

1. General

These terms and conditions of sale apply to any sale by MHS of materials, equipment or services of any nature (hereinafter referred to as the "Goods") to a purchaser (hereinafter referred to as the "Purchaser").

These terms and conditions of sale shall prevail on any and all terms and conditions of purchase stated on proposals, purchase offers, return receipts, letters or printed forms issued by the Purchaser. Eventual specific terms and conditions agreed by MHS can only alter the present terms and conditions when specific provisions are mentioned to do so, and cannot result in the waiver of other provisions of these terms and conditions.

2. Order

Any order by the Purchaser (hereinafter referred to as the "Order") means its acceptance without reserves of all these terms and conditions, unless a written agreement is signed by MHS.

Any reserve or additional terms made to these terms and conditions of sale by the Purchaser, do not apply to the sale of Goods unless agreed in writing and signed by MHS.

The Order form shall state precisely the identity of the Purchaser as well as the quotation on the basis of which it is issued. Receipt of the Order form will enter a contract only after a confirmation of the Order is sent by MHS. After a delay of seven (7) days following the receipt of the Order form, the Order will be presumed confirmed by MHS.

3. Price

Prices are Free Carrier (FCA-Incoterms 2000). Prices are net and excluding value added tax (VAT). The VAT will be charged separately at the applicable rate according to the French tax regulations.

4. Terms and conditions of payment

Unless specific conditions stated in writing on the invoice, the Goods shall be paid within thirty (30) days from the invoice date. These payment conditions are considered fulfilled when MHS can freely draw on the full amount due by the Purchaser in the agreed delay. No discount will be granted to the Purchaser in case of early payment.

For any delay in payment by the Purchaser, MHS may automatically benefit from (i) the application of interest rate of 5% for late payment applicable the day after the payment date agreed by MHS, (ii) the immediate payment of the full amount due by the Purchaser, (iii) the suspension of delivery of Orders and of all technical assistance, (iv) the modification by MHS of any specific conditions of payment previously agreed and/or (v) the early termination of the contract. The Purchaser will not be able to retain or delay payment of the price of the Goods even when MHS has failed to perform its obligations resulting from these terms and conditions.

5. Delivery

Except otherwise agreed in writing by both parties, the sale is governed Free Carrier (FCA-Incoterms 2000). The date and place of delivery will be agreed by both MHS and the Purchaser. The delivery is considered performed as soon as the Goods, stated in the Order are at the full disposal of the Purchaser or the representative it has appointed, at the place agreed by both parties. The date of delivery is given for information only and without commitment from MHS which will make its best efforts to respect it. Any delay in delivery that would not exceed forty five (45) days from the planned date of delivery cannot justify the cancellation of the Order by the Purchaser or the non-payment of the full amount of the Order nor give right to damages to the Purchaser. MHS cannot be held liable for any delay of delivery resulting from an Act of God as described in article 10 below.

6. Transfer of ownership

Until effective payment of the full amount of the Order by the Purchaser, MHS remains the owner of the delivered Goods and will be subrogated in the rights of the Purchaser for any and all claims actual or future, that the Purchaser may have against its clients in the case of resale of the Goods. If the Purchaser retains its payments or is put into receivership or bankruptcy, MHS may request the return of all delivered Goods. Within ten (10) days following a formal notice sent to the Purchaser remaining unanswered, MHS will be allowed to retrieve by any means the Goods which have not been paid yet, and without having an executory judicial decision to do so.

7. Transfer of risk

The transfer of risk is governed by the regulations of FCA-Incoterms 2000. The Purchaser will bear all risks of loss or damages to the Goods (i) from their delivery at the place agreed by both parties or (ii) from the date of delivery agreed by both parties, in the case the delay of delivery is

attributed to the Purchaser or to the person appointed by it to take the Goods at the date initially agreed.

8. Warranty

The warranty period lasts twelve (12) months from the date of transfer of risk. In any case, where no particular specifications has been suggested by the Purchaser and accepted by MHS, the characteristics of the Goods sold will be the ones stated in MHS specifications to which the Purchaser states that he has full knowledge of, prior to sending an Order to MHS.

If the Purchaser considers that the delivered Goods do not comply with the specifications described above, it will have to return to MHS the Goods considered defective within the delays described below.

The Purchaser will have to notify in writing within eight (8) days from the date of delivery of the Goods, any apparent defect which appear on the Goods. The defective Goods will have to be returned to MHS in adequate packaging. MHS will check the Goods within thirty (30) days from the date of receipt of the returned Goods. If MHS cannot replace the Goods by delivering non defective Goods, and refuses to improve the Goods or if such modifications are impossible and the Purchaser cannot wait any longer, the Purchaser will have the right to demand the cancellation of the Order, or a reduction in the price of sale. The Goods delivered in replacement of the defective Goods will benefit a warranty identical to the one applicable to the Goods initially delivered. No other claim can be made by the Purchaser, in particular for defects caused accidentally, mishandlings, negligence, repairs or tests under the Purchaser's liability.

In any case, MHS will not be held liable towards the Purchaser for business loss, or financial or economic loss, or for any indirect damages whatever they are. The Purchaser shall not use the pretext of the defect of the Goods to suspend the full payment of the sums owed to MHS, even after notifying MHS. Unless a written agreement between both parties, the Purchaser shall obtain import licenses or authorizations and shall transmit to MHS all necessary information to obtain export licenses.

9. Liability

Whatever the legal substance on which it is based, the liability of MHS is limited to the amount of the Order.

10. Act of God

None of the parties will be held liable towards the other party for the failure or delay in the performance of an obligation under the contract, resulting from the occurrence of a force majeure case, as defined by the French Courts.

An Act of God suspends all obligations resulting from the contract for its whole duration. However, if its duration exceeds three (3) months, each of the parties will have the right to terminate the contract.

11. Ownership and confidentiality of information

Any quotations, proposals, schemes, plans, equipment or any other materials, information and documents provided by MHS to the Purchaser are considered confidential information and exclusive property of MHS.

The Purchaser undertakes to consider as confidential, any material, document and/or information belonging to MHS and disclosed for the purpose of these terms and conditions, and to prevent their communication to a third party without the express agreement of MHS.

12. Intellectual Property

MHS warrants the Purchaser that the Goods are free from any third party's patent, drawing and model, trademark or any other industrial property right belonging to a third party in the French territory, unless MHS is informed of a third party claim within three (3) days following receipt of the claim by the Purchaser.

In such circumstances, MHS will conduct the lawsuit. The Purchaser hereby authorizes MHS to develop any alternative solution in order to adapt the Goods and to neutralize any third party's claim or request based on industrial property.

In any case, MHS would prevent the Purchaser from any action whatsoever only if the Goods have been used in compliance with their destination. In the event that the Goods have been manufactured based on information provided by the Purchaser, the Purchaser prevents MHS from any third party's action or claim based on its intellectual property rights.

13. Governing law and jurisdiction

In all circumstances, these terms and conditions are governed by French law. Any dispute which may arise from the formation, the performance or the interpretation of a contract which is executed in accordance with, or follows or is the consequence of these terms and conditions of sale, shall be submitted to the EXCLUSIVE JURISDICTION OF THE TRIBUNAL OF COMMERCE OF PARIS.