

GENERAL SALES TERMS & CONDITIONS

1. General:

These standard terms and conditions of sale apply upon any order from one of our customers. These conditions amount to a contract binding Etablissements L. LAIR and its client. (The term "client" applies to any purchaser or co-contracting party if a specific contract is drawn up). These conditions apply unless exceptions have been expressly agreed in writing by both parties and notwithstanding any provisions to the contrary that might be contained in documents issued by the client. Together with the "contract" as defined in 2 below, these general terms and conditions of sale comprise the whole of the agreements between the client and Etablissements L. LAIR.

Etablissements L. LAIR acts either in the capacity of a seller or in the capacity of a subcontractor. As a seller when it supplies standard items of equipment falling within its area of skill (whether or not they are responsible for commissioning the same). As a subcontractor when it supplies specific items of equipment produced on the basis of data given by the client, which is intended to be incorporated into a particular facility for which the client is responsible, or provides servicing, maintenance, repair, installation, commissioning, troubleshooting, audit, training, etc. services (pursuant to French Law No. 75-1334 of 31.12.1975).

2. Offers / Contracts:

Unless expressly stipulated otherwise in writing beforehand, an offer is based on a supply and/or a performance in normal conditions and for normal hours of work. The offer lapses on expiry of the option date quoted in the offer (by default, at 0001 hours on the thirtieth day after the date of issue written on the offer). If, after the offer date but before the client has given its acceptance, one or more elements making up the cost price were to undergo an increase, whether or not foreseeable, Etablissements L. LAIR is authorised to modify the price offer accordingly, informing the client thereof in writing. If, after the date of acceptance of the offer, one or more elements making up the cost price were to undergo an unforeseen increase before the option date provided in the offer had expired, thereby modifying the offer prepared by Etablissements L. LAIR unreasonably and disproportionately, Etablissements L. LAIR reserves the right to decline the order made by the client on the basis of that offer. The client will be provided with precise details in writing justifying this decision. An offer becomes a Contract and is binding on Etablissements L. LAIR when:

- L.LAIR company has sent to the customer a written initialed offer by an authorized official and the client has returned by mail his written numbered agreement stating the reference of the offer as well as the general terms and conditions of L.LAIR company, duly initialed and signed by at least one of its authorized managers or the unreserved acceptance of the offer of L.LAIR company and that L.LAIR company accepted this purchase through the confirmation of receipt returned by mail, email or fax to the customer (see previous §). If a purchase is subject to a cash advance, the contract is formed only when L. LAIR Company receives this cash advance. (See § price, payment terms, penalties).
- If, however, within 15 calendar days after issuance of the pro forma invoice sent to the customer electronically and / or by mail, the due cash advance according to the terms of the contract has not been effectively paid and collected by L. LAIR company, L. LAIR company reserves the right to cancel and / or abandon the customer's order by sending a registered letter with acknowledgment of receipt and without compensation to the client for any damage suffered by the latter.
- A specific contract is drawn up between the client and Etablissements L. LAIR and the precise terms of this contract are complied with by both parties.

No promise or verbal undertaking of any nature by personnel of Etablissements L. LAIR is binding on the latter until after and provided that such assurances are confirmed in writing and validated by the company's authorised representatives (Manager, General Management, Technical Division). Etablissements L. LAIR retains full title and ownership of any new equipment sold until payment of its price by the client in full. In the case where a part of the installation is treated as having been permanently incorporated into the purchaser's building, the reservation of ownership will continue to be maintained on any equipment that can be dismantled and will retain all its effects. In any event, the instalments paid will remain accrued to Etablissements L. LAIR as compensation if it is obliged to apply this clause.

3. Prices:

The prices are those contained in the written offer, in accordance with the provisions above. These prices are established net, before taxes, in EEC exchange currency: ex-works price in euros (€), all related costs of carriage, packing, handling, customs, bank charges, etc., in addition, unless specified otherwise in writing and validated in writing by both parties.

4. Conditions of payment:

Except specific agreement writing validated and for on-site services or maintenance, any offer or contract equivalent to or exceeding a net total of €10,000 before taxes and related costs, is the subject of a cash payment in advance equivalent to at least 20% of the value of the offer or contract as a minimum. This down payment is due and payable on receipt of the client's order by cheque or bank transfer to the bank account of Etablissements L. LAIR in accordance with a pro forma invoice issued by them. Cheques, transfers and bills of exchange are deemed a means of payment with effect only from their actual encashment. In all cases, this advance payment must be credited before any dispatch of equipment or performance of a service by Etablissements L. LAIR. The supply of systems or components as well as the provision of services comprised essentially of labour and the costs paid cash must be settled no later than 45 days end of month or 60 calendar days from the date of issue of the invoice. The minimum value accepted for any contract or sale is €180, net price, before taxes and related costs (carriage, packing, banking charges, etc.). Any sale with a total before-tax value of €180 or less will be liable to a specific administrative handling charge of €65 and can be subject to cash payment before picking up or cash on delivery by pure commercial decision. These conditions and lead times apply to any offer unless expressly stipulated otherwise and agreed in writing at the time of preparing the offer or contract. The total amount of an initial order or the achievement of a first contract between the two parties or by pure commercial decision, will be prepaid before the provision or delivery and will be due upon receipt of the customer's order by Etablissements L. LAIR: immediate payment without discount nor bundling, payment according to the pro-forma invoice sent by L. LAIR to this new customer.

