

GENERAL CONDITIONS OF SALE

I - SCOPE OF APPLICATION

These General Conditions of Sale («GCS») shall apply to the sale of all products, components, software and services (referred to as «Products») proposed or sold by the Seller to the Client. Said GCS shall also apply to all quotations or offers made by the Seller, and are an integral part of all orders. «Seller» is understood to mean all companies directly or indirectly controlled by Nidec-PSA Emotors. The acceptance of the Seller's offers or quotations, or any order, entails the acceptance without reservation of these GCS and rules out all contrary provisions shown on all other documents and, in particular, on the Client's order forms and the Client's General Conditions of Purchase.

The Products and services sold pursuant to these GCS may under no circumstances be used for applications in the nuclear field, as such sales expressly fall under technical specifications and specific contracts that the Seller reserves the right to refuse.

II - ORDERS

The Seller may not be held liable for an unsatisfactory selection of Products if said selection results from conditions of use that are incomplete and/or erroneous, or not disclosed to the Seller by the Client.

Except in the event of a stipulation to the contrary, the offers and quotations remitted by the Seller shall only be valid for 30 (thirty) days as from the date on which they are issued.

Where the Products must comply with standards, specific regulations and / or be received by control, inspection agencies, and the price request must be accompanied by the technical specification, all terms, and conditions the Seller must comply with. Reference shall be made thereto on the quotation or offer. Approval and attendance costs shall always be borne by the Client.

III - PRICES

Tariffs are expressed exclusive of tax and may be revised without notice. Prices are either deemed to be firm for the period of validity specified on the quotation, or subject to a revision formula attached to the quotation and which specifies, according to the regulations, parameters pertaining to the materials, products, various services and salaries. All additional costs, in particular approval costs, specific checks, etc., shall be invoiced in addition.

IV - DELIVERY

Sales are governed by the latest edition in force of the INCOTERMS published by the Internal Chamber of Commerce («I.C.C. INCOTERMS»). The Products shall be dispatched according to the conditions stated on the order acknowledgement issued by the Seller for all orders of Products.

Except in the event of specific provisions, the prices correspond to Products that are made available in the Seller's factories, including basic packaging. Except in the event of a provision to the contrary, the Products shall always be transported at the risk of the addressee. In all cases, it shall be the responsibility of the addressee to make any claims to the carrier, within the delivery time and in the forms specified by law, concerning the state or number of parcels received, and to concomitantly provide the Seller with a copy of such claims. Failure to comply with said procedure shall exempt the Seller from any liability. In any event, the Seller's liability may not exceed the amount of the indemnities received from its insurers. If the provisions concerning transportation are amended by the Client subsequent to the acceptance of the order, the Seller reserves the right to invoice any supplemental costs that may result therefrom.

Except in the event of a contractual or statutory obligation to the contrary, packaging shall not be returnable.

In the event that a delivery of Products is delayed for a reason not attributable to the Seller, the Products stored on the Seller's premises shall be insured at the exclusive risk of the Client. Consideration for storage costs will be invoiced at a rate of 1% (one per cent) of the total amount of the order, per month or partial month of storage, with no deductible or de minimis amount, as from the date availability of Products provided for in the contract. Upon expiration of a period of 8 (eight) days as from said date, the Seller may, at its discretion, either freely dispose of the Products or agree with the Client on a new delivery date for said Products, or invoice the Client in full for payment, according to the timeframes and amount provided for contractually. In any event, down payments shall inure to the Seller as indemnities, without prejudice to any other action the Seller may take.

V - DELIVERY TIME

The Seller shall only be bound by the delivery time mentioned on its order acknowledgement. Said delivery time shall only start to run as from the date of issuance of the order acknowledgement by the Seller, and subject to the fulfillment of the conditions provided for on the order acknowledgement, in particular receipt of the down payment for the order, notification of the opening of an operative irrevocable and confirmed documentary credit that complies in all respects to the Seller's request (in particular regarding the amount, currency, validity and license), acceptance of the payment conditions accompanied by the implementation of any guarantees requested, etc.

