

PALL FRANCE GENERAL CONDITIONS OF SALE

The purpose of these general conditions of sale is to define the commercial relations between PALL France and any purchaser, so as to ensure the quality of such relations. These conditions are deemed to be accepted in full by the purchaser by the placing of an order. They prevail over any general or specific conditions of purchase and over any documents emanating from the purchaser, unless otherwise expressly accepted by PALL.

Article 1 – FORMATION OF THE CONTRACT: QUOTES, ORDERS

1.1 The indications, descriptions, details and prices contained in the catalogues or documentation issued by PALL are given merely by way of indication, and are not binding on PALL.

The offers made by PALL are valid for a term of 3 (three) months. Beyond that term of validity, they may be amended or withdrawn.

Any offer made by PALL constitutes specific conditions which amend or supplement the present general conditions.

1.2 A substantial and decisive condition of any order is the acceptance of the present conditions of sale.

Orders shall be placed in writing (letter, fax, or email) on headed notepaper with the commercial stamp and the signature of the purchaser; therefore, orders placed by telephone must be confirmed in writing by the purchaser under the above-mentioned conditions. Unless PALL expressly indicates otherwise within a time limit of 5 (five) business days, any order is deemed accepted as of being received.

However, if the order has not been preceded by an offer from PALL, the contract shall be deemed to be complete only once the order has been accepted in writing by PALL. The purchaser shall have the option of amending or cancelling an accepted order only with written consent from PALL. In the absence of such an agreement, PALL may, at its discretion, demand either performance of the initial order, or cancellation of the contract; in the latter case, PALL shall be entitled to keep any sums already paid by the purchaser by way of down payments, without prejudice to any damages it might claim in reparation of the prejudice suffered due to the cancellation.

Article 2 – DELIVERIES: TERMS, LEAD-TIMES/DEADLINES, AND TAKING DELIVERY

2.1 PALL shall deliver the products ex-works pursuant to ICC Incoterms® 2000 or to ICC Incoterms® 2010.

2.2 Deliveries shall be made only if the purchaser is in full compliance with its obligations towards PALL.

2.3 The purchaser shall specify in its order, or at the latest three business days before the departure of the goods, the instructions necessary for the delivery, as regards place, time, and name of the person authorised to take delivery thereof. If, in spite of the above, the purchaser does not give PALL its instructions within the above-mentioned time limit or does not allow delivery to be taken of the goods pursuant to its instructions, the said goods shall be invoiced to it and stored by PALL at the purchaser's risk and peril. In which case, PALL may not be held liable in any way whatsoever, and in particular for any damage suffered by or caused by the goods so stored. As of the date of invoicing, PALL reserves the right to invoice the storage costs to the purchaser.

2.4 The delivery lead-times shall start as from the date of acceptance of the order by PALL under the conditions stipulated in §1.2 above. They shall be indicated as exactly as possible and will, in particular, be dependent on raw material procurements and/or on any amendments to the applicable regulations.

Therefore, if a delivery has been delayed due to a case of *force majeure*, or to any act of God or other unforeseeable event, and more generally due to any cause beyond PALL's control, it shall be deemed to have been made at the agreed date. However, if a delivery is not made on time due to the purchaser not honouring its obligations to PALL, a new lead time shall start as from the date on which the purchaser has remedied such default.

If, three months after the agreed delivery date, the order has not been delivered for any reason other than the reasons mentioned in the preceding paragraph, to the exclusion of an exception for non-performance, the sale may be cancelled at the request of either of the parties. In which case, PALL shall return to the purchaser any down payment, after deducting any indemnity or compensation for damages.

2.5 Delivery is deemed to be made, and the risks related to the goods are deemed to be transferred to the purchaser, ex-warehouse.

The carriage, customs, and packaging costs shall be borne by the purchaser.

It is incumbent on the purchaser to check the state of the products on delivery and to give discharge to the carrier, after having performed such checking, or, in the event of damage or of missing items, to make any appropriate declaration and to exercise recourse against the forwarding agents or carriers within the legal time limits.