5. Penalties:

In accordance with the French law of 31.12.1992, a maximum monthly discount of 0.25% may be deducted from the total sum before taxes for early cash payment. Failure to pay on time or late payment will result in the total sum before taxes being increased with effect from the due date, without formal notice, as well as the addition of all legal and extra-legal costs of collection and recovery. These penalties are fixed in relation to the legal rate of interest in force provided by the law and, in particular, by the provisions of article L.441-6 of the French Commercial Code. The acceptance of an offer/contract entitles Etablissements L. LAIR to invoice for the extra cost of any additional supply or work it carries out in addition to the deliveries of supplies or execution of the works specified in an offer or a contract. This invoicing will be based on a job sheet drawn up for the works and/or a delivery note for the supply of equipment, documents signed and initialed by the client or its duly authorised representative. The rules laid down in § 4 and 5 also apply to additional invoicing.

6. Drawings, calculations, tools, manufactures, equipment, etc.:

The technical documentation for the products and component equipment, design documents, drawings, calculations, tools, designs, sketches, plans, documents, equipment, manufactures, etc., remain the property of Etablissements L. LAIR even if the relevant costs are invoiced to the client. The client agrees to be responsible for ensuring these elements are not disclosed or copied without the prior express and written agreement of Etablissements L. LAIR. It is of course strictly forbidden for the client or any other person or company to reproduce the technical documentation, in full and/or in part, and on any medium whatsoever, for the products and component equipment, documents, equipment, equipment and manufactures that are the subject of a contract. Any design or preliminary design work, as well as all of the documents accompanying these services and supplies, are protected by French law and conventions on industrial property, copyright and unfair competition, which apply to the whole of the elements of this document.

7. Assemblies, Tests, Specifications:

The client agrees to take all the necessary provisions in good time to enable an offer or contract to be fulfilled. The client will be liable for any shortcoming in this regard. The choice of standard equipment not having been the subject of a prior design by Etablissements L. LAIR is incumbent on the client who will be entirely liable should the said equipment not be fit for the purpose for which the client intends it to be used. In these conditions, Etablissements L. LAIR will not incur any liability because the said equipment is not fit for the purpose for which the client intended it. Where Etablissements L. LAIR designs a specific item of equipment in a capacity of subcontractor, it does so in accordance with details, instructions and specifications supplied in writing by the client, for normal use or as expressly specified in correspondence preceding the design work. The liability of Etablissements L. LAIR shall not be incurred if it transpires that the client's instructions, details and specifications are insufficient or incomplete and if the particular conditions of use of the equipment had not been precisely specified before the design produced by Etablissements L. LAIR. Any material and/or component delivered cannot be refunded, taken back or exchanged.

8. Delivery lead times:

The delivery lead time agreed between the client and Etablissements L. LAIR is dependent on the elements known by them at the time they agree a contract or accept a firm order received in due and proper written form. Any cause of delay external to Etablissements L. LAIR or outside its own control will give rise to an extension of the planned lead time. The planned delivery lead time runs from whichever of the dates below is the latest:

- Date the contract is formed (see § 2 and following).
- Date on which the payment in advance or any instalment of the agreed price in favour of Etablissements L. LAIR is credited and paid.
- Date of receipt by Etablissements L. LAIR of all documents, specifications, technical data, permits, norms or specific standards, written documents on paper (excluding electronic media).
- Date on which the formalities required to be able to commence work are fulfilled.

