only be held liable in the event of proven fault.

15. Fortuitous events and force majeure, etc.

INNELEC's obligation to deliver the products will be suspended during all fortuitous events and events constituting force majeure, or any other supervening event impeding the company's activity, or that of its suppliers, or that threatens full, or partial, unemployment of either the company or its suppliers. This suspension will not release the Client from its payment obligations.

16. Commercial disputes

Any dispute raised by the Client, relating to the commercial relationship with INNELEC (invoice, service contract agency agreements, quality of the products, other receivables, etc.) may not be heard after a period of 12 months has elapsed from when the contested event took place. After that period and, by express waiver of article L.110-4 of the French Commercial Code, no claim or dispute may be raised, and presented, and the Client's actions will be barred by the statute of limitations.

INNELEC's premises will have to request this, in writing, at the same time the order is placed It is a requirement that a certificate of VAT exemption, drawn up on headed paper as a single original copy and stamped by the relevant customs service, be produced in advance. In the event of a temporary deductible, the Client will have to provide this certificate mentioning the reference and the amount of the merchandise before tax on the Pro-forma invoice (quotation) issued by INNELEC. In the event an order is placed and removed in INNELEC's premises, the products will be invoiced including taxes and, once evidence has been produced to show it has gone through customs, INNELEC will reimburse the VAT.

In accordance with article L.441-3 of French Commercial Code, the Client will be responsible for issuing INNELEC with an invoice once all services have been rendered for INNELEC. The payment of that invoice will be effected by the issuance of a credit note by INNELEC in favour of the Client.

17. Jurisdiction/Applicable law

All contractual relationships between INNELEC and the Client derive from the application of these General Terms of Sale, and the possible private agreements that may be entered into, including any litigation resulting therefrom, irrespective of their nature, will be subject in their entirety to French law including in the event that the products are sold to a link outside of French territory. The parties agree to amicably resolve disagreements resulting from the interpretation, execution or termination of the commercial relationship between INNELEC and the Client in as far as it is possible to do so. Any dispute resulting from the execution of the contractual obligations agreed between INNELEC and the Client, as well as consequential actions thereof, will be subject to the jurisdiction of the competent courts in the district in which INNELEC is domiciled, notwithstanding any incidental claims or guarantee calls, or in the event there are multiple defendants.

This arbitration jurisdiction clause will also apply in the event of a summary judgement. INNELEC will, however, be entitled to waive all other competent jurisdictions, in particular the jurisdiction in which the Client's head office is based or the place to which the merchandise was delivered. Commercial bills, or acceptance of payment, will not novate or derogate this clause.

18. Confidentiality

A confidentiality clause will apply to all information and/or all documents sent by INNELEC to its clients and vice versa. The parties agree to keep the terms of sale INNELEC provides them with confidential and not to publish, or make them public, nor to divulge their existence, unless such disclosure is required by law, or agreed in writing with INNELEC.

Name:
Surname:
Position:
Company:
Signature:
Company stamp: