

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

VALEO COMPRESSORS EUROPE s.r.o.

May 2019

General

1. The present general terms and conditions of sale are applicable to all sales of products by Valeo Compressors Europe s.r.o.
2. The simple remittance of a purchase order or acceptance of a Valeo offer of sale by a customer implies that he accepts the present general terms and conditions of sale and, by the same, waives his own general terms and conditions of purchase.
3. The fact that Valeo does not avail itself at a given moment in time of any one of the terms and conditions of sale cannot be interpreted as a waiver of our right to avail ourselves of any of the terms and conditions at a later date.
4. All purchase orders remitted by the customer are subject to acceptance by Valeo in writing.
5. Sales of Valeo products are final. They cannot be returned or exchanged.
6. The customer must not alter or distort, in part or in full, the packaging, markings, numbers, and consistency of Valeo products as they exist at the time of delivery, nor may the customer use any product which may have been altered or distorted in any way.
7. If any authorizations or formalities, for example for import or exchange control purposes, are required for the import into the country of destination or for the payment of the products sold, they shall be obtained or accomplished in due time by the customer under his full responsibility. He shall nevertheless advise Valeo.

Delivery

8. Except as stated otherwise, on acceptance of the purchase order, Valeo products are sold "ex Valeo warehouse" at the place indicated on the purchase order. Once the products leave the Valeo warehouse, all shipping, insurance, custom duties and taxes are borne by the customer.
9. It shall be expressly stated that the products are shipped at the customer's risk even if shipping is done at Valeo's expense.
10. The customer shall reserve all rights of redress with respect to the carrier in the event of missing goods, damage, lateness, etc. and shall timely take all measures and accomplish any formalities which may be necessary.
11. Valeo shall be advised of any reservations the customer may have on receipt of the products within 24 hours of delivery.

Price – Conditions of payment

12. Irrespective of the date on which the order is placed, the products are invoiced at the prices applicable on the date the products leave Valeo's warehouse. The prices are established "ex Valeo warehouse" at the place mentioned on the purchase order. There will be an extra charge for special packaging.
 13. Unless otherwise stated, payment for Valeo products is 30 days from the date of the date of the invoice. For certain export customers, payment shall be by an irrevocable documentary credit duly confirmed by a Valeo approved bank, irrespective of the method and the place of delivery."
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14. Where, by waiver of the above clause, and in view of the guarantees offered, deferred payment for the products is agreed upon, non-payment of the amount due at any single due date will automatically cancel the deferred payment terms and the total outstanding amount shall then be due immediately. Valeo reserves the right to suspend the execution of its own obligations until such time as the overdue payment is received. In addition, the balance due will bear interest from the due date (in France, the European Central Bank latest interest rate for the main recent refinancing operations plus ten percentage points).
15. The customer cannot claim any dispute or breach of warranty in order to suspend payment for the products.
16. Should the customer fail to honor the obligation of payment at the due date, without prejudice to any damages which may be claimed by Valeo, Valeo reserves the right to automatically cancel the sale within eight days following notification to pay to the customer by registered letter by recorded delivery. If necessary, Valeo may resume full possession of the products and related documents without any injunction being necessary. All expenses and disbursements (including transfer expenses) incurred by Valeo in this event shall be borne by the customer.
17. If expressly agreed, Valeo reserves the right to offset sums due by itself to the customer against sums due to Valeo by the customer.

[Retention of lien clause](#)

18. Valeo retains full ownership of the products until full payment of the selling price has been received.
19. Valeo reserves the right to reclaim the products in the event of any single case of non-payment of the sums due, and the customer undertakes to return the products on Valeo's initial demand and bear all related expenses.
20. Notwithstanding Valeo's retention of a lien, the risks related to the products (including the risk of loss or destruction) are transferred to the customer when the latter takes delivery of the products (i.e "ex Valeo warehouse"). The customer undertakes to insure the products on delivery against any risks that the products may be subjected to or cause.
21. The customer shall immediately advise Valeo by registered letter by recorded delivery of any material or legal incidents (in particular a seizure levied by a third party) which could affect the products sold subject to lien.
22. Until full payment of the price, the customer shall maintain the products under lien in such a way as renders them distinct, so they cannot be confused in any way with the products of other suppliers; they cannot be transferred, re-sold, distrained or, more generally, be subjected to rights conferred on third parties.

[Warranty – Liability](#)

23. All Valeo Group products are subject to strict inspection before shipping.
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24. Valeo Compressors Europe s.r.o. warrants that the Products shall conform to the specifications and comply with applicable laws, regulations or ordinances, or other standards applicable to the manufacture, labeling, transportation, licensing, approval or certification thereof in Europe. It is specifically recognized and agreed by both parties that **the Valeo TM-xx compressors supplied by Valeo Compressors Europe s.r.o. are sold without any other representations or warranties whatsoever, express or implied. Valeo Compressors Europe s.r.o. has no visibility on the application used or the condition of the Air-Conditioning loop at time of mounting. Valeo Compressors Europe s.r.o. disclaims the warranties of merchantability and fitness for a particular purpose.**
25. Valeo cannot be liable under its warranty obligations, or otherwise, for damage, regardless of its nature, resulting from the abnormal conditions of use, defective maintenance, misapplication, or use contrary to instructions for use notified to the customer, unsuitable storage conditions, normal wear and tear of the products, or assembly of the products in contravention of Valeo's instructions and specifications.
26. The conditions specified by Valeo concerning storage, assembly, or use of the products shall be complied with by the customer who shall in turn advise its own customers and sub-contractors. Failing this, Valeo will not be liable.
27. Valeo declines any liability for any product or component not delivered by itself, and in particular, for other products or components used by the customer and integrated into an assembly. Valeo cannot be liable if the failure of one of its products is caused by other neighboring components or by components with which it is linked by the customer.

Force Majeure

28. All Valeo's obligations will be suspended in all cases where force majeure results in the non-performance of an obligation. Force majeure which may be the cause of non-delivery, late or defective delivery, includes, but is not limited to, all events reasonably beyond Valeo's control, including strikes in Valeo facilities or in those of its suppliers or carriers, lock outs, tooling problems.

Industrial Property

29. The drawings, schematics, specifications, technical and commercial bills of material, recommendation documents, test results, catalogues, brochures, manuals, patents, models and designs are and shall remain the property of Valeo. Consequently, the customer shall refrain from divulging or duplicating them without the prior consent of Valeo.
30. The products, together with their packaging, are sold under the brand name Valeo to the exclusion of all other brand names except with Valeo's express consent in writing.

Nullity

31. In the event that any one of the present general terms and conditions of sale shall be declared null and void, the validity of the other provisions shall not be affected.
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Applicable Laws & Disputes

32. The present terms and conditions and the sales they govern are subject to Czech law [for export, deal with case by case].
 33. For any disputes relating to the interpretation or the performance of the present general terms and conditions of sale, only the competent courts of Prague shall entertain jurisdiction, without regard to the place of delivery or even in the event of interlocutory proceedings or warranty claim, or plurality of defendants.
 34. Valeo reserves the right to seek judicial relief to protect its property interests.
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