The delivery lead time is deemed to have been met where the essential equipment or services, the subject of a contract or an offer accepted by the client, are made available to the client at the place of delivery provided in the offer from Etablissements L. LAIR. Not meeting the planned delivery time is attributable to Etablissements L. LAIR only after a period of two months from written notice from the client served by letter with recorded delivery and acknowledgement of receipt. Not meeting the delivery time does not authorise the client to disengage from its obligations towards Etablissements L. LAIR. For items not requiring labour for assembly or processing, equipment stocked at head office, carriage and delivery are made in the conventional manner or by specialised carrier, within a period of 5 working days from receipt of the client's written order, very urgent orders being entirely at the client's charge. For a very urgent delivery of a component or spare part reserved on written request from head office internal stock, items not requiring assembly or processing, a procedure may be put in place specially and must be clearly stated on the client's order. This procedure guarantees: either delivery of the part on Day D+1 before 1300 hours (1 pm) (normal working day), or the supply of the equipment at head office, for a firm and final order received before 12 H.00 (12.01 pm) on Day D. This urgent procedure is subject to an additional charge of €150 invoiced in addition to the price of the equipment or component, before tax and any related costs (carriage, packing, bank charges, etc.). To save time, the client may hire a messenger or dispatch rider but the cost remains entirely at its charge. Equipment under the urgent procedure is made available to the client at head office during the period of normal working hours when the offices and head office of L. LAIR are open.

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9. Warranties, Liabilities:

The subject of this warranty is exclusively the obligation on Etablissements L. LAIR to repair or replace any equipment of its own manufacture or distribution, returned by the client at its charge to the head office of Etablissements L. LAIR. If this return involves parts and/or equipment not of its own internal manufacture, Etablissements L. LAIR gives a warranty on hidden defects in parts and/or equipment sold in accordance with the warranty (ies) in regard to the said items given by their manufacturer(s), equipment returned to head office by the client in its original undamaged packaging. This warranty takes effect from the supply of the equipment by Etablissements L. LAIR following the client's order and in the case of any late delivery attributable thereto (after-sales service procedure document to be requested in writing from contact@lair.com.fr).

In the case of the supply of assemblies built, installed and commissioned by one or more technicians accredited by Etablissements L. LAIR, the latter warrants the hidden defects in any parts and/or equipment sold as well as its operation for a period equivalent to 24 months from the delivery date at Etablissements L. LAIR factory (EXW), except for parts defined as being normal wearing parts in the completion file commonly called the As-Built Drawings File. The client must return all defective equipment at its cost for the purposes of checking or, in the event it is impossible to transport, must implement a procedure whereby Etablissements L. LAIR can carry out such checking on site, this checking on site being entirely at the client's charge (travel and audit time, travel and, where applicable, accommodation costs, etc.). In accepting the equipment that is the subject of an offer, the client undertakes to hold Etablissements L. LAIR harmless against any recourse arising from the use or misuse of the apparatus by it, its employees or by a third party.

In all cases, the warranty period for the parts explicitly listed in our technical maintenance documents and/or completion file is 3 months for any consumables close to the heat such as bulbs, electrodes, spark plugs, sensors and thermocouples; 6 months for flexible and/or moving parts, 24 months for other equipment as well as blow down, safety and adjustment devices, burner bodies, combustion heads.

In all cases, the obligations on Etablissements L. LAIR are limited solely to replacement of the equipment or parts affected by a duly proven hidden defect, to the exclusion of any other obligation, in particular reimbursing the cost of the equipment or direct or indirect damages. No equipment may be returned without Etablissements L. LAIR's written authorisation. This authorisation entails no recognition by Etablissements L. LAIR of the defectiveness or non-compliance of the equipment. No claims other than those relating to hidden defects will be allowed except in case of non-compliance of the equipment with the technical specifications defined in the contract.

Troubleshooting under the warranty: following a simple telephone call from the client confirmed by an e-mail, our technical department is able to decide to send (or not) the spare parts or component(s) as the case may be. These parts will not be invoiced directly subject to the return of the defective item or items for appraisal by our services. Parts delivered by us will be accompanied by a Delivery Note [DN] or an invoice for C00 showing the price of the parts with a 100% rebate.

Failing return within 1 month from the date of the DN or invoice, or if the expert appraisal shows that the defect is not covered by our warranty, this delivery will be invoiced in accordance with the price stated on the DN or invoice, with no rebate. Any return must be the subject of prior agreement from our technical department and must be accompanied by an official document from the client containing our job number or copy of the initial DN and a clear precise description of the problem, notified in writing on the document issued by the client (after-sales service procedure document to be requested in writing from contact@lair.com.fr).

Notwithstanding a contract for the supply of maintenance and services binding both parties, maintenance visits do not in any way relieve the client from having the basic essential spare parts available in accordance with the advice from builders and/or manufacturers and/or listed in the As-Built Drawings File supplied by Etablissements L. LAIR on completion of the works or delivery of the said equipment and to comply with the inspections, tests and legislation provided by the laws, rules and regulations in force. Procedures to be carried out that are the subject of an offer or contract, given the conditions in which they are implemented, entail no transfer to Etablissements L. LAIR of custody or risks in regard to the client's equipment and facilities.

