

## 1. GENERAL PROVISIONS

- 1.1 These General Conditions have been drawn up in accordance with usual practice in the European Economic Space (EES). They define the rights and obligations of the plastics manufacturer referred to herein as Chavand and of the purchaser referred to herein as the Client in relation to contracts for the supply of products and the associated services that Chavand may be led to supply to the Client. The said contracts may be sales contracts or works contracts. Each time that a contract is established, the provisions of the contract shall prevail.
- 1.2 The General Conditions form the legal basis of the contracts for all provisions which are not expressly specified in writing.
- 1.3 They take precedence over any contradictory clause formulated in any manner by the Client unless Chavand accepts that clause in writing. They take effect on **January 1, 2022**.

## 2. PRODUCT DESIGN

Unless expressly stipulated otherwise Chavand is not the designer of the products that it manufactures and its role is that of an industrial subcontractor. The design results in a complete definition of the product but may nevertheless form all or part of the industrial subcontracting if the Client accepts in the last resort full responsibility for the desired industrial result. This applies in particular in the case of CAD parts drawings done at the request of the Client and on the basis of specifications supplied by the Client.

In the particular case where Chavand is the designer and manufacturer of products for the Client, the concerned products must be subject to a specific contract based over the following clauses.

## 3. PROPOSAL AND ORDER

- 3.1 The invitation to tender of the client must be accompanied by a design brief. It can be sent by mail, fax or email.
- 3.2 The Chavand proposal will only be deemed firm if accompanied by a period of validity. This condition also applies if the Client makes changes to the specifications or to reference parts submitted to the Client by Chavand.
- 3.3 Chavand shall only be bound by the conditions of its express acceptance of the firm and definitive order from the Client in the form of a letter or any other means of communication that generates a document. Any order placed on our website is reputed firm once upon validation of the basket on the website. An open order with periodic or regular requests for delivery can only be concluded for a limited period agreed between Chavand and the Client.
- 3.4 The minimum invoice value , excluding taxes and shipping, is set at 80 euros on our website and at 150 euros on all orders made outside of our website.

## 4. DESIGNS

- 4.1 Unless otherwise agreed the sale of products shall not imply any transfer to the Client of Chavand's ownership rights in the manufacturing designs. This condition also applies to designs proposed by Chavand in order to improve the quality or cost of the products by an original modification of the initial specifications. The Client, if he accepts them, shall agree with Chavand the conditions of their utilisation in connection with the order.
- 4.2 The Client shall not in any circumstances dispose of the designs, drafts, prototypes and documents produced by Chavand, which shall remain its property. Those designs, drafts, prototypes and documents shall not be used, reproduced, patented, registered or communicated without written permission from Chavand.
- 4.3 The Client shall not dispose of the patents, models or knowledge owned by Chavand for the Client's own purposes, or divulge them without previously having expressly acquired ownership, joint ownership or a right to use.

## 5. LEAD TIMES

- 5.1 Lead times run from the date of confirmation of order by Chavand and no earlier than from the date at which all documents, materials and execution details have been supplied by the Client.
- 5.2 The essential nature and details of the agreed lead time must be specified in the contract (date of availability, date of presentation for inspection or acceptance, effective delivery date, etc.). If the required details are not provided, the lead time shall be considered as an indication only. Any modification of the contractual conditions of supply will require a new lead time to be fixed.
- 5.3 When Chavand commits to deadlines, Chavand cannot be held responsible for unforeseen shipping delays. Shipping times, as seen on our Order Acknowledgement, are only given as an estimate.
- 5.4 Lead times may be extended at the request of Chavand or the Client for any reason outside their control that make it impossible for the Party requesting the extension to comply with its obligations. That Party shall inform the other in writing of this situation as soon as it arises.

## 6. PACKING

- In the absence of a specific agreement, Chavand shall propose at least one method of packing.

## 7. TRANSFER OF RISKS

- Transfer of costs as well as transfer of risks are defined by the agreed incoterms between Chavand and the Client. The ICC 2010 Incoterms rules are the last version to be applicable.

## 8. TRANSPORT

- 8.1 Transport conditions are defined in accordance with the agreed Incoterms / ICC 2010.
- 8.2 Upon arrival of the products, the client bears all the risks and is responsible for verifying the condition on the shipping document.
- 8.3 The Client shall inform Chavand immediately of any dispute, without prejudice for any legal action that the Client may take against the Carrier.
- 8.4 The Client shall bear the costs and risks of transport in the event of return of materials as referred to in Article 5.1 and of the standard products destined to serve as a reference.
- 8.5 The goods may be insured, on the written instructions and at the expense of the Client, against any risk and for a value to be agreed.

