

I. Specifications, use of our products and liability of SDS

The Products – power supplies, converters, control and measurement systems – supplied by Systems Development & Solutions (SDS) are chosen by the Client among the range of standard products on offer by SDS or are tailor-made to the Client's specifications. In either case, the Client shall be responsible for assessing the values and performance criteria required for the proper operation of the equipment and the applications to which the Product is destined.

As a professional user, the Client or the entity to which the Client entrusts or resells the Product, as well as the possible other entity users of the product, must take all requisite measures to ensure that the Product is installed, commissioned and used under conditions that ensure the safety of both persons and property. These conditions are communicated by SDS at the time of the delivery of the product in a document entitled "Safety specifications for the implementation and the use of SDS products".

In the event an error in the startup of the product occurs or in the event of misuse of this one by the user, SDS could not be held responsible for any consequences, whether direct, or indirect, tangible or intangible. The same shall apply to the studies and surveys carried out by SDS on its premises or on the Client's premises.

Furthermore, any use of the Product in a medical device which might endanger people's lives is hereby expressly prohibited by SDS

II. Environment, safety and protection of the public health

The SDS Product range does not fall into any of the product categories specified in the RoHS and WEEE Directives.

Consequently SDS does not have a legal responsibility to comply with the RoHS Directive. For Products that have been built into end equipment, it is of the responsibility of the Client to ask for compliance to the RoHS Directive. However SDS recognizes that, as a professional company, it has an environmental responsibility and so will ensure, where feasible, that all products that we are responsible for either as a manufacturer or distributor will comply with the essential elements of the RoHS Directive. From the moment SDS will offer to sell a product entirely in conformity with the RoHS Directive, it will carry this information to the knowledge of its Clients.

The financing of the safe and responsible disposal of any SDS Products that have been built into end equipment rests solely with the Client (i.e. the person discarding the equipment). SDS Products declared as "finished" do not fall into any of the product categories specified in the WEEE Directive. Consequently SDS has no direct responsibility with regards setting collection and recovery targets or offering a take back service. However, being concerned with the environment SDS will support treatment facilities by providing information as to the presence or otherwise of the materials and substances referenced in Annex II of the WEEE Directive.

The costs generated by the RoHS and WEEE Directives will be reflected on the price of the Products.

III. Orders – deliveries – precautions to be taken upon receiving the Products

Any information concerning delivery lead times provided to the Client by SDS prior to the Client placing an order shall be purely indicative. SDS shall not be bound by the lead times specified by the Client on its order. Should it not be possible to abide by these lead times, SDS shall notify the Client and shall agree a realistic and accurate delivery date.

A delay in delivery shall not give the Client the right to cancel the sale or refuse to take delivery of the Products. Neither shall it give the Client any right to discounts, penalties or damages.

The sales in Metropolitan France are carried out ENU or sales with the factory. Applicable taxes and possible other costs related to these sales, other than transport and insurance, are directly invoiced by SDS to the Customer.

The cost for transportation is either included in the selling price of the Products, or is proposed to the customer as a complementary service when SDS decides not to include the price of transport in the selling price of the Products. In this last case, it is proposed to the customer to subscribe a complementary transportation insurance. If the customer accepts this insurance and only in this case, the Customer becomes responsible for the Products from their reception in his buildings.

All deliveries to mainland France shall take place "in line with the terms of article IV below. The Client shall become responsible for the Products as soon as these have been delivered to its premises.

When SDS proposes its Customer a transportation insurance and this one refuses it, the risks are transferred to the Customer starting from the handing-over of the goods by SDS to the first conveyor for transmission to the Customer. When SDS includes in its selling price, the price for transportation or when the customer accepts the transportation insurance proposed by SDS, the risks are not transferred to the purchaser as long as the products are not given to the conveyor at the address of delivery given by the Customer and accepted by SDS.

In all the cases, it is up to the Client to check the state of the packaging and of the Products in the presence of the carrier, to set out in writing on the delivery document provided by the latter for signature any reservations warranted by the state of the packaging and/or of the Products, and to reiterate these reservations in a letter sent to the carrier by recorded delivery with acknowledgement of receipt within three working days of receiving the Products. Failing this, or when the customer makes the choice not to subscribe a transportation insurance, the Client shall not have any redress for any damage incurred by the Products during transportation and shall thus not be able to secure compensation, free replacement or a deferral of payment for same.

Any deliveries to Clients outside mainland France shall be subject to incoterm EXW. Therefore all transportation and insurance costs as well as all other ancillary costs and expenses, tax and duty, shall always be borne by the Client.

IV. Force majeure

In case of circumstances of force majeure which prevent SDS from being able to deliver the Products to the Client (such as if SDS is let down by a manufacturer who is SDS's sole source of a particular component), SDS's contractual obligations towards the Client shall be suspended.

SDS hereby pledges to notify the Client of the occurrence of circumstances of force majeure and of their likely duration as soon as it/they occur and to examine jointly with the Client any measures which would enable it to limit the negative effects of the situation for both parties.

V. Prices – invoicing – payment

In the case of a standard Product, SDS shall charge the Client the prices shown on its price lists; in the case of a custom Product, the price charged shall depend on the Client's specifications.

In the case of repeat orders or orders involving large quantities of the same Product, SDS may extend preferential conditions to the Client based on the quantities ordered.

SDS shall invoice the Client for the Products ordered by the latter upon sending these to the Client or in the case of studies/surveys, when the Client is provided with the results thereof.