Exceeding delivery time shall not grant the Client entitlement to damages and/or penalties.

Except in the event of a specific condition to the contrary, the Seller reserves the right to make partial deliveries.

Delivery times shall be interrupted by right and without the need for any judicial formalities, by any failure to pay or late payment by the Client.

VI - TESTS - QUALIFICATION

The Products manufactured by the Seller are checked and tested before leaving its factories. Clients may be present at said tests if specified on the order.

Specific tests and/or trials, as well as approval of Products, requested by the Client, whether carried out on the Client's premises or in the Seller's factories, on site, or by control and inspection agencies, must be specified on the order and are always at Client's expense.

Prototypes for Products specially developed or adapted for a Client must be qualified by the Client before serial production in order to ensure that compatible with the other components that make up their equipment, and that they are adapted to their intended use. Said qualification will also enable the Client to ensure that the Products comply with the technical specification. In this respect, the Client and Seller shall sign a Product Approval Form in two originals, one of which shall be retained by the Client and one by the Seller. In the event that the Client requires delivery without having firstly qualified the Products, said Products shall be delivered as they stand and shall always be deemed to be prototypes; the Client shall then be solely liable for using the Products or delivering them to its own clients. However, the Seller may also decide not to deliver the Products that have not received the Client's prior approval.

VII - PAYMENT CONDITIONS

All sales shall be deemed to be completed and payable at the Seller's registered office, without any possible derogation, regardless of the payment method, where the contract was concluded and where delivery was made. Where the Client is located out of French territory, invoices shall be payable in cash upon receipt, or by a bank draft or a bill of exchange, within 30 (thirty) days net.

Failure to pay an invoice when due shall trigger, after service of formal notice that has remained without effect, payment to the Seller of a late payment penalty on the due date of the receivable, which shall be applied to the amount inclusive of tax of monies owed if the invoice is subject to VAT (Value Added Tax), and as a minimum, a fixed sum of € 40, as compensation for recovery costs and the suspension of pending orders. Said late payment penalty is equal to the European Central Bank interest rate on the main refinancing operations + ten basis points.

The collection of said monies via litigation shall trigger an increase of 15% (fifteen per cent) of the amount claimed, with a minimum of € 500 exclusive of tax (five hundred euros exclusive of tax), with tax in addition if due.

Moreover, subject to compliance with the statutory provisions in force, in the event of total or partial failure to pay any invoice or instalment whatsoever, regardless of the payment method used, all amounts that remained owed to the Seller (including its subsidiaries, affiliated or allied companies, whether French or foreign) for all deliveries and services, regardless of the due date originally provided for, shall immediately be come due.

VII - TRANSFER OF RISK / RESERVE OF TITLE

Risk shall be transferred as soon as the Products are made available, according to the delivery conditions stipulated on the order acknowledgement. The transfer of title to the Client shall take place after payment in full. In the event that the restitution of the Products delivered is claimed by the Seller, the Seller is entitled to retain any down payment as compensation.

Remittance of a bill that creates an obligation to pay (bill of exchange or other) shall not constitute payment and discharge.

For as long as the price has not been paid in full, the Client is required to inform the Seller, within 24 (twenty-four) hours, of the sequestration, requisition or confiscation of the Products for the benefit of a third party, and to take all protective measures to make known the Seller's property right in the event of action by creditors, and to cause such right to be respected.

VIII - CONFIDENTIALITY

Each of the parties undertakes to maintain the confidentiality of all technical, trade, financial or other information received from the other party, whether orally, in writing or by any other means of communication, when any order is negotiated and / or fulfilled.

This confidentiality obligation shall apply throughout the period during which the order is fulfilled and for 5 (five) years subsequent to completion or cancellation thereof, regardless of the reasons therefor.

IX - INDUSTRIAL AND INTELLECTUAL PROPERTY

Data, studies, results, information or software, whether patentable or not obtained by the Seller when any order is fulfilled shall remain the exclusive property of the Seller.