## 9. PRICES

- 9.1 In the absence of particulars stipulations, price are exclusive of taxes and are based on EXW Grigny \*Rhône (69520, France) /ICC 2010.
- either revisable according to appropriate formulae, taking account of variations in raw materials prices, energy costs, salaries and ancillary costs relating to the order and occurring between the date of the Contract and that of contractual delivery, unless the Contract stipulates otherwise
  - or firm for an agreed duration.
- 9.2 In the absence of particular stipulations, price conditions are EXW Grigny \*Rhône (69520, France) (ICC 2010 Incoterms rules) exclusive of taxes:
- they are established NET, EXCLUDING VAT (VAT to be added), and excluding transport
  - additional charges will be invoiced if EXPRESS delivery is requested.
- 9.3 If the price of "tooling" includes the cost of sampling, it does not in any circumstances cover the costs engendered by modifications due to the purchaser.

## 10. CONDITIONS OF PAYMENT

- 10.1 - The minimum invoice value excluding taxes and transport costs is set at: 80 euros for orders made on our website/150 euros for orders made outside of our website. Any invoice inferior to those values will be raised of a 20 euros fee to cover for billing and collection services.
- Payments are made at Grigny \*Rhône (69520, France). Unless otherwise agreed, payment have to be made by cash on order (through bank transfer or debit card on our website).
  - To calculate the settlement dates, only the dispatch date is taken into account.
  - If payment is not made within the specified time limits, late payment penalties will be calculated following the policy interest rate of the European Central Bank, raised by 10 points. A fixed lump sum of 40 euros for recovery costs (art L.441-6 Code de Commerce) will be added to those late payment penalties. This clause shall be without prejudice to the exigibility of the debt.
  - Any collection through legal action shall automatically oblige the purchaser to pay a fixed penalty sum of 15% of the value of the invoices unpaid at their due date, without prejudice to claims that may be made under the terms of Article 700 of the New Code of Civil procedure.
- 10.2 Without prejudice to the reservation of title specified in Article 15, failure to return bills of exchange with acceptance and bank domiciliation within 7 days of their being sent, failure to make any payment at the due date, serious damage to the Client's credit, and more particularly the revelation of a protest or any pledging based on the business, shall be automatically applied shall be automatically applied upon Chavand decision:
- Either the termination of the time limit for payment and therefore the immediate exigibility of any sums remaining due for any reason and/or the suspension of all shipments
  - Or the immediate termination of all current contracts with conservation of partial payments received and retention of the "tooling" and parts held by Chavand until any compensation is determined upon Chavand's decision.

## 11. INSPECTION AND ACCEPTANCE

- 11.1 In all cases and even in the absence of acceptance, the nature and scope of the required inspections and tests, the standards and the tolerances of any nature must be specified in the drawings and specifications that the Client is obliged to append to his invitation to tender and are confirmed in the Contract concluded between Chavand and the Client.

- 11.2 In cases where acceptance is required, the scope and conditions of that acceptance must be established no later than the date of conclusion of the Contract. Unless the Contract expressly stipulates otherwise, acceptance takes place on Chavand premises at the expense of the Client no later than one week after the notification of availability for acceptance sent to the Client by Chavand. In the event of failure, attributable to the Client, to carry out the acceptance, the products will be stored by Chavand at the risk and expense of the Client. If a second notification from Chavand remains without effect within fifteen days of being sent, the products shall be deemed to be accepted and Chavand entitled to invoice them. In all cases the inspections and acceptances will be carried out within the framework of the reference standards and in accordance with the conditions defined in the documents and specifications as determined by the Client and accepted by Chavand.
- 11.3 In the absence of a specification concerning the inspections and tests to be performed on the products, Chavand will carry out a simple visual and dimensional inspection only.
- 11.4 Manufacturing carried out under a Quality Assurance system requires this condition to be specified by the Client in his invitation to tender and in his order.

