

General Conditions of Sale of the company CGN :

Preamble

The purpose of these general conditions of sale is to define the conditions under which the company C.G.N. markets the Products to the Distributors it has selected.

1. Definitions

The terms and expressions used in these General Conditions of Sale with a capital letter will have the following meaning:

- « **C.G.N.** » designates the company C.G.N. - CENTRE GROSSISTE NANTAIS, simplified joint stock company, with capital of 1,200,000 euros, whose head office is located boulevard Salvador Allende, Zone Atlantis, 44800 Saint Herblain, registered in the Nantes trade and companies register under number 343 863 460, telephone number: 02.40.92.00.95, email address: contact@cgntfrance.com.
- « **Distributor Account** » Designates the account, as described in Article 4 hereof, created by a Distributor.
- « **Terms of Sales** » designates these general conditions of sale applicable to relations between C.G.N. and the Distributor.
- « **Special Conditions** » designates the special conditions concluded between C.G.N. and the Distributor and intended to complete these General Conditions of Sale, by specifying in particular the nature and quantity of the Products supplied to the Distributor and their delivery terms. The Special Conditions take the form of a purchase order issued by the Distributor, and accepted by C.G.N.
- « **Distributors** » designates the Professionals, selected by C.G.N., who market the Products offered by C.G.N.
- « **Delivery point** » designates the delivery point agreed between C.G.N. and the Distributor, as specified in the Special Conditions.
- « **Products** » designates the products offered for sale to Distributors, such as these products are described in article 3 hereof. Details of the Products supplied by C.G.N. to the Distributor is specified in the Special Conditions.
- « **Professional** » means any natural person, whether or not representing a legal entity, acting for purposes falling within the scope of their professional activity.
- « **Website** » designates the website hosted at the following internet address: www.cgntfrance.com.
- « **VAT** » designates the French value added tax.

2 Acceptance of the General Conditions of Sale

The General Conditions of Sale determine the contractual conditions applicable to relations between C.G.N. and the Distributor. The Distributor is required to carefully read the General Conditions of Sale before using the Products offered by C.G.N. These General Conditions of Sale contain important information on the rights and obligations of the Distributor, as well as on the limitations and exclusions of liability of C.G.N.

By using C.G.N. Products, the Distributor confirms its full and unreserved adherence to the General Conditions of Sale, which is expressly recognized by the Distributor, who waives, in particular, the right to rely on any other document which would be unenforceable against C.G.N. If the Distributor does not accept the General Conditions of Sale, he is requested not to use C.G.N. Products.

3. Products

C.G.N. offers, primarily, finished products, spare parts and accessories for motorized two-wheeled vehicles (motorcycles, scooters, mopeds) and for bicycles as well as equipment for pilots and cyclists.

The Products offered by C.G.N. are subject to a specific presentation and description in the Special Conditions. The Distributor is invited to check, before placing an order for Products, that they correspond to his needs.

4. Product distribution terms – Distributor Account

In order to ensure distribution that meets quality and safety requirements for the end customer, C.G.N. has established a selective distribution network based on objective criteria.

Any new Distributor must therefore make a request to open a Distributor Account and, to this end, respect the following cumulative conditions:

- (i) Be registered in the Trade and Companies Register or in the Trades Directory;
- (ii) Proof of professional qualification and/or professional experience related to the mechanics and maintenance of cycles and mopeds, in order to be able to advise buyers and provide after-sales service;
- (iii) Have an "establishment open to the public" within the meaning of article R123-2 of the Construction and Housing Code including sufficient and appropriate equipment allowing the Distributor to ensure the sale, assembly, maintenance and after-sales service for cycles, two- or three-wheel motor vehicles and motor quadricycles (French category L vehicles);
- (iv) Undertake not to modify the Products and to only assemble or resell them under conditions consistent with their intended use and performance, without misuse, and in accordance, where applicable, with the manufacturer's instructions and obligations legal and regulatory.

C.G.N. reserves the right to refuse any request to open a Distributor Account if the aforementioned conditions are not met.

