

GENERAL TERMS AND CONDITIONS OF SALES FOR PRODUCTS AND SERVICES

The present general conditions are provided to the Client in order to enable it to place orders for Products and Services with 2France Marine.

Consequently, the sole fact that the buyer places an order shall constitute its full and complete adhesion, without reservation, to the present general conditions. 2France Marine shall not be bound by any other document which it has provided, including any sales material or catalogues, which have only an illustrative value.

Any conditions provided by the buyer which conflict with these conditions shall not be invocable against 2France Marine except with the express acceptance of the latter, regardless of when it has been brought to the knowledge of 2France Marine.

2France Marine reserves the right to modify the present general conditions at any time.

Definitions

Company: 2France Marine S.A.S.- a company having its registered office at 2, rue Maurice Berteaux 91370 Verrières-le-Buisson, France

Client: Any legal entity or individual which orders a product or requests a Service from 2France Marine.

Product: Any product manufactured at the request of the Client, as well as any Product displayed in 2France Marine's catalogues.

Service: Any services or technical assistance provided directly or indirectly by 2France Marine to the Client.

1. OFFERS

Any offer made by 2France Marine is valid only for the period indicated in the estimate.

2. ORDERS FOR PRODUCTS AND SERVICES

2.1 Acceptance of orders: 2France Marine shall be bound by orders for Products and Services only after it has definitely accepted such offers and confirmed such acceptance in writing. In the event that 2France Marine either receives or requests a deposit as set forth in article 4.2 hereof, the receipt of such deposit shall not confer acceptance of the order. In any event, 2France Marine shall be bound by orders taken by its representatives and employees only when such orders have been definitively confirmed in writing.

2.2 Minimum quantity: Due to the high costs involved in the processing of small orders, 2France Marine will not accept (1) orders less than 100€, excluding taxes, not for export and (2) orders less than 300€, excluding taxes, for export.

2.3 Modification or cancellation of the order: No modification or cancellation of the Client's order made after final acceptance by 2France Marine of the order will be effective without the agreement of 2France Marine as to the conditions of such modification or cancellation. In any case, the deposit already paid by the Client shall be retained by 2France Marine and not be returned to the Client.

2France Marine reserves the right to modify the Product at any time. 2France Marine does not have the obligation to modify the Products previously delivered or those in the process of being manufactured or delivered; 2France Marine also reserves the right to modify its Product models without providing prior notice.

2.4 Errors in the taking of orders: 2France Marine reserves the right to correct, without incurring any liability, all errors which may be made in the taking of orders.

3. DELIVERY-SHIPMENT OF PRODUCTS AND SERVICES

3.1 Address for shipping and for Service: Products are shipped to and Service effected at the address provided by the Client.

3.2 Costs of delivery and of Service: All delivery charges, including costs relating to transport, customs, insurance, packaging, handling and hand delivery, shall be borne by the Client. Travel and accommodation costs incurred in the provision of Services shall also be borne by the Client.

3.3 Risks of transfer: All risks relating to the Products, particularly those of loss or of damage to the Products, shall be assumed by the Client as from the time of delivery from 2France Marine's factory « Ex-works ».

3.4 Dates and periods: The dates and periods provided by 2France Marine for the delivery of Products and the execution of Services are purely indicative. 2France Marine reserves the right to conduct both partial deliveries and Services. Failure to comply with such dates or periods shall not give rise to damages, nor to the withdrawal or cancellation of orders in progress. All such periods will automatically be postponed in the event of modifications in orders for either Products or Services.

3.5 Force majeure: 2France Marine shall not be held responsible for any non-performance or delay in execution of orders due to causes independent of its will. Such causes include, but are not limited to, force majeure, (acts of the Client or acts of God), fires, strikes, flooding, epidemics, quarantines, wars, delays in transport or travel, shortages in manpower, raw materials, or means of production, or any other causes beyond the reasonable control of 2France Marine. In case of delays due to any of these causes, the date of delivery or of Service shall be postponed without the Client being freed of any of its obligations. 2France Marine may not be held responsible for any damages suffered by the Client, whether losses of use or profit or other damages resulting directly or indirectly from delays in delivery.

