**I. OVERVIEW**

The aim of these General Terms and Conditions of Sale is to govern all product sales and associated services carried out, in mainland France and Corsica, by the Company: DRAG’EAU Head Office: 4 rue Marin La Meslée - ZA Passerelle 1 - 68190 ENSISHEIM

Telephone: +33 (3) 89 23 60 33 Fax : 33 (3) 89 24 03 31

SARL with 100 000,00 euro capital,

RCS Colmar 529 522 021 Intra-Community VAT no. FR: 82 529522021.

These General Terms and Conditions of Sale exclusively govern the commercial relationship between DRAG'EAU SARL, subsequently referred to as the "Company", and its professional customers, acting within the scope of their activities, subsequently referred to as the "Customers". These Terms take precedence over all documents, contractual or otherwise, issued by the Customer, even if issued subsequently. Any order placed with DRAG'EAU is subject to these General Terms and Conditions of Sale. Placing an order implies full acceptance of these General Terms and Conditions of Sale by the Customer.

The Company reserves the right to amend these General Terms and Conditions of Sale. Any other conditions are binding on the Company only after written confirmation from the Company.

For all sales/services outside the specified territories, the "Export" General Terms and Conditions of Sale will apply.

**II. PRODUCTS**

The products/services on sale are those shown in the catalogues published by the Company (paper or electronic catalogues), on the understanding that the Company reserves the right to modify the range of products offered at any time.

The products offered by the Company are subject to availability.

The information given in catalogues, electronic data, notices and advertising documents is for guidance only and may be changed at any time without notice.

It is understood that the characteristics, dimensions, weights, photos and graphic representations specified in the Company's catalogues are for guidance only. The Company reserves the right to replace one or more products specified in the order, even after receipt of the order, provided this does not alter the fundamental characteristics of the product(s) in question.

The Company is not bound by commitments made by its representatives or employees unless confirmed in writing by the Company.

Any price offer is valid only within the option period, which unless otherwise stipulated, is thirty days.

The Company must be informed in writing of any changes in the Customer's legal or financial situation corresponding non-exhaustive list of events below, and the Company may, if it so wishes, cancel current contracts, refuse orders, require guarantees or modify the terms of payment and payment deadlines: filing for bankruptcy, management lease, sale of all or part of the Customer's business, exchange, transfer to a Company, merger, demerger, change of control, cancellation or reduction of guarantees.

**III. ORDERS**

The Customer's order is deemed to have been definitively accepted by the Company once it has received the agreed deposit and, in all cases, once the Company has sent written confirmation or dispatched the goods referred to in the order. An order which is cancelled in whole or in part by the Customer, without the Company's prior written consent, will be invoiced to the Customer.

For all orders of under 500 euros excluding VAT, the Company reserves the right to charge a fee to cover administrative costs.

**IV. PRICES**

Prices given for information purposes are exclusive of tax and ancillary costs: administrative fees, delivery charges, packaging costs, environmental contribution (in particular WEEE regulations, in application of European Directive 2002/96/EC).

In addition, VAT is charged in accordance with applicable tax regulations.

**V. PAYMENT CONDITIONS**

Unless specifically stated otherwise on the invoice, our invoices are payable in full at the Company's registered office. Where the Company accepts payment via a bill of exchange issued by the Customer, it must reach the Company's payment processing centre within ten days of receiving the invoice statement. The creation of negotiable instruments does not constitute a waiver or novation instead of payment.

Any request for payment by instalments requires an account to be opened in advance by the Company's administrative departments, which are free to refuse, reduce or terminate the account at any time without prior notice or justification.

Orders for non-stock items are payable when the order is placed, unless otherwise agreed in writing.

Payment may not be suspended under any circumstances or be subject to any form of compensation.

The Company reserves the right at any time, even after partial despatch of an order, depending on the Customer's financial capacity, to require payment for orders awaiting despatch in advance, or any guarantee in accordance with commercial practice.

**VI. LATE AND NON-PAYMENT**

In the event of total or partial non-payment by the due date, any sum owed by the Customer in respect of an order, or other completed orders, or orders in progress, shall become immediately payable without prior formal notice, without prejudice to the right of rescission provided for in Article XIV below.