Article 3 – COMPLAINTS/CLAIMS – RETURN OF GOODS

3.1 Subject to taking the appropriate steps with the carrier or with the forwarding agents, any complaint or claim regarding apparent defects, or non-compliance of the product as delivered with the product as ordered or with the consignment note shall, in order to be binding on PALL, be reported in writing within two business days following arrival of the products, and be reconfirmed by return-receipted registered letter specifying the invoice number(s) and customer number, the reference and quantity of the goods, and the reasons for the claim. Any complaint or claim sent without complying with the above-mentioned terms and conditions shall not be processed or taken into consideration.

The purchaser shall grant PALL full ability to verify the existence of the defects and to remedy the same. The purchaser shall refrain from intervening itself or from having a third party intervene for that purpose; otherwise, PALL shall not be held liable in any way whatsoever with regard thereto.

3.2 Any return of products shall first be approved in writing by PALL; no return shall be accepted after a time limit of one month as from the date on which delivery is made. The costs and risks relating to the return shall be borne by the purchaser.

Should it transpire that the complaint or claim is justified, the returned goods shall, at PALL's discretion, be exchanged or be the subject of a credit note corresponding to the price exclusive of VAT at which the goods were purchased, to the exclusion of any damages.

Article 4 - PRICES

The unit prices for the products are set forth in the offer accompanying the present General Conditions of Sale.

The products proposed are sold at the prices applicable on the date on which PALL accepts the order.

The prices are established at the consumer price values exclusive of VAT for Metropolitan France. They are ex-warehouse regardless of their geographical location. Tax increases or new tax requirements introduced by the State or by local authorities at the date of the invoicing shall be charged to the purchaser insofar as required by the Tax Authorities.

Article 5 - PAYMENT: TERMS, LATENESS, DEFAULT

5.1 Invoices are drawn up on each delivery. Except under specific conditions, invoices shall be payable at 30 (thirty) days from the date of receipt of the invoice, without any discount or reduction, and at PALL's headquarters. In the event of deferred or future payment, a bill of exchange shall be issued in respect of the invoice, and that bill of exchange shall be returned accepted within eight days; failure to return within the allotted time limit shall be considered to be a refusal of acceptance comparable to a payment default. In any event, settlement on the commercial paper's agreed due date constitutes payment within the meaning of the present article.

Under no circumstances may payments be suspended or be offset without prior written approval from PALL.

Any deterioration in the credit rating of the purchaser may justify the requirement of sureties, cash payment or payment by a bill of exchange payable at sight, prior to carrying out the received orders.

5.2 Any sum not paid at its due date as stated on the invoice shall, with effect from the day following the said due date, lead to the application of penalties for late payment in an amount equal to the rate of interest applied by the Central European Bank to its most recent financing operation plus 10 (ten) points. In addition, in the event of deferred payment, the other instalments shall become immediately

due and payable even if bills of exchange have been issued in respect thereof and, lead-times for delivering and/or taking delivery of the products may be suspended. The above-mentioned penalties shall be payable on receipt of the notice informing the purchaser that it is being charged therefor, and they shall continue to apply until full and final payment, both to the full principal amount of the outstanding sums and also to the interest that has accrued over more than one year. Any partial payment shall be ascribed to interest, and then to the non-secured portion of the debt, and finally to the amounts that are secured.

In the event of early payability, PALL shall only honour orders that are not yet delivered in full or in part against cash payment for those orders, without prejudice to any claim for damages.

5.3 In the event of total or partial default in payment of the price, comprising the principal amount, interest and any related amounts, and after a final demand has been made and has remained vain, PALL shall have the option of cancelling the sale as of right on the basis of breach by the purchaser. PALL shall be fully and finally entitled to keep any sums already paid by the purchaser, notwithstanding the purchaser's obligation to return the equipment/goods in a good and proper condition. The cancellation shall affect not only the order in question but also any prior orders in respect of which the due payment date has matured and payment has not been made.

Article 6 – TRANSFER OF RISKS

Transfer of risks in respect of the products takes place as of shipment from the warehouses even in the event of insufficient instructions regarding delivery that require individualised warehousing as mentioned in Article 2.1. The purchaser shall therefore take out any insurance necessary to cover such risks.

Article 7 – TITLE RETENTION

PALL retains ownership of all of the goods sold until actual payment in full of the price, comprising the principal amount plus any interest and related sums. Therefore the purchaser expressly authorises PALL to take back possession of its goods and, for that purpose, to enter the purchaser's premises after a formal notice has been sent pursuant to Article 5 above and if that notice remains vain.

