

ASTEELFLASH GROUP GENERAL CONDITIONS OF PURCHASE

1. CONTRACTUAL DOCUMENTS

1. Unless provided otherwise, the contract (hereafter the "Contract") is constituted by the following contractual documents, presented in decreasing order of priority by reference to their contractual importance: the relevant specific conditions of purchase and their schedules; these GCP; the technical specifications.

2. If the Parties have entered into other contractual documents, a list of all of the contractual documents, in decreasing order of priority, shall be set forth in the Contract.

3. In the event of conflict or incompatibility between contractual documents, only the higher ranking document shall apply to the relevant contractual obligation.

2. ENTRY INTO FORCE – TERM

This order shall be deemed to have been accepted in all of its specific and general conditions, subject to any reservations made in writing within a period of 5 days and formally agreed to by us.

Acceptance of an order by the Seller shall place the Seller under an obligation to fulfill these general conditions of purchase.

3. EQUIPMENT MATERIALS – CONSUMABLES

1. Unless provided otherwise in the Contract, all of the resources necessary for the performance of the Undertakings set forth in the Contract shall be the responsibility of the Seller.

2. The equipment manufactured by the Seller for our account and at our expense, as well as the goods and equipment placed at the disposal of the Seller may only be utilized, other than with our written consent, for the purposes of satisfying our orders. Such equipment shall remain our property and must be returned to us on request, in proper working order. The Seller shall affix our ownership plate on all equipment. The Seller shall be responsible, at its own expense, for all day-to-day maintenance and repairs required in connection with the use of the equipment.

3. In the event of disaster, accidental loss or damage, the Seller shall be obliged to repay to us the replacement value of, or cost of repairing, equipment stored on his premises. In cases where we have only paid part of the price for the equipment, we shall under all circumstances remain the owner of the equipment and shall retain the right to take possession of it, at any time, against payment of the balance outstanding between the total price of the equipment and the amount that we have already paid. The period for payment of the balance shall be 30 months, as from the contractual payment date of the initial items of equipment.

4. MEANS AND RESOURCES OF THE BUYER PLACED AT THE DISPOSAL OF THE SELLER

1. The Buyer may place at the disposal of the Seller the means and resources necessary for it to fulfill its Undertakings.

2. The Seller may only use such means and resources for the purposes provided in the Contract.

3. The Seller is responsible for such means and resources until they are returned to the Buyer. In this regard, the Seller shall be responsible for the normal day-to-day maintenance of, and if applicable, insuring the means and resources placed at his disposal.

4. The Seller must return the means and resources in the same state as that in which they were provided, except in the case of consumables or products transformed during the manufacturing process.

5. DELIVERY

1. Deliveries made under this Contract, shall be made in accordance with the INCOTERM rules selected by the Parties and set forth in the Contract or otherwise in accordance with the rules constituting the INCOTERM "DDP" principles and conditions of delivery.

2. Upon delivery the Buyer shall sign a delivery docket presented by the transporter.

3. In the event any damage or harm is discovered on delivery or unpacking, the delivery docket shall be annotated with the Buyer's reservations and the Seller shall be obliged at its own cost to deliver identical replacement Supplies as soon as possible, or, with the consent of the Buyer, to repair the Supplies concerned.

4. Delivery shall then become effective following such replacement or repair, as referred to above, and in any case on the date the Buyer signs a delivery docket without any reservations.

5. The costs of storage, conditioning, transportation, including customs clearance, handling, packaging, unpacking, insurance and, in general, all matters in connection with the delivery shall be borne by the Seller who agrees thereto.

6. The Buyer reserves the right to change the delivery date and/or the quantity specified in the order, unless the Seller notifies his disagreement within 10 days. No indemnity or increase in price shall be applicable.

No early delivery shall be possible, without our prior agreement.

6. TRANSFER OF RISKS AND OWNERSHIP

1. The Seller shall bear all risks relating to the Supplies until the effective delivery date in accordance with the article "Delivery" of the Contract.

2. On the effective date of delivery, the risks relating to the Supplies are transferred to the Buyer.

3. In the case of ancillary work (assembly, debugging/fine-tuning, trials, etc.), the intrinsic risks associated with the Supplies on which work is carried out shall, notwithstanding the above provisions, remain with the Seller until acceptance of the work.

4. Transfer of ownership of the supplies shall take place in accordance with applicable laws and regulations.

7. PACKAGING

The Supplies shall be delivered together with the instruction manuals required for their use and maintenance as well as the packaging necessary for their storage and conservation.

8. SHIPPING

Unless otherwise indicated, all shipments shall be recorded in a docket containing the references and date of our order.

The shipping docket shall be enclosed in the packaging (identification of the merchandise).

Certificates of conformity, control reports must be included in the package.

9. ACCEPTANCE OF RECEIPT

1. No acceptance of receipt shall be confirmed until the Parties have signed the acceptance of receipt report certifying the conformity of the Supplies and/or Services with the Undertakings. No final acceptance of receipt shall be confirmed until the Parties have signed the last final acceptance of receipt report.

2. In case of non-conformity, the Buyer may postpone all or some of the Supplies and/or Services concerned, accept receipt of all or some of the Supplies and/or Services subject to rebate or reject all or some of the non-conforming Supplies and/or Services.

10. WARRANTIES AND INDEMNITIES

1. The Seller shall indemnify the Buyer against any claims for counterfeit.

2. The Seller undertakes to be liable and pay for all damages that the Buyer and/or the end User may be ordered to pay for counterfeit, as well as all direct legal costs incurred by the Buyer and/or the end User.

3. The Seller warrants the delivered goods against all latent defects.

4. As from the date of final acceptance of receipt, the Seller shall remain liable to the Buyer for any Defect affecting the correct operation and/or proper performance of the Supplies and/or Services.

