

SALES TERMS AND CONDITIONS

Newsteo S.A.S

I. - FIELD OF APPLICATION

The present general terms and conditions of sales cover the sale of the following products: telemeters, Data Loggers and trackers, setting and monitoring software's, Bridges, Collectors, Repeaters, relays and keys, and more generally the range of products marketed by Newsteo S.A.S Company, hereinafter referred to as "NEWSTEO."

Our price offers are valid 3 months from the date of issue, unless otherwise stated. The discounts depend on the ordered quantities and the kind of partnership set up with the BUYER. They remain dependant, in some cases, on potential import license in some foreign countries.

The sale is deemed to be concluded on the date of acceptance of the order by NEWSTEO.

Prior to this date, the present sales terms and conditions were at the disposal of the BUYER, as referred to in article 33 of the French amended Ordonnance No. 86 - 1243 of 1 December 1986.

Any order implies the acceptance without reservations of the present general terms and conditions, which prevail over all other conditions, except those which have been accepted expressly by NEWSTEO.

II. - ORDER

Any order, to be taken into account, must be placed in writing and sent by mail to the NEWSTEO headquarters sis ZI Athélia IV 93 Avenue de Sorbiers 13600 La Ciotat, by fax at + 33 4 42 01 82 23 or by e-mail to one of the NEWSTEO commercial or administrative service email addresses.

NEWSTEO is not obliged to honor order below 350 Euros.

The acceptance of the order by NEWSTEO is either the result of the establishment and the sending of an official order confirmation, or an order acknowledge by email or by fax. As of this date, the order is deemed to be firm and final.

Any amendment due to the BUYER, if it is accepted by NEWSTEO, results in additional billing and determines a new delivery date.

III. - DELIVERY

The delivery will take effect from NEWSTEO or its subcontractor's office or plant, under the "ex-works" terms of the Incoterms ICC 2000.

In case of BUYER request, NEWSTEO may send the goods to an address indicated by the BUYER. In this case, the goods travel at the risks of the BUYER and at his expense." The risks of ordered goods are borne by the BUYER from the departure of the goods from the premises of the NEWSTEO. The BUYER will be entitled to impose the mode of delivery, the carrier and type of insurance. NEWSTEO commits to pack the goods in the state of the art of his own country.

The delivery time is variable depending on the products, and is given for information only and without warranty. A delay can never rise to a discount or allowance, or cancellation of the sale. However, the BUYER not delivered over a reasonable time may cancel all or part of his order 30 days after demand remained unsuccessful.

The indicated delivery date can be suspended by any independent event out of the control of NEWSTEO and resulting in delay of the delivery.

In any case, delivery can only occur if the BUYER is up to date on all of its obligations, including former payments due to NEWSTEO. In case of successive sales, any lack of payment after a certain deadline of previous invoices, may suspend deliveries on the initiative of NEWSTEO until the payment of the dues.

IV. – PRODUCTS RECEPTION

The BUYER must collect the products ordered, within 10 days following NEWSTEO notice (sent by mail, email, fax or telephone). After that delay, NEWSTEO is entitled to cancel the sale on its own decision, without prior notice, according to the provisions of section 1657 of the French civil Code.

The BUYER will always assume the costs and risks of transport of the products.

Upon reception, the BUYER must verify the conformity of the goods delivered and the absence of apparent defect.

If neither claim nor reserve is formulated in writing by the BUYER on the day of receipt, the products cannot be returned or exchanged according to the provisions of article 1642 of the French civil Code.

In case of proven apparent defect, breakage or malfunction of the products delivered, which is not due to poor conditions of transport, identified by the BUYER on the day of receipt, NEWSTEO commits to the replacement of the products by identical and new products. The costs of recovery and delivery of the new products are on the exclusive charge of NEWSTEO.

V. – PRICES

The potential amounts paid upon a purchase order are a "deposit" according to French law, the contract being then considered concluded definitively.

V.1 – Prices

Except express special conditions specific to the sale, the prices of products sold are those contained in the NEWSTEO offer or order confirmation. These prices are, at this date, firm and definitive, except if they are formulated as "budget price", "preliminary" or "estimated".

Except express special conditions specific to the sale, they are set in Euros and considered "out of taxes", including packaging costs, but shipping cost excluded.