The above provisions do not prevent the risks from being transferred as stipulated in Article 6.

The purchaser undertakes to inform PALL of any seizure or attachment of the goods made by a third party, failing which it will be open to liability for damages.

The purchaser may not pledge the goods and nor may it transfer ownership of them by way of guarantee or security.

However, in the context of the normal operation of its establishment, the purchaser is authorised to resell the goods delivered. In which case, the purchaser undertakes:

- to inform its customer of the existence of the present title retention clause and of the right that the initial vendor reserves to claim possession either of the goods in dispute, or of the price;
- to pay the outstanding portion of the price remaining due to PALL within 48 hours, or to inform it immediately so as to enable it to exercise, where applicable, its right to make a claim on the price vis à vis the third-party acquirer.

This re-sale authorisation shall be withdrawn automatically in the event of receivership or liquidation.

Article 8 – WARRANTY AND EXCLUSIONS

8.1 The present warranty applies for any material or manufacturing defect for a term of six months as from the date of delivery for consumables, and for a term of one year as from the date of delivery for non-consumables. Any intervention carried out under the present warranty may not lead to an extension in the term thereof.

Under this warranty, the sole obligation incumbent on PALL shall, at PALL's discretion, be to replace free of charge or to repair the product or the element that is recognised as being defective by PALL, to the exclusion of any compensation or damages and interest of any kind whatsoever. Any product that is to benefit from the warranty must first be submitted to PALL's after-sales service. The shipment costs and risks shall be borne by the purchaser. Any products, parts or elements that are replaced free of charge under the warranty become the property of PALL again, and PALL may require such products, parts, or elements to be handed over to it.

Re-sale of PALL products to any third party whomsoever, shall not result in an extension of the present warranty.

8.2 The present warranty excludes any consequences of normal wear or of use which is non compliant with PALL's instructions, or indeed any consequences due to defective maintenance. The warranty shall cease automatically if the customer has not honoured its contractual payment obligations. Defective products and/or services or direct damage to property or to persons due to the following reasons are not covered by any recourse or warranty of any type whatsoever, and PALL declines any liability in respect thereof:

- any negligence, lack of supervision, defective use, and any use not complying with the instructions indicated on the equipment/products used and/or in the PALL user's handbook;
- damage due to any natural disaster and to any accident whose cause is external to the equipment/product used;
- any technical intervention carried out by a third person not approved by PALL.

Should PALL be held liable, pursuant to non-performance, or poor performance of the contract, for any direct damage caused by the products, equipment, or parts delivered, the total amount of the compensation may not, by express agreement, exceed an amount equal to the price of the goods that caused the damage. Under no circumstances shall PALL be bound to pay compensation for material or non-material indirect or consequential damage or prejudice, or for non-material direct damage (in particular financial loss) caused by the products sold.

Article 9 – WARNING

The parts, subassemblies, or accessories that are not manufactured by PALL, but that are required by a purchaser specification, shall be governed by warranties granted by their own manufacturer, against whom the purchaser should, where applicable, claim. Consequently, PALL's warranty, and therefore its liability, may not be brought into play in any manner whatsoever by the purchaser for such parts, subassemblies, or accessories.

Article 10 – TOLERANCE – VALIDITY

The fact that PALL, at any time, does not avail itself of any one of the present general conditions of sale, may not be interpreted as a waiver of its right to avail itself thereof at some later date. Should any one of the provisions of the present general conditions of sale be voided, it shall be deemed not to have been written, and shall not lead to the other provisions being voided.

Article 11 – EXPORT

As regards export or resale of the products by the purchaser, the purchaser undertakes to comply with any applicable legislation on export control. Export control legislation includes, without this list being exhaustive, standards relating (a) to operating licences, (b) to export restrictions with regard to countries under embargos, and (c) to restrictions on sale to certain persons or to certain entities.

Article 12 – GOVERNING LAW AND JURISDICTION

Any dispute relating to application of the present general conditions of sale, even in the event that there is more than one defendant or in the event of proceedings to join or claim contribution from other parties, is governed by French law and shall be submitted to the exclusive jurisdiction of the Commercial Court (*Tribunal de Commerce*) within whose jurisdiction the headquarters of PALL is located.