The Distributor whose request to open a Distributor Account has been accepted by C.G.N. may place orders for Products in accordance with the terms and conditions provided for in Article 5

In the absence of an order by a Distributor for a period of twelve (12) consecutive months, their Distributor Account will be automatically closed. The Distributor will then have to make a new request to open a Distributor Account to place orders for Products.

5. Commande

Any order for Products is placed by the Distributor and is asked to complete an order form which is automatically transmitted to C.G.N. An order is only valid after express acceptance by C.G.N.

C.G.N. reserves the right to accept or refuse any request for subsequent modification of an order placed by a Distributor and accepted by C.G.N.

6. Financial conditions

6.1 Price

The price corresponding to the Products is specified in the Special Conditions on the basis of the prices in force at the time of the Distributor's order.

Shipping costs, the possible cost of insurance, as well as any other additional costs if applicable, are also specified in the Special Conditions.

Prices are in euros, excluding taxes and VAT. The VAT applicable on the day of the order by the Distributor is added to the price of the Products. Any change in the VAT rate may be reflected in the price of the Products.

6.2 Payment terms

Subject to the stipulations appearing in the Special Conditions, the price of the Products is paid, in principle, according to the terms described below.

6.2.1 Distributors in mainland France

Payment for each order takes place before shipment or at the latest at the time of delivery, by cash on delivery, for a minimum period of one year from the opening of a Distributor Account as well as for any Distributor whose average monthly order amount over one year is less than 299.00 euros excluding taxes.

In all other cases, payment takes place by statement of exchange bill (LCR) either due 30 days at the end of the month on the 25th, or, if the due date is later, with a discount of 0.5% per month of the amount, excluding taxes due by the Distributor.

Notwithstanding the foregoing, C.G.N. reserves the right to request full payment for an order before shipment, particularly from any Distributor who does not provide sufficient guarantees.

6.2.2 Distributors not in mainland France

Payment for each order takes place before shipping..

C.G.N reserves the right to require a bank commitment as a guarantee of payment of the price by the Distributor.

6.3. Reservation of title

The Products sold to the Distributor remain the exclusive property of C.G.N. until full payment by the Distributor of the total price of said Products, in principal and in accessories. Payments made by the Distributor will only be considered final after effective collection by C.G.N. amounts owed. Does not constitute payment under this article, the delivery of a title creating an obligation to pay.

Notwithstanding the above, the risks of loss and damage to the Products are transferred to the Distributor from their delivery to the carrier by C.G.N. Consequently, the Distributor is required to take out insurance, at its own expense, on behalf of C.G.N.

In the event of failure to pay when due by the Distributor, C.G.N. may exercise its right of return on the Products in the possession of the Distributor. The return of Products belonging to C.G.N. will be at the Distributor's own risk. In the event of resale of the Products by the Distributor, the claim of C.G.N. may exercise influence on the price received by the Distributor.

The Distributor undertakes to inform its customers of the existence of said retention of title clause and the right of C.G.N. to claim, if necessary, the Products in their hands.

6.4 Late penalties

In the event of non-payment on time by the Distributor of any sum owed to C.G.N., and in application of the twelfth paragraph of Article L441-6 of the Commercial Code, the amount of the late payment penalties will be set at three times the rate of legal interest in force on the day of the Distributor's failure.

In the event of late payment, C.G.N. may immediately suspend the supply of Products for current orders, without compensation to the Distributor.

6.5 Lump sum compensation for recovery costs

Pursuant to article D 441-5 of the Commercial Code, the amount of the fixed compensation for recovery costs is set at forty (40) euros.

This compensation, distinct from late payment penalties, is automatically due by the defaulting Distributor, without prejudice to the right to C.G.N. to request additional compensation in the event that this justifies recovery costs higher than this amount. In particular, bank charges generated by unpaid LCRs will be the responsibility of the defaulting Distributor.