3.6 Receipt of the order: The Client undertakes to take delivery as from the time that the Product is placed at its disposal and to assume all storage costs, as the case may be. Any delay in collecting the merchandise delivered shall result in payment of storage and handling costs, calculated according to the rates then in effect.

3.7 Non-conformity: All complaints relating to apparent defects in the Product, to the non-conformity of the delivered Product, to the Product which was ordered or indicated on the bill of lading, or to the Service, should be made in writing within eight days of the arrival of said Product or the execution of said Service. It is the responsibility of the Client to provide all proof of the reality of alleged defects or anomalies. The Client should provide 2France Marine with all means by which to certify the existence of these defects and to repair them, and shall abstain from itself effecting such repair or having third parties intervene for this purpose.

3.8 Returns: Any return of Products must be formally agreed between 2France Marine and the Client. Any Products returned without such an agreement shall be held at the disposal of the Client, at its costs, and shall not result in the establishment of a credit. The costs and risks of returns shall be the responsibility of the Client. No Products will be accepted for return after a period of 60 days following the date of delivery.

Any Products returned with agreement of 2France Marine will result in a credit for the benefit of the buyer, after qualitative and quantitative verification of the Products returned. In case any apparent defects or non-conformity of the Products delivered is duly certified by 2France Marine in accordance with the conditions set forth in article 3.7 hereof, the Client may obtain, subject to the choice of 2France Marine, either free replacement or reimbursement of said Products, to the exclusion of payment of any indemnity or damage.

In case of a failure to execute the Service, duly certified by 2France Marine in accordance with the conditions set forth in article 3.7 hereof, the Client may obtain, subject to the choice of 2France Marine, either a new Service without charge or reimbursement of the first Service, to the exclusion of payment of any indemnity or damage.

4. PRICE AND PAYMENT

4.1 Price structure: Prices shall be agreed upon in accordance with the conditions stipulated in article 3 hereof, and shall be net excluding all present or future taxes or duties. Therefore, the price shall be increased by the amount of any present or future taxes or duties levied against 2France Marine in the context of the sale and delivery of the products and the Service.

Unless indicated to the contrary, the cost of installing the Products shall not be included in the price quoted by 2France Marine, such installation being at the costs and risks of the Client.

4.2 Down payment: A down payment equal to 20% of the price shall be paid on all orders placed above 10 000 €.

4.3 Prices in effect: The products are provided at the prices in effect at the time that the order is placed, it being understood that such prices may be modified and corrected by any formula for revision stipulated on the estimate, as the case may be. The price for Services is dealt with on a case by case basis.

4.4 Methods of payment: The bill for each delivery shall be payable (1) at 30 days net by cheque or bank transfer, for orders less than 400€ V.A.T. excluded, (2) by a signed and accepted bank draft or bank wire 30 days after the end of the month in which the Products was delivered or placed at the disposal of the Client for other orders. Payment for Services shall be made in cash upon receipt of the bill.

4.5 Late payment and default : Any late payment shall result in, automatically and without a notice to pay being necessary, article 1153 of the French Civil Code notwithstanding, payment of interest for lateness calculated at least one and a half point of the legal interest rate. Such interest shall run from the date on which payment was due until the date of full payment. Further, 2France Marine reserves the right to suspend or cancel all orders in the process of being made by the Client, and the sums due from other orders shall become immediately payable, if 2France Marine chooses to cancel such orders. Moreover, in the event of a default in payment, the sale shall be automatically cancelled, if 2France Marine deems this appropriate, forty-eight hours after a notice to pay is not heeded. 2France Marine may also, through legal means, request the return of its Products without prejudice to its right to damages or other compensation. Such decision shall affect not only the order being processed, but any prior unpaid orders, whether they have been delivered or are in the process of being delivered.

The Client shall reimburse 2France Marine for all costs incurred pursuant to the recovery of amounts owing to it by the Client, including legal fees.

4.6 Guarantee for payment: Any deterioration in the Clients' credit may justify 2France Marine's requiring guarantees or deposits before executing the orders received.

