

TERMS AND CONDITIONS OF SALE

These Terms and Conditions of Sale represent the standard trade practices in the French water meter manufacturing industry. They have been filed with the Trade Practices Office of the Commercial Court of Paris. The Seller's General Terms and Conditions of Sale form the basis upon which agreements are entered into with the Buyer. Placing an order implies that the Buyer accepts these Terms and Conditions, which, furthermore, shall take precedence over any of the Buyer's documents containing contradictory provisions not accepted in writing by the Seller. Any modifications to the General Terms and Conditions of Sale shall require the express written agreement of the parties. The term «written» shall mean exchanges in any medium, and in particular by fax and e-mail, which the Seller and Buyer recognise as modes of data transmission between them.

1 - DRAWINGS AND DOCUMENTS

The technical and performance specifications and other data contained in catalogues, brochures, circulars, advertisements, price lists and in any other medium are provided for information purposes only. These data shall only have binding force if referred to expressly in the Agreement.

2 - FORMATION OF THE AGREEMENT

Unless otherwise agreed, all offers shall be valid for one month. The Agreement shall be deemed to be entered into when the Seller has sent the Buyer written confirmation of the order, or when the Agreement has been signed by both parties, or upon delivery of the equipment. All orders are final and shall not be unilaterally brought into question by the Buyer. The Agreement shall only come into force after the deposit agreed between the parties has been collected. Furthermore, the Agreement shall also be contingent upon the customer providing all the information necessary for the performance of the Agreement, any official authorisations that may be required and any other documents provided for in the Agreement, in proper and usable condition.

3 - PRICES

Unless otherwise agreed, prices are exclusive of VAT and packaging, ex-works; or, for export sales, in accordance with INCOTERM EX- WORKS. Prices submitted in a special offer shall be set in view of the quantities ordered. They shall not include any duties, taxes, additional costs or levies of any other kind whatsoever, payable outside of France. They shall also exclude the cost of commissioning and assembly. Unless otherwise provided, prices shall be expressed in the currency that is legal tender in France. On invoices where the net amount exclusive of VAT is less than a value defined by the Seller, a processing fee may apply. All tests, trials and inspections requested by the Buyer shall be charged to the Buyer.

4 - PAYMENT

4.1 - In accordance with European Directive no. 2000/35/EC on combating late payment, payments shall be made within 30 days of the invoice date. However, the deposit shall be paid at the time of the order. Payments shall be made at the Seller's registered address, net and without discount.

4.2 - The deposit shall not constitute a down payment, and forfeiting the deposit would not release the parties from the Agreement. Payment shall be deemed to take place when the funds are actually deposited into the Seller's account. Payment may not be delayed for any reason whatsoever, even in the event of disputes, and shall not be subject to set-off unless the conditions of article 1291 of the French Civil Code are fulfilled.

4.3 - In the event of late payment, the Seller may charge a penalty calculated by applying, to the amounts remaining due, the tender (repurchase) rate of the European Central Bank, plus ten points. It is recalled that in France, this penalty shall be no less than 3 times the French legal interest rate. In the event of late payment, the Seller shall have the additional option of suspending the execution of its own obligations and demanding the immediate payment of all the invoices under the Agreement and/or any other current agreements with the Buyer. In the event of late payment, the Seller shall automatically owe a fixed collection fee (article L.441-6, I, paragraph 12 of the French Commercial Code), the amount of which is set by decree no. 2012-1115 at €40 (article D.441-5 of the French Commercial Code).

4.4 - The failure to pay any amount or part thereof on its due date shall make the balance immediately payable.

5 - PENALTIES

The non-payment of any amount due shall immediately result in the application of a penalty equivalent to 15% of the amount remaining due.

6 - DELIVERY TIME

Unless otherwise provided, the Seller shall be entitled to deliver the equipment in several instalments. The payment schedule shall be determined accordingly in that case. The Seller shall do everything in its power to ensure that the equipment is delivered by the agreed time, but all delivery times shall be provided for information purposes only and shall not be binding. The time shall be calculated from the day on which the conditions for the Agreement to come into force are met. The Seller is hereby released from any commitment in respect of the delivery time if the Buyer fails to fulfil any of its obligations hereunder or in the event of a force majeure circumstance or events or reasons out of the Seller's control. Insofar as possible, the Seller shall keep the Buyer informed of any such events in a timely manner. Penalties for delivery delays shall only be due if they are accepted in writing by the Seller and shall represent the totality of the compensation that the Buyer shall be entitled to claim. In any event, the total penalty may not exceed 5% of the ex-works price of the equipment that is not delivered on time.

7 - DELIVERY

Unless otherwise provided hereunder, the equipment is delivered ex works, without packaging. Any subsequent operations, including but not limited to transport, handling, delivery to the site, etc. shall be at the Buyer's responsibility, cost and risk. If the sale is an export sale, delivery shall be in accordance with INCOTERM EXWORKS. The risks relating to uncollected equipment shall be borne by the Buyer, and the Buyer may be charged storage costs by the Seller, unless otherwise agreed. In any event, the Buyer shall inspect the shipments upon arrival, make any claims necessary to the carrier within 48 hours and immediately inform the Seller thereof. Any special packaging requested by the Buyer shall be charged to the Buyer in addition to the agreed price, and shall not be taken back by the Seller unless otherwise provided.