6.6 Logistics costs

All orders whose amount is less than or equal to €76.00 excluding tax. (total excluding VAT of products without shipping costs, without costs miscellaneous, without discount ...) will be increased by €5.00 excluding tax for logistics costs.

7 Deliveries

C.G.N. delivers the Products in mainland France and in the countries indicated on the Website.

7.1 Delivery terms

C.G.N. does not ensure delivery for any order worth less than 76.00 euros excluding taxes and the Distributor must take possession directly on the C.G.N site.

In all other cases, the Products are delivered to the Delivery Point specified in the Special Conditions.

7.2 Delivery Costs

Transport and delivery costs are specified in the Special Conditions.

For delivery in mainland France, the Products are delivered free of carriage for all orders equal to at least 299.00 euros excluding taxes (excluding finished products). As an exception, for any order placed between Tuesday 6 p.m. and Wednesday midnight, the minimum amount to *benefit from carriage-free delivery is 190.00 euros excluding taxes (excluding finished products)*

For delivery outside mainland France (ex DOM TOM and Export), shipping costs, the possible cost of insurance, as well as any other additional costs linked to delivery if applicable, are the exclusive responsibility of the Distributor. In particular, the duties and taxes paid, where applicable, by C.G.N. in the context of delivery outside mainland France are the responsibility of the Distributor.

7.3 Delivery Time

The delivery time for the Products is indicated in the Special Conditions. This is an average delivery time estimated according to the characteristics of the order concerned and the agreed Delivery Point. This period runs from acceptance by C.G.N. of the Distributor's order.

If the deadline communicated to the Distributor is exceeded, C.G.N. undertakes to inform the latter as soon as possible by any written means.

Failure to comply with the delivery time communicated to the Distributor cannot justify cancellation of the order by the Distributor and cannot incur the liability of C.G.N..

7.4 Risks linked to transport – Insurance

7.4.1 Risks linked to transport

Les risques de perte et d'endommagement des Produits sont transférés au Distributeur à compter de leur remise au transporteur par C.G.N.

7.4.2 Insurance

In any event, insurance costs are the responsibility of the Distributor.

7.4.3 Contestation

It is up to the Distributor, or the third party designated by him, to check the condition and contents of the packages received in the presence of the carrier.

In the event of damage noted on the Products, the Distributor must refuse the package by indicating "Refused: Damaged Product" on the delivery receipt. If the Distributor nevertheless accepts the package, it must issue, on the delivery receipt, all necessary reservations, indicating the damage noted on the Products.

Any package accepted by the Distributor without reservation expressed on the carrier's delivery receipt will be deemed to have been delivered in good condition and in its entirety, without prejudice to the guarantee referred to in Article 9, from which the Distributor benefits.

Any dispute by the Distributor relating to the conformity of the Products supplied by C.G.N. must be notified to the latter upon receipt of the Products by the Distributor, by any written means enabling receipt to be acknowledged.

8.0 Obligations and responsibilities of the Distributor

The Distributor is responsible for precisely defining its needs before using the Products offered by C.G.N. C.G.N. cannot be held responsible for poor identification by the Distributor of its needs or constraints.

The Distributor undertakes to :

- (i) To not modify the Products sold by C.G.N. ;
- (ii) Do not assemble or resell the Products sold by C.G.N. only under conditions consistent with their intended use and performance, without diversion of use, and in accordance, where applicable, with the manufacturer's instructions and legal and regulatory obligations;

To not modify, hide or alter in any way the brands and logos affixed to the Products.

C.G.N. cannot under any circumstances be held responsible for any harm or damage resulting from a failure by the Distributor or its employees in relation to the above.

9.0 C.G.N. Guarantee

C.G.N. guarantees the Distributor against any hidden defect in the Products, within the limits and conditions accepted by the manufacturers, excluding any negligence or fault of the Distributor and excluding Products which have been used.

Non-compliance with its obligations provided for in Article 8 is particularly considered as negligence or fault on the part of the Distributor.

C.G.N. undertakes in this respect to replace the defective part to the exclusion of any compensation or return of the Product against reimbursement, and only after acceptance of the manufacturer's guarantee.