4.7 Retention money: Any retention money, accepted by 2France Marine with the placement of an order, shall be payable as from delivery of the Product or placement of it at the disposal of the Client. Such payment shall be made in exchange for presentation, by 2France Marine to the Client, of a bank guarantee equal to the amount of the retention money and including a precise date of release. Such retention may not, under any circumstances, constitute a cash deduction.

5. PATENTS AND INTELLECTUAL PROPERTY RIGHTS

The sale of Products to Clients shall not result in the transfer of any industrial property right held by 2France Marine.

2France Marine may, without liability on its part, interrupt the delivery of any Products if, in its opinion, use of the Product could constitute an imitation or an unauthorized usage of any patent, authors' rights, trademark or secret of manufacturing or trading.

If, in the opinion of 2France Marine, use of the Product is or would constitute grounds for a lawsuit, particularly for infringement, the Client shall authorize 2France Marine, at the choice and costs of 2France Marine, to (a) arrange for the Client

to obtain the right to use the Product previously provided, (b) replace said Product with an equivalent Product which does not result in an infringement, (c) modify the Product in such a way that it ceases to constitute an infringement, yet remains equivalent, or (d) reimburse the purchase price of the Product (minus a reduction equal to depreciation from usage).

2France Marine makes no warranty regarding patents, authors' rights, trademarks or secrets of manufacture for Products made according to the specifications of the Client or used by the Client conjointly with products not provided by 2France Marine. In the event of a claim or proceeding regarding such Products, the Client undertakes to defend and indemnify 2France Marine.

6. WARRANTY AND LIABILITY

6.1 Warranty: 2France Marine warrants that, as from delivery date and for a maximum duration of 12 months, or from the acceptance date of products for a maximum duration of 18 months, whichever comes first, all products are free from design or manufacturing defects, without prejudice of the legal latent defects warranty whenever applicable.

Within the frame of the above warranty, 2France Marine shall repair or replace, free of charge, all or part of whatever product may prove to be defective in either design and /or manufacture, provided 2France Marine receives, from the Client, a full description of said defects within 2 weeks of their emergence.

The Client authorizes 2France Marine to proceed to all verifications before effecting or subcontracting either a repair or a possible replacement of the Product, whatever 2France Marine choice may be.

All above operations can, at 2France Marine discretion, be performed in the Client's premises or in premises especially chosen by 2France Marine. Whatever the case, 2France Marine is entitled to invoice the Client for all shipping costs incurred; in case products prove to be truly defective, 2France Marine shall credit the Client of all shipping costs incurred.

A 90 days workmanship warranty will apply to all products either repaired or replaced by 2France Marine, effective as from delivery date by 2France Marine of said products to the Client.

However, 2France Marine warranty is not applicable to products that have:

- suffered a more intensive use than provided for,
- been mishandled,
- not been used according to their purpose,
- been incorrectly installed by a third-party,
- suffered change(s), adaptation(s), modification (s), repair(s) other than effected or authorized by 2France Marine.

The above is the sole product related warranty granted by 2France Marine. The Client is not authorized to grant any tacit nor express warranty on behalf of 2France Marine.

6.2 Liability: The client expressly waves any and all of his rights to any claim or suit against 2FRANCE MARINE, its brokers and/or insurers, subject to public policy exceptions.

As far as marine Radar transmitters are concerned, the client agrees to install the 2FRANCE MARINE product per instructions provided with the product by 2FRANCE MARINE. He acknowledges that the final acceptance test has been performed on the 2FRANCE MARINE product.

Having satisfactorily got the final acceptance test, he expressly waves any and all of his rights to any claim or suit against 2FRANCE MARINE, its brokers and/or insurers, including all incidental and consequential damages related to the system integration of the product, subject to public policy exceptions.

7. RESERVATION OF TITLE

Notwithstanding the provisions of article 3.3 hereof, 2France Marine shall retain full title of all Products until complete payment, even in the event of bankruptcy proceeding, such as judicial receivership or liquidation against the Client. 2France Marine reserves the right to exercise of this clause relating to reservation of title, and the Client may not impose enforcement of such clause against 2France Marine.