SDS shall invoice the Client systematically for a fixed packaging fee of 5 euros excluding tax per consignment.

Transportation charges as well as transportation insurance charges possibly subscribed by SDS on behalf of the customer are calculated on the basis of the price invoices with SDS by the conveyor carrying out for his account the forwarding of the products even if SDS didn't mention these costs in any quote which it may have provided to the Client beforehand. The cost of carriage which is invoiced to the Client shall be the all-inclusive cost which is invoiced to SDS by the carrier, to which SDS shall add VAT at the currently applicable rate. Unless the Client expressly provides otherwise, this price shall include a provision for insuring the Products during transportation.

SDS's invoices must be settled within 30 days of the date on which SDS sends the Products out to the Client, as per the date shown on the delivery note. No discount shall be granted for early payment.

Special payment terms may be agreed with the Client in the following cases:

- in the case of exceptionally large orders or orders comprising a substantial prior study/survey element, SDS may require a partial down-payment upon placing the order;
- in the case of orders placed in several instalments and destined to be used as part of the Client's production programme, SDS shall accept settlement by recovered bill of exchange effective 60 days from the date on which the Products are dispatched; SDS must receive the recovered bill of exchange within 30 days for the Products being dispatched. No further consignments shall be delivered to the Client until SDS has been paid or has sight of the bill of exchange guaranteeing payment for a previous consignment;
- in the case of first orders placed by a new Client or for Clients in special situations, SDS may request payment up-front prior to delivering the Products;
- if the Client is a State body or organisation and must abide by specific ordering and payment time scales, SDS may consent to abide by same.

In accordance with the law, any late payment shall result in interest being levied on the overdue moneys at the Legal Rate plus 50%.

VI. Reserve from property

- the sales are concluded with reserve from property and the transfer of property intervenes only after complete payment of the price, (law 80.335 of May 10, 1980). The acceptance of the deliveries or the documents related to this delivery is worth acceptance of this clause. The payment of the price means effective cashing with the bank account of SDS.
- the Customer has to keep the sold goods and he supports the associated risks. The goods are still subject to property. He will thus have to store them separately and under the conditions in conformity in order to identify them for the benefit of SDS in the event of a claim (law 80-335 of May 12, 1980), to ensure them and answer of any responsibility as from the reception.
- the Customer is authorized, within the framework of the normal exploitation of his establishment, to resell the delivered goods. He commits himself to informing his own customers that the resold goods are the object of a clause of reserve of property for the benefit of SDS. In the event of an incident of payment, this authorization is automatically null and void. When the goods are, totally or partly, at the Customer's, they will have to be returned to SDS at first request, expenses and risks at the Customer's charge.
- on the assumption that the goods would have been resold, the Customer is supposed to have yielded to SDS the credits born from the carried out resale. On this purpose, the Customer will communicate, at first request, the names and addresses of the thirds to whom he would have resold the goods.

VII. Confidentiality

The studies and development work carried out by SDS to design and develop a standard product or to meet its Clients' specifications shall remain its exclusive property. The Client hereby pledges not to disclose to third parties any diagrams and nomenclatures which he may secure from SDS for documentation purposes. The client hereby pledges not to use these documents to reproduce SDS's Products, whether or not they are protected by Patents or have been licensed to a third party. The Client also pledges not to try to know the operation mode in order to reproduce them or to develop identical products of it - reverse-engineer.

VIII. Reclamations

Within 30 day following the reception of the products, the purchaser can issue reserves on quality, the performances, conformity with the specifications and if those are founded obtain a compensation. In this case the expenses which rise from this complaint are of the responsibility of the salesman.

IX. Warranty

The Products shall be guaranteed for a period of 12 months as of the date on which they are sent out to the Client for the first time, against production defects or faults in the components used therein. The number of the week in the year and the year corresponding to the date of the ex-works of the product correspond to the first 2 positions of the serial number of this one.

The Client shall bear the cost of returning any faulty Products which are under warranty to SDS's workshops and SDS shall bear the cost of returning them to the Client. The Client hereby pledges to abide by the stated duration of the warranty.

Any Products which are damaged or misused, modified or repaired by the Client or by any third party without SDS's express prior authorisation or whose properties have been altered pursuant to a faulty connection of the Products or of the equipment into which they are incorporated shall be excluded from this warranty.

The scope of this warranty shall be limited to repairing, replacing or reimbursing the price of the defective Product, at SDS's discretion. It shall not cover the provision of any compensation whatsoever.

SDS hereby disclaims liability for any consequences whether direct or indirect, tangible or intangible, arising out of a breakdown or malfunction/non-compliant functioning of the Product.

SDS shall be entitled to modify or to technically enhance its Products as and when it chooses to without needing to inform its Clients thereof.

X. Resolution of disputes

In the event of any dispute arising out of or in connection with the relationships between the Distributor and the Client, the parties agree to submit the matter to settlement proceedings under the ADR Rules of the Centre de Médiation et d'Arbitrage de Paris. If the dispute has not been settled within 45 days following the filing of a Request of ADR, the parties will have recourse to the courts of Paris-France.

XI. Applicable law

These standard terms of business is governed by the laws of France.

XII. Acceptance by the Customer of SDS Standard Terms of Business

The transmission by SDS to the Customer of its Standard Terms of Business is worth acceptance of these, except contrary position caught by the Customer and notified to SDS in the required forms.