

# LOG System – Terms and Conditions of Sale

Software packages are designed for specific studies, layout diagrams and specialised computer programs enabling client user orders to be processed.

## **1-Object:**

The terms and conditions herein together form the Agreement which governs the respective obligations of the contracting parties. These terms and conditions are considered accepted by the buyer unless expressly provided for otherwise.

## **2- Order and delivery:**

After review of the order specifications submitted by the client, prospective solutions are prepared, and a specification analysis report is sent to the client. This report constitutes the framework for the software package order and associated services including maintenance.

If necessary, modifications to the software package order are developed in collaboration with client contacts until signature of the order agreement binding the two parties.

Software programming is carried out in conjunction to the client preparing and submitting to Log System a series of test cases covering all scenarios in order to test its programs and present them via hardware to the client on our or its premises.

Any delay due to the client's late provision of the series of trials will lead to an equal minimum delay in delivery dates for the software package.

With regard to licences for use, the software package remains the property of the vendor. The purpose of the licence is to grant the licensee a non-transferable and non-exclusive right to use the software package named in the Licence agreement. The licence for use is granted to the buyer for a specific term and scope of use as defined in the Licence agreement.

## **3- Confidentiality and intellectual and artistic property:**

With regard to licences, the software package is protected by applicable laws on literary and artistic property unless express exceptions are provided for in the Licence agreement. Unless expressly provided for otherwise, the buyer is prohibited from:

- copying or reproducing in full or in part the software package and/or documentation by any means and in any format (other than backup copies),
- translating or transcribing the software package and/or documentation in any other code or language or adapting them.

Each party will maintain the confidentiality of all information shared with it, as much regarding the software package as its related documentation. This confidentiality clause and these restrictions apply to the disclosure of information to any third party, supplier, user and any person not directly involved in the project.

## **4. Price:**

The price of the software package varies according to the number of elements to program and the options chosen. It includes analysis, programming, trials and tests. Maintenance will be invoiced according to the provisions of the licence agreement.

## **5. Payment:**

Invoices are payable to Log System's registered office at 235 Cours Lafayette, 69006 Lyon. Payment terms and conditions are defined between the parties on signature of the agreement. Failure to pay any amounts owed under the agreement by the due date will lead to the application, as of the first day following said due date, of a late payment penalty amounting to at least three times the statutory interest rate provided for by Article L. 441-6 of the French Code of Commerce, without the requirement to serve formal notice. This penalty is calculated on the basis of the amount outstanding before tax. Application of the late payment penalty does not exclude the possibility of terminating the agreement. Any late payment shall automatically result in the debtor being required to pay a fixed-rate compensation amount of €40 for recovery costs in addition to this late payment penalty. An additional compensation amount may be claimed where the recovery costs incurred are higher than the fixed-rate compensation amount, upon presentation of supporting documentation.

## **6. Liability:**

If Log System's liability is incurred in the event of negligence demonstrated by its contractual partner, on any grounds whatsoever, it is agreed that the compensation that may be claimed from Log System for direct damages suffered will be limited to the price of the service that caused the direct damage.

## **7. Subsequent amendments:**

Any potential amendment after final reception of the software package shall require a new analysis and new programs to be developed, tested and delivered. These services will be the subject of an offer and new order presented to the client for acceptance.

## **8. Termination clause:**

If the buyer fails to meet any of its contractual obligations, and particularly in the event of failure to pay any amount due under the agreement, the licence granted will be automatically terminated if no action has been taken to remedy this breach of obligation within one month after formal notice has been served. Termination of the agreement is without prejudice to the payment of damages and interest for any failure on the part of the buyer to meet their contractual obligations.

## **9. Retention of title:**

The Parties agree that the licence shall be granted only after payment of all amounts due under the agreement. The licence for use of the software package shall be subject to the same conditions. In the event that the buyer fails to meet its obligations, Log System reserves the right to withhold the services associated to the software package order including the maintenance necessary for proper use of the software package, updates, subsequent amendments to the software package, while awaiting payment from the buyer.

## **10. Dispute resolution:**

Any legal action brought against Log System shall be initiated within a maximum period of one (1) year as of performance of the service. This agreement is governed by French law. In the case of dispute, express jurisdiction is conferred to the Lyon Commercial Court, notwithstanding multiple defendants or the introduction of third parties.