8 - CONFIDENTIALITY - INDUSTRIAL PROPERTY

The parties agree to keep confidential all information of any kind provided by the other party for the performance of the agreements. The Seller is and shall

remain the sole and exclusive owner of the designs, drawings, models and other documents on any media whatsoever, which may be disclosed to the Buyer as part of the Agreement or any offer, and of the intellectual property rights attached thereto. Any such materials may be used only by the Buyer and only as required for the performance of the Agreement. They must be returned if the Agreement is not entered into or upon a request from the Seller.

9 - WARRANTY

9.1 - The Seller guarantees that the equipment is free from any operating defects due to manufacturing, design, materials or workmanship, for a period of 12 months from the date of the invoice. The warranty shall not cover normal wear and tear, including for parts subject to wear. Any software and software packages may be subject to special warranty conditions.

9.2 - To benefit from the warranty, the Buyer shall immediately inform the Seller in writing of the existence and exact nature of the operating defects the Buyer has found in the equipment. Under the warranty, the Seller shall have the option of repairing, replacing or modifying any parts recognised to be defective by the Seller. The warranty shall not cover the costs of dismantling, reassembly, transport or forwarding. The replacement of one of more parts for any reason shall not extend the warranty period.

9.3 - The warranty shall not apply in the following cases specifically: equipment whose installation, storage or use is not in accordance with its purpose, the recommendations of the Seller or generally accepted practice; damage or accidents due to negligence, lack of monitoring or maintenance or modifications of the conditions of use. The warranty shall further not apply if the equipment is serviced, repaired, or dismantled by the Buyer or by any third party that has not been approved by the Seller.

9.4 - Software Unless otherwise provided, the Seller shall not provide maintenance of the software delivered. The software shall be guaranteed by the Seller in accordance with the legal warranty and the warranties relating to the normal use of the software, for a period of 6 months from the invoice of the said software. The warranty shall cover any latent defects of the software. In particular, the warranty shall not cover the development of new programs, the restoration of operational work, the training of staff, hardware maintenance or the installation of new software versions. The Buyer shall bear full liability for the use of the software. This warranty shall not apply if the software is used incorrectly or improperly or in the event of the customer's negligence, defective installation, the customer's failure to comply with the installation, maintenance or operating instructions, unauthorised modification, normal wear and tear, servicing or repairs by a third party that is not expressly authorised by the Seller or in the event of damage due to force majeure circumstances or third parties.

10 - LIABILITY

10.1 - The Seller shall only be liable for property damage, i.e. harm to the substance of the object, subject to the fulfilment of the conditions for liability stated under article 9. The liability of the Seller shall be limited to the amount exclusive of VAT collected for the relevant equipment. However, the Seller shall not be held liable for indirect or consequential damage such as any operating losses or loss of profit.

10.2 - If any products are programmed upon a request from the Buyer, the liability of the Seller shall be identical to that mentioned in 10.1, whether the product has been delivered by the Buyer and/or manufactured entirely or in part by the Seller, providing the claim is related to a programming error that has been proven by the Buyer.

11 - LICENSE

The software is protected from reproduction and all rights are reserved. The right to use the software products is granted subject to a user license. Unless otherwise provided, the Buyer may not copy or reproduce all or part of the software or documentation by any means or in any form, or translate or transcribe the software product and documentation into any other language. As an exception, the Buyer may copy the products of the Seller alone, subject to a limit of two copies, for the sole purposes of backing up the software as a safety measure.

12 - RETENTION OF TITLE

12.1 - The Seller shall retain the ownership of the sold equipment until all the amounts due are collected in full. Any failure to make a payment on its due date may entitle the Seller to claim its equipment.

12.2 - However, risks shall be transferred to the Buyer when the equipment is delivered as defined above, and the Buyer shall pay for the corresponding insurance costs. The Buyer may not in any event pledge the equipment or use it as security.

13 - FORCE MAJEURE

The Seller shall not be liable for any failure to fulfil its obligations if such failure is due to a force majeure event. Force majeure event means any unforeseeable and unavoidable event that completely or partially prevents the performance of the Agreement and that cannot be overcome despite the due care of the Seller, its suppliers and/or subcontractors. If such an event occurs and is likely to have a serious effect on the performance of its services, the Seller shall inform the Buyer within a reasonable period of time.

14 - TERMINATION - CHANGES IN COMMERCIAL RELATIONS

14.1 - If the Buyer fails to perform any of its contractual obligations, particularly as regards the payment of amounts on their due dates, the Seller may terminate the Agreement if the Buyer fails to remedy its breach within eight days of notice demanding performance given to the Buyer.

14.2 - The commercial conditions granted to the customer shall not constitute a commitment by the Seller as regards future conditions. In particular, in the event of a payment incident, events that raise doubts about the solvency of the Buyer or commercial practices that are harmful to the Seller, the Seller may offer new conditions or refuse new orders.

15 - APPLICABLE LAW AND DISPUTES This Agreement shall be governed by and construed in accordance with French law. If the sale is in France, all disputes shall be subject to the exclusive jurisdiction of the court for the area in which the Seller's head office is located. If the sale is outside of France, any disputes shall be settled definitively in accordance with the Arbitration Regulations of the International Chamber of Commerce, by three arbitrators appointed pursuant to those Regulations; the language of arbitration shall be French and the place of arbitration shall be Paris.