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V.2 – Payment conditions

Unless other specific conditions to express in writing before delivery, the selling price is payable within 30 days from the date of invoice, net and without discount. In case of repeated delays in payments by the BUYER, NEWSTEO reserves the right to ask for a payment on order for further orders.

NEWSTEO also reserves the right to ask for a payment on order for BUYERS not covered by NEWSTEO's insurance.

The rate of penalties (payable from the due date) in the absence of payment is equal to the rate of refinancing of the ECB (European Central Bank) plus 10 points.

By no means, the payments to NEWSTEO may be suspended or be subject to any discount or compensation without written agreement of NEWSTEO.

Any payment that is made to NEWSTEO is charged on the due amounts, regardless of the cause, starting with those with the oldest due date.

If payment (in totality or partially) at due date is not completed, NEWSTEO can cancel the sale, 5 days after a formal notice still remained without answer, without the prejudice for damages to be asked by NEWSTEO. Default interest will be due by the BUYER at the legal rate in effect after formal notice, in addition to 5% of the amount of the invoice as penal clause compensation.

Modes of payment accepted for the French customers are: checks, transfers, bills (bills of Exchange), ticket order or letter of credit. And for international customers: only by transfers to our Bank, irrevocable SWIFT.

V.3 – Invoicing

NEWSTEO will establish an invoice in double, one copy shall be issued to the BUYER with the best appropriate mean.

The invoice shall mention the indications referring to article 31 of the French amended ordonnance of December 1, 1986.

VI. – PROPRIETY RESERVE

The products are sold subject to property reserve: under the provisions of the French law of May 12, 1980 and the French Act of 25/1/1985 amended on 6/10/1994, NEWSTEO expressly reserves the ownership of goods delivered until payment in full of the sales price, costs and accessories. However, the risks are transferred (as indicated above) to the BUYER upon delivery of the goods. In case of missing payment by the BUYER of the price agreed upon deadlines, the sale could be cancelled 8 days after unsuccessful reminder; in such a case, NEWSTEO can resume the goods and the amounts paid by the client will remain acquired as damages compensation, without prejudice to any further claim for restitution of the sums received by the BUYER for payment of their price from a resale.

To activate the present clause, NEWSTEO will formally notify the BUYER, or his legal representative to return the goods.

Checks and bills of exchange are considered as payments after their actual cashing. Until this date, the clause "property reserve" remains in full.

These provisions shall not preclude (as indicated above) the transfer of risk of products sold, upon delivery.

The BUYER commits until full payment of the price, to not transform or embed the said products, to sell them back or put them in pledge.

Until payment in full by the BUYER, NEWSTEO commits to store the goods in a secure place, protecting them from theft or any other voluntary or involuntary degradation. It commits to manipulate them in the state of the art rules. It is understood that the BUYER will take out insurance for all loss or damage that may occur to the goods before its full payment to NEWSTEO.

VII. - WARRANTY

The standard warranty duration is 2 years for sold products (except batteries that are never covered by the warranty).

The sold products are covered by the legal warranty for latent defects, "vices caches", according to the article 1641 of the French civil Code. The BUYER is given 8 days to denounce such problem to NEWSTEO. After that delay, the claim will not be accepted by NEWSTEO.

That article of French law says : "NEWSTEO est tenu de la garantie à raison des défauts cachés de la chose vendue qui la rendent impropre à l'usage auquel on la destine, ou qui diminuent tellement cet usage, que l'ACHETEUR ne l'aurait pas acquise, ou n'en aurait donné qu'un moindre prix, s'il les avait connus".

No claim is admissible for so-called indirect damages in the usual sense of the jurisprudence.

VIII. - COUNTRIES

NEWSTEO products meet European CE standards, particularly from the standpoint of radio bands used. For use in other countries outside Europe, it is the responsibility of the BUYER to respect any local provisions.

IX. - COMPETENT COURT - APPLICABLE LAW

All disputes relating to the interpretation and enforcement of these sales terms and conditions will be the exclusive jurisdiction of the Tribunal of Commerce of MARSEILLE (13-France). The applicable law is the international law under the 1980 Vienna Convention on the international sale of goods and if not applicable, the French law. NEWSTEO elected home in its headquarters as indicated.