With the exception of instruction and maintenance manuals, documents of any nature remitted to the Client shall remain the exclusive property of the Seller and must be returned to it upon request, even if the Client was invoiced for part of the cost of the study, and said documents may not be disclosed to third parties or used without the Seller's prior written agreement.

X - TERMINATION

The Seller reserves the right to terminate immediately, by right and without the need for any judicial formalities, the contract in the event of failure to pay any portion whatsoever of the price, when due, or in the event of any breach of any of the Client's contractual obligations. Down payments and any amount already paid shall remain in Seller's hands in the form of indemnities, without prejudice to the Seller's right to claim damages. In the event that the contract is cancelled, the Products must be returned to the Seller immediately, regardless of where the Products are located, at the Seller's expense and risk, under penalty of 10% (ten per cent) of the value thereof, per week's delay.

XI - WARRANTY

The Seller warrants the Products against all operating defects caused by a material or manufacturing fault, for a period of 36 months as from the date on which the Products are made available, unless a different statutory provision subsequently applies, under the conditions defined below. The warranty may only be triggered insofar as the Products have been stored, used and maintained in accordance with the Seller's instructions and manuals. The warranty does not apply where the defect results, in particular from:

- inadequate monitoring, maintenance or storage,
- normal wear and tear on the Products,
- servicing or modification of the Products without the Seller's prior written authorization,
- abnormal use of the Products or use of the Products for a purpose other than that intended,
- faulty installation of the Products on the premises of the Client and/ or the end user,
- failure by the Client to disclose the purpose or conditions of use of the Products,
- failure to use genuine spare parts,
- force majeure or any event that is beyond the control of the Seller.

In any case, the warranty is limited to the replacement or repair of the parts or Products deemed faulty by the Seller's technical departments. If the repair is entrusted to a third party, the repair shall only be carried out once the Seller has agreed to the quotation for the repair.

All Products returns must have been given the Seller's prior, written authorization.

The Products to be repaired must be dispatched carriage paid, to the address given by the Seller. If the Products are not accepted under warranty, their return to the Client shall be invoiced to the Client or the end user. This warranty shall apply to the Seller's Products that are made readily available and therefore does not cover the de-installation and re-installation of said Products in the equipment into which it is mounted. Repair, modification or replacement of any part or Product during the warranty period may not result in the warranty period being extended. The provisions of this article constitute the Seller's sole obligation concerning the warranty of the Products delivered.

XII - LIABILITY

The Seller's liability is strictly limited to the obligations stipulated in these GCS and those expressly accepted by the Seller. All penalties and indemnities provided for therein constitute lump sum damages that include discharge for the Seller and are exclusive of any other penalty or indemnification.

With the exception of the Seller's gross negligence and the compensation of bodily injury, the Seller's liability shall be limited, in total, to the contractual amount, exclusive of tax, of the Product(s) that give(s) right to compensation.

The Seller may under no circumstances be required to indemnify consequential, indirect and / or punitive damages that the Client may use as the basis for a claim; as a result, the Seller may not be required to indemnify, in particular, production losses, operating losses or lost profit or, in general, any damage eligible for indemnification other than bodily injury or damage to property.

The Client undertakes to hold harmless the Seller and / or its insurers from any and all claims made by its insurers and/or any third party in a contractual relation with the Client, in excess of the limit and for the exclusions listed above.

XIII - SPARE PARTS AND ACCESSORIES

Spare parts and accessories shall be supplied upon request, to the extent of their availability. Associated costs shall be invoiced in addition.

The Seller reserves the right to require a minimum quantity or invoicing amount per order.

XIV - WASTE MANAGEMENT

The Products that form the object of the sale do not fall within the scope of the European Directive 2002/96/EC (WEEE) dated January 27th, 2003, and all related legislation of Member States of the European Union that result therefrom, on the composition of electrical and electronic equipment and the disposal of waste from such equipment.