Furthermore, without prejudice to any damages which the Company reserves the right to claim from the Customer, failure to pay in full or in part by the due date will result in the Company suspending any further deliveries, and the Customer will be required to pay:

• A fixed penalty of 40 euros per unpaid invoice, this amount subject to be increased if the Company can justify that the recovery costs incurred exceed the fixed penalty amount;

• A penalty clause in accordance with article 1231-5 of the French Civil Code. This compensation will be equal to 15% of the total amount invoiced and not paid by the Customer.

• Late payment penalties calculated on the basis of the interest rate applied by the European Central Bank at its most recent refinancing operation plus ten percentage points, the interest rate to be applied being, for the first half of the year, that in force on 1st January of the year in question and, for the second half of the year, that in force on 1st July of the year in question. These penalties apply from the day after the invoice due date until full payment of the sums due.

**VII. INVOICE DISPUTES**

Any dispute or claim relating to invoices sent by the Company to the Customer may, in any event, only be considered by the Company if it is made in writing and sent by recorded delivery within eight days of receiving the disputed invoice.

**VIII. DELIVERY AND LEAD TIMES FOR ASSOCIATED SERVICES**

The delivery times and, where applicable, the lead times for associated services are specified when the order is accepted by the Company.

For guidance, average delivery times are 3 to 6 weeks, depending on the product range.

It is expressly understood that these deadlines are only indicative and that the Company cannot be held liable for failure to meet them.

The Company reserves the right to make partial deliveries accompanied by a separate invoice. Any partial delivery must be considered as a separate contract.

Consequently, the Customer may not invoke the pending balance of the equipment ordered to pay for the goods delivered.

In any event, on-time delivery can only take place if the Customer has fulfilled all their obligations to the Company.

In the case of bespoke manufacture, a deposit of 50% will be required from the Customer. A delay in manufacture and/or delivery cannot result in the cancellation of an order.

Unless otherwise specified, delivery is always deemed to have been carried out to our points of sale. Shipments, if provided for in the order, will be made carriage forward. Exceptionally, if the volumes shipped are not substantial and the delivery distances remain reasonable, shipments may be carriage paid, in which case the choice of carrier is reserved to the Company. A contribution to delivery costs will be requested for all other cases.

Any dispute or complaint concerning deliveries must be made in writing, sent by recorded delivery, within three days of receipt of the goods and must be addressed to the Company's head office by recorded delivery letter with acknowledgement of receipt, specifying the order and Customer number.

**IX. RISK TRANSFER**

Goods are transported at the Customer's risk, and the Customer is responsible for taking delivery of the goods, irrespective of the mode of transport or the method of payment. It is the Customer's responsibility to check the quantity, quality, weight and dimensions of the goods delivered on receipt and, in the event of damage, to take any action against the carrier. In the event of direct delivery by the Company, the Customer must report any damage or defects to the courier, or at the latest within three days of receiving the goods.

**X. RETURNS**

In the event that the products delivered do not meet the Customer's expectations, the Company may, subject to the reservations set out below, accept the return of the products concerned and either exchange the product or issue a voucher for an amount equivalent to that initially invoiced, after deducting an obsolescence rate, in respect of the products whose return has been accepted (excluding packaging and transport costs) and which will be credited to the Customer's account.

**XI. TRADE-INS - RECYCLING - DESTRUCTION**

Goods and equipment sold cannot be returned or exchanged. Exceptionally, and with the Company's prior written agreement, goods or equipment may be taken back, provided that they are in

perfect condition, in their original packaging, and have been delivered within the last fifteen days. All shipments must be made at the sender's expense, carriage paid, indicating the delivery number and date, and must be accompanied by a compensation order for an amount equivalent to the goods’ value and equipment returned. Accepted returns result solely in the issue of a credit note corresponding to the total amount of the product sold, less a deduction proportional to the costs incurred by the return procedure. No returns will be accepted for goods for which the Company has placed a specific order with its own suppliers.

It is the user’s responsibility to contact the products’ manufacturer and/or supplier to agree the terms and conditions relating to compliance with the obligations set out in decree no. 2005-829 of 20 July 2005, as amended and/or modified, relating to the treatment of waste electrical and electronic professional equipment, and to ensure the collection, removal, treatment or packaging of said professional waste.

**XII. AFTER-SALES SERVICE - REPAIRS**

Any request for repairs is subject to a quotation being drawn up by the Company indicating the price excluding tax and the approximate completion time. A deposit of 30% of the total quotation amount is required to carry out the repair, with the balance to be paid in full on receipt of the repaired goods. Repaired goods that are not claimed by the Customer within six months of the date shown on the quotation will become the property of the Company; the deposit paid will be retained as compensation.