Etablissements L. LAIR's liability is limited strictly to carrying out an offer or a contract. This liability will not be incurred in the case of damage to property and/or non-pecuniary losses that might arise because of equipment installed previously or subsequently at the client's place of business for which the design and/or installation was not carried out by Etablissements L. LAIR, or where the equipment and/or an installation has had procedures carried out on it by personnel other than that of Etablissements L. LAIR or where the losses are directly or indirectly due to abnormal installation or commissioning, abnormal or particular use not specified in the client's written request or to a lack of maintenance and servicing as specified in the general instructions or in the As-Built Drawings Files supplied by Etablissements L. LAIR with the equipment and/or facility.

The conclusion of an offer or contract does not entail on the part of Etablissements L. LAIR, any obligation of safety or result since the design, study and/or the manufacture of an assembly, a sub-assembly, the supply of a component or a technical service is not its responsibility and is "de facto" outside its responsibility. During the entire period of validity of a contract or after any intervention resulting from an offer accepted by the customer, the latter undertakes to inform by mail, without delay, Etablissements L. LAIR of any defect or anomaly of operation or modification of its installation and remains solely responsible for any measures that may be necessary to ensure the safety of property and people.

Only the dispatch within the deadlines allotted by a written offer or a contract for the supply of maintenance services and in the conditions defined intrinsically in the present document, can possibly modify the warranty for the parts or equipment that are the subject of a contract drawn up between the client and Etablissements L. LAIR.

In all cases, Etablissements L. LAIR will be totally exempt from its warranty obligation in the following cases (non-exhaustive list):

- Where the equipment has been the subject of modifications or procedures carried out by third parties other than the salaried employees of Etablissements L. LAIR or any party duly authorised by the management of Etablissements L. LAIR.
- Where the damage or deterioration arises directly or indirectly from commissioning having been carried out in abnormal conditions, regardless of the duration thereof, not specified beforehand in the design work prior to making an offer or a contract.
- Where the damage or deterioration arises directly or indirectly from defective maintenance, exposure to excessive heat or damp, exposure to a dusty and/or corrosive atmosphere or to any other condition of use abnormally harmful or damaging to the equipment that is the subject of the offer or contract drawn up with the client beforehand.

10. Force Majeure, Suspension, Termination:

A case of force majeure is any circumstance that is outside the control of Etablissements L. LAIR, foreseeable or not when the client accepted an order or a contract, and making carrying out the client's order temporarily or permanently impossible (e.g.: war, strike, transport difficulties, fire, flood and any serious disruption to Etablissements L. LAIR's business or that of its suppliers). Cases of force majeure automatically suspend performance of a client's order with the option for Etablissements L. LAIR to cancel their commitment in full or in part without being held to make compensation in any eventuality whatsoever.

If the client does not comply with its obligations arising from accepting an offer or contract, or if there are serious concerns that it may not be able to comply therewith, even in the case of collective liquidation proceedings, winding-up or total or partial transfer of the client's business (as a pledge or not) including the transfer of all or part of its receivables, all obligations of Etablissements L. LAIR will be suspended and, in addition, in case of non-performance by the client of its contractual obligations, with the option of cancelling its own commitments as a matter of law after notice to remedy, sent by letter with recorded delivery and acknowledgement of receipt, has remained without effect, without prejudice to any damages and compensation which Etablissements L. LAIR may seek in compensation for the loss sustained by it.

In case of abnegation by the client of the accepted offer or of the contract made with Etablissements L. LAIR or if the client does not collect the equipment placed at its disposal in our works within the time period provided in the offer, the contract will be terminated as a matter of law and the down payment due and payable with the order will remain accrued to Etablissements L. LAIR in compensation.

In addition, if costs of any nature and in particular of procuring supplies or of ordering supplies or labour are incurred by Etablissements L. LAIR for carrying out the order or the contract, Etablissements L. LAIR reserves the right to require immediate payment thereof.

11. Reservation of Title (ownership):

Pursuant to the French law No. 80.335 dated 12 May 1980 and 25/01/1985 on ownership transfer, the equipment sold shall remain the full property of Etablissements L. LAIR until it has been paid for in full by the client. In the case where a part of the installation is treated as having been permanently incorporated into the purchaser's building, the reservation of ownership will continue to be maintained on any equipment that can be dismantled and will retain all its effects. In any event, the instalments paid will remain accrued to Etablissements L. LAIR as compensation if it is obliged to apply this clause. From the arrival of the equipment on the client's premises, the client shall be deemed liable for any damage caused to or by this tangible or intangible property, regardless of the reason.

12. Jurisdiction:

Offers and contracts are subject to French legislation. In case of dispute arising from the performance of any order or contract whatsoever or from any other disagreement, the Court of MELUN (77000), Metropolitan France, has sole competence.

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