In the event the Client does not respect any of the payment dates or the present clause on the reservation of title, 2France Marine may proceed as is set forth in article 4.5 hereof.

The Client shall ensure that identification of the merchandise is always possible. Merchandise in stock is presumed to be unpaid. All changes in the Product, by integration with new material or by transformation without the addition of materials, shall be deemed to be made for 2France Marine and 2France Marine shall be the co-owner of the Product, up to the amount of its initial value.

The Client may in no event, without the prior approval of 2France Marine, resell the Product before having fully paid the agreed price.

8. PLANS, REPLACEMENT PARTS AND INSTRUCTIONS

8.1 Plans: 2France Marine undertakes to provide up to three standard copies, certified if necessary, of standard plans which it will have created. For any request of more than three copies, traced drawings will be provided in place of standard copies, it being understood that provision of these drawings may be billed by 2France Marine. The Client may also be billed if 2France Marine provides any non-standard plan, drawing or other document, or plans responding to particular requests or conditions.

8.2 Replacement parts: One copy of the list of replacement parts will be provided upon request, it being understood that a joint copy of the replacement parts and the instructions may be provided. The Client will be billed for all additional copies.

8.3 Instructions: One (1) copy of the instructions relating to the installation, operation and maintenance of the Product will be provided upon request. The Client will be billed for all additional copies.

9. CONTROL OF EXPORT AND SANCTIONS

The Client warrants that the Products and/or Services provided by the Company will not be directly or indirectly sold, transferred, assigned, or used by or for:

- Any person, entity, or organization subject to sanctions as defined by the United States, the European Union, the United Kingdom, Switzerland, or the United Nations;
- Any end use prohibited by applicable regulations.

The Client is solely responsible for determining whether the products or services are subject to export restrictions and for obtaining all necessary authorizations, which must be provided to the Company upon request.

The Client declares and warrants that, to the best of its knowledge, neither him nor any of its directors, officers, affiliates, or suppliers directly involved in the Product or Service is listed on any sanctions or restricted party list maintained by the United States, the European Union, the United Kingdom, Switzerland, or the United Nations.

The Client is responsible for obtaining all required export and/or re-export licenses of the Company's materials or parts incorporating these same materials. When the American Export Regulation ITAR ("International Traffic in Arms Regulations") or EAR

("Export Administration Regulations"), European Union and/or French Export Regulation on war materials and materials of dual purposes applies, the Client shall be bound:

- To fill-in in the required forms and in particular cerfa forms "certificate of end use" and/or "certificate of non re-exportation" n° 10919*01 which the Company may submit to the Client;
- Not to export or re-export to black listed countries;
- More generally, not ship, export, use the materials or parts in violation of applicable export laws, regulations or restrictions.

10. APPLICABLE LAW AND JURISDICTION

10.1 Applicable law: All contracts, as well as any orders accepted by 2France Marine, will be governed by French law regarding the formation, execution, interpretation and termination of said contracts and orders.

10.2 Jurisdiction: Any disputes arising out of the relations between 2France Marine and the Client shall be within the exclusive jurisdiction of the Commercial Court of Nanterre,

regardless of the place of delivery of the Product or of the performance of the Services, the method of payment accepted, and even in case of multiple defendants.

11. MISCELLANEOUS

11.1 Assignment: The Client shall not assign any of its obligations, nor any of its rights with respect to the present general conditions, without the previous approval of 2France Marine.

11.2 Inoperative provision: If any provision whatsoever shall be removed or declared invalid, the validity of the other provisions will not be affected.

11.3 Modification: No modification hereto shall be effected without a written agreement signed by both parties.

11.4 Waiver: The fact that 2France Marine does not, at a given moment, exercises any of the provisions of the present general conditions, shall not be interpreted as a subsequent waiver of the exercise of any of the said conditions.

11.5 Special conditions: While it is possible for 2France Marine to negotiate special conditions with the Client which are different from the present general conditions no such special conditions may, without the formal written acceptance of 2France Marine, prevail over the present general conditions.