**XIII. RETENTION OF TITLE CLAUSE**

In application of the provisions of law no. 80.335 of 12 May 1980, the goods sold remain the property of the Company until full and effective payment of the invoiced price and its accessories, delivery being understood to mean the physical handover of the goods. The delivery of bills of exchange or securities creating an obligation to pay does not constitute payment within the meaning of this provision. Until full and effective payment has been made, the equipment delivered will be held in safe custody, and the Customer undertakes to store the goods in such a way that they cannot be confused with other goods and to keep the identification markings intact.

The Customer bears the risk of any damage that the goods may suffer or cause for any reason whatsoever; they will be required to pay the same price in the event of disappearance due to a fortuitous event or force majeure and in particular in the event of theft, fire, destruction, strike, lock-out, flood, etc. The Customer may not dispose of the goods in any way whatsoever without the express prior agreement of the Company.

In the event of failure to pay in full, the Customer undertakes to return the goods as soon as possible and will bear any costs incurred in restoring the goods to their original condition. In all cases where the Company is obliged to invoke this clause, any advance payments received will be forfeited.

However, the Customer may resell the goods or equipment under the following conditions:

• The Customer is authorised to resell the goods and materials delivered in the normal course of business, but may not pledge them or transfer ownership of them by way of security. They are also unseizable.

• The Customer must provide the details of their own customer prior to the resale of the product subject to retention of title. The Company may then, if it so wishes, claim from the new purchaser the price or part of the price that the Customer has not yet paid.

Resale authorisation is automatically and immediately withdrawn if the Customer defaults on payment or is in arrears.

Notwithstanding this retention of title clause, the Customer bears the risk from the time of delivery, particularly in the event of loss, theft or destruction. They will also bear the cost of insurance.

**XIV. RESOLUTION**

In the event of non-compliance by the Customer with any of its obligations, in particular in the event of total or partial payment default on the due date, the Company reserves the right, without prior formal notice, to suspend delivery of the goods under the orders executed or in the process of being executed, and/or to suspend performance of its obligations, without compensation, and without prejudice to any other right of the Company. In addition, if forty-eight hours after the first presentation of a formal notice sent by registered letter with acknowledgement of receipt, this remains unsuccessful, all agreements concluded with the Customer may be terminated ipso jure without payment of compensation to the Customer by the Company, which may request the return of the goods in summary proceedings.

In all the cases mentioned above, and in the event that the Company does not opt to terminate the agreements, all of the Company's claims will become immediately payable and the Customer will be obliged to immediately return any goods that remain unpaid.

**XV. GUARANTEES**

**15.1 Legal Guarantees (at no extra charge)**

Independently of the contractual guarantee defined below, the seller remains liable for defects in the conformity of the goods and for redhibitory defects under the conditions set out in articles 1604 et seq. of the French Civil Code and articles 1641 et seq. of the French Civil Code.

**15.2 Contractual Guarantees (at no extra charge)**

Purpose:

The contractual guarantee’s purpose is to ensure that the equipment functions properly in the event of a breakdown or any proven malfunction; it does not cover the cost of replacing the equipment.

Duration:

The contractual guarantee is free of charge for any proven breakdown or equipment malfunction, whatever the cause, occurring within a period of:

• two years from the date of sale for de-sludgers,

• two years from the date of sale for anti-scale devices.

This period is extended to ten years from the date of sale in the event of an internal breakdown or proven equipment malfunction due to a manufacturing defect.

Guarantee Purpose:

The contractual guarantee covers all manufacturing or material defects as well as all internal operating faults not excluded below. Only defective equipment will be replaced.

It does not give entitlement to any compensation in kind or in cash.

Guarantee Conditions:

The contractual guarantee can only be applied on the express condition that water analysis reports have been carried out and sent to the Seller in accordance with the following procedures:

• Analyses must be carried out annually in accordance with best practice by a laboratory approved by the *Comité Français d'Accréditation (COFRAC)* based at 52 Rue Jacques Hillairet 75012 PARIS.

• Analyses must be submitted annually to the Seller by 31 December at the latest.