10.0 Retour de marchandises

En toute hypothèse, tout retour de Produit nécessite l'accord préalable de C.G.N. Aucun échange de Produit ne sera accepté, sauf erreur de la part de C.G.N. Tout colis devra être retourné en port payé. Les retours de pièces ou Produits non conformes à la commande doivent être accompagnés du numéro et de la date de la facture dans un délai maximum de douze (12) mois et dans leur emballage d'origine. Si l'erreur incombe à C.G.N., les frais de port seront remboursés. Tout retour de Produit dû à une erreur de commande imputable au Distributeur fera l'objet d'un avoir correspondant auquel sera appliqué un abattement de 20%.

11.0 Liability of C.G.N.

11.1 Liability

The responsibility of C.G.N. can only be incurred in the event of proven fault or negligence on the part of the latter and is limited to direct damage to the exclusion of any indirect damage, of any nature whatsoever, including in particular damage to the Distributor's property, loss of profits, business disruption, third party demand or claim.

In any event, the responsibility of C.G.N. is limited to the total amount excluding tax paid by the Distributor for the Products considered.

11.2 Exclusion of liability

The responsibility of C.G.N. is excluded in the event of damage, direct or indirect, affecting property or people, suffered by the Distributor or a third party, in particular the Distributor's customers, resulting from the circumstances referred to in Article 8, whether these are due to the Distributor or third parties.

The responsibility of C.G.N. cannot under any circumstances be held responsible for the information, recommendations or advice provided by the Distributor to its customers.

11.3 Distributor Needs

C.G.N. cannot under any circumstances be held responsible for the Distributor's failures in determining its needs.

12 Intellectual property - Ownership of results

The intellectual property rights attached to the Products, including in particular trademarks, designs, plans, models and patents, are the exclusive property of C.G.N. or its partners. No license of use is granted to the Distributor under these General Conditions of Sale.

13 General provisions

13.1 Partial non-validity

The nullity of a contractual clause does not entail the nullity of the General Conditions of Sale, with the exception of that of an impulsive and determining clause having led one of the Parties to contract.

13.2 Modification of the General Conditions of Sale

C.G.N. reserves the right to modify the General Conditions of Sale at any time. Consequently, the applicable General Conditions of Sale will be those in force on the date of the order by the Product Distributor.

13.3 Force majeure

The parties cannot be held responsible if the non-performance or delay in the performance of any of their obligations, as described herein, results from a case of force majeure, within the meaning of article 1218 of the Civil Code.

The responsibility of C.G.N. cannot be held liable in the event of non-performance or poor performance of its obligations, which is due either to the actions of a third party or to a case of force majeure.

13.4 Referencing

The Distributor accepts that C.G.N. may include information relating to its identification (in particular its name or company name and address) on its Website or on any document established for the purposes of referencing Distributors offering Products acquired from C.G.N.

13.5 Information technology and freedoms

In accordance with article 6 of law no. 78-17 of January 6, 1978 relating to data processing, files and freedoms, as amended, C.G.N. implements processing of personal data for the purpose of managing Product orders and listing Distributors. The information requested from Distributors is necessary for these purposes.

13.6 Applicable law - Jurisdiction

The General Conditions of Sale are subject to French law.

The parties undertake to attempt to resolve amicably any dispute relating to the validity, interpretation, execution or termination hereof that may arise between them.

In the absence of an amicable settlement within thirty (30) days from its occurrence, the dispute will fall under the exclusive jurisdiction of the competent court within the jurisdiction of the head office of C.G.N.

13.7. End of product life

CGN is responsible for the end of life of its products and, as such, fulfills its obligation to join an eco-organization concerning the extended responsibility of the producer or marketer. The sectors are:

- Sports and leisure articles sector (ECOLOGIC (member number: FR024751_13UUVZ)
- Batteries sector (COREPILE) (member number: V 0016)
- ALIAPUR scooter and motorcycle tire sector (member number: C 7465)