## 12. GUARANTEE

- 12.1 Chavand shall supply products that comply with the drawings and stipulations of the contractual specification. If the Client makes a claim concerning the products delivered, Chavand reserves the right to carry out an inspection on the site. For production orders, the Client shall request the manufacture at the Client's expense of sample items to be delivered by Chavand for acceptance testing by the Client after all inspections and test that he considers necessary. The Client shall communicate this acceptance to Chavand by letter or by any other means of communication that generates a document. Acceptance is the starting point for any new time period for new supplies.
- 12.2 The Chavand guarantee consists of the following, after agreement with the Client:
- Crediting the Client with the value of the items recognised to be non-compliant with the drawings and contractual specification or non-compliant with the sample items accepted by the Client
  - Or replacing the items free of charge
  - Or rendering them compliant or having them made compliant The items replaced by Chavand will be the subject of a credit note, replacement items being invoiced at the same price as the items replaced. In the event of bringing into compliance, this is done according to the modalities decided and/or agreed by the Client. Chavand shall bear the cost of this if it undertakes the operation itself and must give its prior agreement if the Client decides to perform the operation for a price communicated previously to Chavand. Parts for which the Client has obtained a credit note, replacement or correction by Chavand must, in the absence of an agreement to the contrary, be returned carriage-paid to Chavand using a carrier chosen by the latter.
- 12.3 On pain of automatic cancellation of the guaranteed described above, the Client shall report non-conformities as soon as they are discovered and shall expressly request that the items concerned are replaced or brought into compliance within the following time limits from delivery:
- 10 days for visible non-conformities
  - 6 months for other non-conformities, this period being reduced to 1 month for production items. No claim can be accepted after expiry of these time limits. Any corrective intervention on the products by the Client without approval from Chavand as to its principle and its cost shall result in the loss of the guarantee.
- 12.4 The guarantee does not in any circumstances cover the following:
- Any damage caused by a defective item in the course of its utilisation if the designing Client has committed the error of placing it in service without having carried out or caused to be carried out all the inspections and tests made necessary by its design, its utilisation and by the intended industrial result.
  - The cost of any operations performed on the items before they are placed in service.
  - The cost of fitting, removing and withdrawal from circulation of these items by the Client.
  - And in general any other prejudice unless caused by the gross negligence of Chavand.
- 14.5 Advice and assistance provided without charge is given in good faith but without responsibility.

## 13. LIABILITIES

Chavand's liability shall be limited exclusively to direct damages. If direct damages should occur, Chavand's total liability cannot exceed the value of the order. This compensation shall be deemed to constitute a fixed settlement in discharge of the damages, to the exclusion of any other penalty. Under no circumstances may Chavand be held liable for any indirect material or consequential damages whatsoever that may accrue to the prejudice of the Customer, their customers and/or third parties through the commercial exploitation or use of the parts. Thus, Chavand cannot be obliged to compensate the Customer, their customers and/or third parties for indirect losses, such as but not limited to a loss of earnings, an operating loss, lost output or any other commercial or financial loss.

## 14. TRANSFER OF OWNERSHIP

By convention, the transfer of ownership to the purchaser of the material of the contract is subject to suspension pending receipt of the totality of the payment, by the agreed date and including any interest due. In this case, the receipt of drafts or any other title which promises payment is not considered as payment. The purchaser may, during the normal operation of this business, resell the delivered material. He may not use it as a security and the guarantee is not transferable.

## 15. INDUSTRIAL PROPERTY

- 15.1 In all cases corresponding to Article 2.1, the Client shall indemnify Chavand against all consequences of legal action taken on the basis of the execution of an order for products covered by industrial or intellectual property rights such as patents or protected marks or models or by any private law.
- 15.2 The transfer of products does not imply transfer to the Client of Chavand's intellectual or industrial property rights to the manufacturing studies. This stipulation also applies to studies proposed by Chavand for improving the quality or the cost price of the products by an original modification of the specification. If the Client accepts them he shall agree with Chavand the conditions of their use in connection with the order. In no circumstances must the Client use them for his own purposes or divulge them without having expressly acquired the intellectual property.
- 15.3 The Client authorises Chavand, unless specifically forbidden by the Client, to exhibit, at any event such as a fair, trade show or exhibition, and on his advertising and commercial documents, certain of the products manufactured by Chavand.

## 16. CANCELLATION

If the Client cancels all or part of his order or defers the date of delivery Chavand shall have no liability and the Client shall indemnify Chavand for all costs incurred at the date of receipt of notification from the Client, without prejudice for any direct or indirect consequences suffered by Chavand as a result of the decision.

## 17. APPLICABLE LAW AND DISPUTES SETTLEMENT

Contracts are governed by the laws of the country in which Chavand is incorporated. Any disputes shall be referred to the Commercial Court of Grigny \*Rhône (69520, France) which shall have exclusive competence.