Guarantee Exclusions:

The contractual guarantee does not cover breakdowns or malfunctions resulting from any of the following:

• Fault of the Customer or of a third party;

• Failure to send the Seller the analysis reports in accordance with the terms and conditions set out in the " Guarantee Conditions " article;

• Cause external to the equipment;

• Use of the equipment that does not comply with the manufacturer's and/or Seller's instructions and recommendations;

• If the use of the product is subject to an adaptation or a special assembly of the products, abnormal or not, unless this adaptation or this special assembly has been expressly indicated in the order which has been accepted by the Company and has been carried out under the latter’s permanent supervision;

• If the product covered by the warranty has been dismantled, modified or repaired by a third party;

• If the damage results from product wear and tear caused by a lack of maintenance, carelessness, negligence, inexperience or use of the product not foreseen or accepted by the Company;

• Installation of accessories or parts not approved by the Company;

• Modification of equipment not approved by the Company;

• Work on equipment not approved by the Company, whether by a professional or not;

• Normal wear and tear;

• Breakage of equipment due to dropping or misuse;

• Theft or vandalism;

• Natural phenomena such as cyclones, storms, hail, frost, earthquakes or volcanic eruptions;

• Wars or acts of terrorism.

Contractual Guarantee Implementation:

Any request for assistance under the contractual guarantee must be made by email or by registered letter with acknowledgement of receipt sent by the Customer to the seller and must include the following information:

• The order number;

• A copy of the purchase invoice for the equipment,

• The defective equipment's reference number(s);

• A brief description of the fault or malfunction;

• The Customer’s email address.

If the seller deems it useful, it may send any technician of its choice to the Customer's premises to determine the fault or malfunction.

In this case, and if the breakdown or malfunction is confirmed by the technician, the latter will remove and return the defective equipment to the seller's premises and the seller will proceed with the standard exchange or refund if a malfunction is proven.

If this is not the case, the technician will leave the equipment in place and an email will then be sent to the Customer within 10 working days to inform them of the refusal to accept responsibility, in which case an quotation may be sent to the Customer with a view to replacement.

Guarantee Effective Date:

The guarantee takes effect on the installation date of the manufacturer's product(s). It will be validated by an invoice date linked to the installation of the product(s), or the purchase date from a supplier in the case of personal installation by an individual.

In the event that the Company's liability is invoked in the event of a fault, it will be strictly limited, at the Company's discretion, to the corresponding reduction in the price (excluding VAT) invoiced by the Company for the supply in question or to the free replacement of the parts acknowledged by both parties to be defective, postage and labour having been invoiced, any other item of damage suffered by the Customer will be rejected.

**XVI. LIABILITY**

If the Company's liability is incurred as a result of the products sold, whatever the cause of the damage or its nature, this liability may not, in any event, exceed the payment by the Company of an amount greater than the invoiced price excluding tax for the goods which caused the damage, to the exclusion of any other compensation of any kind whatsoever and in particular to the exclusion of compensation for any immaterial loss which may be the direct or indirect consequence of the defect in the products.

**XVII. DATA AND PERSONAL INFORMATION**

In accordance with the provisions of law no. 78-17 of 6 January 1978, as amended, the Customer has the right to access, rectify and delete their personal data, as well as the right to object, on legitimate grounds, to their processing by contacting the Company.

The aim of this processing is for commercial purposes within the scope of the Company's corporate purpose, including the management, financing and collection of trade receivables.

This data may be transferred to any contractor from any entity with a direct or indirect capital link with the Company, for the purposes of executing the contract(s) in question. This data collection request is compulsory. If no express refusal is made within one month, this silence is deemed to constitute acceptance of the collection.

**XVIII. CONFIDENTIALITY**

The Customer acknowledges the confidential nature of the information or documents of any kind to which it has or will have access in the course of its business relationship with the Company and undertakes, on its own behalf and on behalf of its employees and subcontractors, to take all necessary precautions to prevent their disclosure.

This confidentiality obligation does not apply to information that has fallen into the public domain or the disclosure of which has been expressly authorised by the Company.

**XIX. APPLICABLE LAW AND JURISDICTION**

All commercial relations between the Company and its Customers are governed by French law.

It is expressly agreed that all disputes concerning the interpretation or performance of these terms and conditions, even in the event of multiple defendants or the introduction of third parties, shall be subject to the sole jurisdiction of the Colmar Commercial Court, to which jurisdiction is hereby assigned.

Bills of exchange or acceptances of payment, notwithstanding any stipulation as to the actual place of payment, as well as carriage paid shipments, constitute neither a novation nor a waiver of this jurisdiction clause.