5. Unless provided otherwise in the Contract, these warranties and indemnities are valid for a period of twenty four (24) months as from the date of final acceptance of receipt of the Supplies and/or Services by the Buyer under the terms of the Contract.

6. Unless provided otherwise in the Contract, the Seller grants the Buyer a warranty against any misunderstanding or incorrect use of the any of the documentation provided by the Seller for a period of twelve (12) months as from the date of final acceptance of receipt of the Supplies and/or Services.

11. FINANCIAL CONDITIONS

1. The Contract price is fixed and final, and inclusive of all taxes and duties and imposts, excluding VAT. The price invoiced shall include VAT, if applicable.

2. The Contract price is set forth in the Contract.

3. The payment term is a maximum of forty five (45) days end of month.

12. PENALTIES

1. Unless provided otherwise in the Contract, in the event of delay by the Seller in delivering a Supply, the Seller shall be liable to pay the Buyer a penalty equal to 1% per day of delay of the amount of the Supply concerned.

2. Penalties are limited to ten per cent (10%) of the amount of the delayed products.

3. The amount of the penalties shall be deducted immediately by the Buyer on payment of the Seller's invoices.

13. OWNERSHIP

1. Each of the Parties shall retain the rights of ownership of, and/or entitlement to, the intellectual property rights existing prior to the conclusion of the Contract that it has notified to the other Party for the performance of the Contract.

2. The Contract shall not imply under any circumstances any license, assignment of rights or transfer of technology on or over such prior rights to the Seller and/or his co-contractors and/or sub-contractors. ASTEELFLASH GROUP shall become the owner of the works and/or results of the works performed under or in connection with this Contract and/or any orders made in relation thereto.

14. CONFIDENTIALITY

1. The Seller undertakes to respect and guarantee the confidentiality of all information and documents provided by the Buyer to the Seller as well as all information and documents connected with the performance of this Contract.

2. The Seller undertakes not to use or disclose any such information or documents throughout the term of the Contract and for a period of ten (10) years as from the termination of contractual relations between the Parties.

15. SUB-CONTRACTING

1. The Seller may not sub-contract all or any part of the Services without the consent of the Buyer.

2. In any event, the Seller shall remain liable to the Buyer for the performance by the sub-contractor(s) of all of the Undertakings.

16. RESPONSIBILITY

1. The Seller is under an obligation of specific performance in respect of all of its Undertakings.

2. The Seller undertakes to indemnify and hold the Buyer harmless against any and all damage suffered by it in connection with the performance of the Contract.

17. INSURANCE

The Seller undertakes to provide evidence to the Buyer by means of a certificate dated and signed by his insurer that it has taken out a professional civil liability insurance policy with a financially sound insurance company and that it has paid the related insurance premiums covering physical, material and non-material damage caused to the Buyer or any third party in connection with the performance of the Contract.

18. SUSPENSION OF THE CONTRACT

1. Irrespective of any force majeure, within the meaning of the Contract, performance of the Contract may be suspended, in full or in part, on demand in writing by the Buyer, which the Seller expressly accepts.

2. If the suspension of the Contract continues for more than three (3) months, the Contract may be terminated pursuant to article "Annulment/Termination" of the Contract.

19. CANCELLATION/TERMINATION

1. Upon the Buyer's written demand to the Seller, the Contract may be terminated in whole or in part as the Buyer sees fit, which the Seller expressly accepts.

2. The Buyer shall pay to the Seller in full and final settlement a sum equal to the amount disbursed by the Seller in respect of his Undertakings, less all amounts already paid by the Buyer to the Seller and all other amounts owing by the Seller to the Buyer, in respect of, for example, penalties.

3. Unless the Buyer notifies the Seller to the contrary in writing, in the event of default by the Seller in the performance of any of his Undertakings, the Contract shall be cancelled or terminated automatically, in whole or in part for the fault of the Seller, by registered letter with confirmed receipt thirty (30) days after a formal demand has been sent by the Buyer by registered letter with confirmed receipt and which remains unsatisfied.

4. If the Contract is cancelled, it shall be annulled retroactively as of the date the Contract entered into force.

5. If the Contract is cancelled, unless the Buyer notifies the Seller in writing to the contrary:

The Seller undertakes to reimburse on the date of the cancellation all payments made by the Buyer under the Contract;

The Buyer undertakes to place at the disposal of the Seller on the date of the cancellation and at the expense and risk of the Seller all of the Supplies delivered by the Seller under the Contract.

6. In the event of termination due to the fault of the Seller, the Seller shall:

-retain consolidated invoice payments validated prior to the effective date of the termination referred to above, in respect of Supplies and/or Services that have been accepted or may yet be accepted;

-repay to the Buyer the amount of the balance after any recorded disbursements of the Seller agreed by the Buyer up until the effective date of the termination referred to above have been deducted from the total amounts received by the Seller under the Contract.

7. In the event of termination of the Contract due to the fault of the Seller, the Buyer may, at the risk and expense of the Seller:

Either entrust to any third party selected by the Buyer all or some only of the Supplies and/or Services not yet accepted;

Or take over all or part of the Supplies and/or Services not yet accepted.

8. The relevant Supplies and/or Services shall be taken over without any prior formalities and the Buyer expressly reserves the right to claim compensation for all damage incurred due to the conduct of the Seller.

20. GOVERNING LAW

This Contract and any dispute or claim arising out of or in connection with it shall be governed by the law of the country of the registered office of the Buyer (as identified in the relevant purchase order), without regard to conflict of laws rules or principles.

21. JURISDICTION

Any dispute relating to the Contract shall be submitted to the exclusive jurisdiction of the court within whose territorial boundaries the Buyer is domiciled, even in the event of impleader or multiple defendants.