In accordance with Article L 541-2 of the French Environment Code, it is the responsibility of the waste holder to ensure the disposal thereof or to cause the disposal thereof at its own expense.

XV - FORCE MAJEURE

With the exception of the Client's obligation to pay the monies owed to the Seller in respect of an order, the Client and Seller may not be held liable for the total or partial failure to perform their contractual obligations if such failure results from the occurrence of a force majeure. Delays or disturbances in production that totally or partially result from war (whether declared or not), terrorist act, strikes, riots, accidents, fires, floods, natural disasters, transportation delays, shortage of components or materials, governmental decision or action (including prohibition on import/export or the withdrawal of an import/export license) shall, in particular, be deemed a force majeure. If one of the parties is delayed or prevented from performing its obligations for a period in excess of 180 consecutive days, each party may then terminate, by right and without any need for judicial formalities, the unperformed part of the order, by written notice to the other party, without liability. However, the Client shall be required to pay the price agreed pertaining to the Products already delivered on the date of termination as well as the storage costs mentioned in Article VI for undelivered Products.

XVI - PROHIBITION ON UNLAWFUL PRACTICES

The Client shall refrain from being engaged in any activity that would expose the Seller or any of its affiliates to a risk of penalties under laws and regulations of any relevant jurisdiction prohibiting improper payments, including but not limited to bribes or gifts of an obviously unreasonable amount, to any government or agency officials, to political parties or their officials or candidates for public office, or to any employee of any customer or supplier.

XVII - TRADE COMPLIANCE LAWS

The Client agrees that all applicable import, export control and sanctions laws, regulations, orders and requirements, as they may be amended from time to time, including without limitation those of the European Union, the United States of America, and the jurisdictions in which the Seller and the Client are established or from which Products may be supplied, and the requirements of any licenses, authorizations, general licenses or license exceptions relating thereto ("Trade Compliance Laws") will apply to its receipt and use of Products, as well as related services and technology. In no event shall the Client use, transfer, release, export or re-export the Products, related services or technology in violation of Trade Compliance Laws.

Seller shall have no obligation to supply any Products, or services unless and until it has received any necessary licenses or authorizations or has qualified for general licenses or license exceptions under Trade Compliance Laws.

If for any reason any such licenses, authorizations or approvals are denied or revoked, or if there is a change in any Trade Compliance Laws that would prohibit Seller from fulfilling the contract, or would in the reasonable judgement of Seller otherwise expose Seller and/or Seller's Affiliate(s) to a risk of liability under Trade Compliance Laws, Seller shall be relieved without liability of all obligations under the contract.

XVIII - SEVERABILITY

All clauses and/or provisions of these General Conditions that are deemed or become null or void shall not cause the nullity or voidance of the contract, but solely the clause and/or provision concerned.

XIX - INFORMATION TECHNOLOGY AND CIVIL LIBERTIES

The Buyer processes personal data in order to manage its contractual dealings with its Sellers. The data collected is essential for this processing and is intended for the Buyer's relevant departments, and, if applicable, its sub-contractors and service providers. In accordance with the French law on information technology and civil liberties of 06/01/1978, you have the right to examine, access, correct and/or object to all your data on legitimate grounds by writing to the data protection officer.

XX - DISPUTES

THIS CONTRACT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF FRANCE.

IN ACCORDANCE WITH ARTICLE 58 OF THE CODE OF CIVIL PROCEDURE, THE PARTIES SHALL MAKE THEIR BEST EFFORTS TO AMICABLY SETTLE ANY DISPUTE THEY MAY HAVE IN RELATION WITH THE INTERPRETATION OR THE EXECUTION OF THIS CONTRACT.

IN CASE OF FAILURE TO REACH SUCH AN AMICABLE SETTLEMENT WITHIN A 30 (THIRTY) DAY PERIOD, SUCH DISPUTE SHALL BE SETTLED BY THE COMPETENT COURT OF VERSAILLES (FRANCE), EVEN IN THE CASE OF INTRODUCTION OF THIRD PARTIES OR PLURALITY OF DEFENDANTS.