GENERAL TERMS AND CONDITIONS OF SERVICES

The present general conditions apply to all the provisions of services delivered by GENERIX to its Clients. Signature of the purchase order by the Client constitutes acceptance, without reservation, of the present terms and conditions.

In the event of conflict between the provisions of the General Conditions and of the Special Conditions or purchase order, the provisions of the Special Conditions will override those of the General Conditions.

PREAMBLE: DEFINITIONS

Client: designated legal entity signing the purchase order.
Source code: list of program instructions expressed in a language comprehensible to humans.
Software: the software is the program identified by the source code, independently of any physical medium, in accordance with the provisions of article L.111-3 of the Intellectual Property Code.
Hardware: computing equipment (bearing a serial number) comprising one or more computers or central processing units, as well as peripheral devices or accessories.
Parties: the undersigned parties (the CLIENT and GENERIX).
This General Conditions, any legal entity (natural person or corporate body) other than the undersigned parties.

ARTICLE 1: PURPOSE

These general conditions of service (hereafter the “General Conditions”) set forth the terms and conditions of the supply by GENERIX, of computing services as described on the purchase order.

ARTICLE 2: CONDITIONS OF PERFORMANCE

The Client undertakes to provide to GENERIX sufficient access, free and secure, to its installations in order to allow GENERIX to properly perform its services. The Client undertakes to obtain and to provide to GENERIX without delay, all the necessary authorizations needed to access, use and modify the software, hardware and firmware and any other necessary product used by the Client in order for GENERIX to render the services. The Client undertakes to compensate, defend and protect GENERIX and its subcontractors against any claim, loss, liability and damages resulting from failure of the Client to provide GENERIX with the necessary authorizations. GENERIX shall be released from fulfilling its obligations in the event of failure by the Client to supply to GENERIX within a reasonable timeframe all the necessary authorizations.

ARTICLE 3: SUPPLIERS/SUBCONTRACTORS

GENERIX reserves the right to use any subcontractor it deems useful. GENERIX cannot use subcontractors for all or any of the services for which it is responsible under the present conditions without the prior approval of the Client. Any refusal by the Client must be justified. In any event, if GENERIX subcontract all or part of the services, it shall remain liable for all obligations under the General Conditions. Moreover, GENERIX passes on to the subcontractor(s) the corresponding applicable obligations such as those relating to security and confidentiality.

ARTICLE 4: FINANCIAL CONDITIONS

Invoices are drawn up by GENERIX and sent to the CLIENT. Invoiced amounts are due on receipt of the invoice. Any delay in paying any invoice whatsoever shall result in interest being charged, by rights, calculated at (3) times the official rate of interest from the due date specified on the invoice until full settlement thereof and an indemnity of 40 euros fixed for recovery costs. In addition to the obligation to pay the price, the Client undertakes to pay late-payment interest as described above. The Client undertakes to pay all taxes, contributions or fees that the law or regulations may require GENERIX to invoice, apart from any calculated on GENERIX’ net revenue, or provide GENERIX with a document proving exemption there from, for all Services rendered under the General Conditions. GENERIX can increase daily price rates for Services subjected to the present general terms and conditions passed through another order.

ARTICLE 5: INTELLECTUAL PROPERTY

In accordance with terms of the article L.111-1 of the French Intellectual Property Code, GENERIX holds all the author’s moral and patrimonial rights regarding the services rendered within the framework of the present order. The signature of the present purchase order in no way transfers to the Client any intellectual property rights whatsoever for the software packages or software of which GENERIX is the owner.

ARTICLE 6: MODIFICATION, TERMINATION, CANCELLATION

Any modification made to the description of Services cited on the purchase order, must, in order to be binding on the parties, be provided in writing by GENERIX and signed by both parties. Execution of services in “fixed price” mode: In this case, the Client wishing to put an early term to the order must, on one hand, give advance written notice of one (1) month and, on the other hand, settle, in accordance with the date of service termination, the remaining charges owed until the end of the period initially agreed upon. The Client further agrees to pay to GENERIX all expenses incurred by GENERIX for the cancellation of subcontractor’s contracts. Execution of services in “for time and material” mode: In this case, the Client may cancel a scheduled service. This cancellation shall result in a penalty equal to: 25 % of the price of the Service in case of cancellation one month prior to the scheduled date, 50 % of the price of the Service in case of cancellation 3 weeks prior to the scheduled date and 75% of the price of the Service in case of cancellation 2 weeks prior to the scheduled date. Any cancellation of a scheduled Service less than one week prior to the scheduled date shall result in the billing for the Service at 100%.

ARTICLE 7: GENERIX’ SERVICE GUARANTEE

GENERIX makes a commitment to provide each Service with care and diligence, in a professional manner. This is the only guarantee from which the Client shall benefit. It replaces all other guarantees or implicit conditions, including, and without limitation, any guarantee or implicit condition relative to market value and to its capacity for a particular use.

ARTICLE 8: INFRINGEMENT

GENERIX guarantees to the Client the use of intellectual property rights relative to the results of the services rendered as provided for in the present order. GENERIX protects the CLIENT against any claims actions based upon counterfeiting and/or unfair competition. As such, GENERIX shall, at its expense, pay all the legal fees, reasonable attorneys’, bailiffs’ and experts’ fees as well as all damages and interests for which the Client could be condemned by a decision made as a last resort having as its basis an infringement action, unfair competition or an action resulting from unfair competition. This guarantee is only applicable under the following conditions: The Client has notified GENERIX, in writing, of any infringement or unfair competition claim. GENERIX alone assumes the defense of its interests and those of the Client, after consultation with the latter, who agrees to cooperate in good faith and to supply all the elements of information and assistance necessary to this effect.

ARTICLE 9: COLLATERAL OBLIGATIONS

It is recalled that the success of an IT project does not depend exclusively on the quality of the equipment, the software and the supplied services but also on the factors for which the Provider has no control, such as the corporate structure, work methods and the qualification of the staff. The execution of an IT project constitutes a delicate phase for which the Client must prepare and, the IT logic being rigorous, that same rigor must manifest itself within the user’s corporate structure, in its qualification of its staff and in its work methods. The Provider, from his side, shall ensure that all reasonable efforts be made for the full success of the project working in close collaboration with the Client. As such, the Client agrees, as part of its duty to cooperate, to transfer to GENERIX, at any time, information and documents, and to assist GENERIX if GENERIX so demands or, if the Client thinks that these documents could be useful to GENERIX for the execution of Services, the purpose of the General Conditions. It shall notify GENERIX as soon as possible, of any elements which it believes are likely to impair the proper execution of the services. Where GENERIX notes shortcomings in the obligations for third party providers (maintenance, software vendors, telecom operators) contractually bound to the Client, such that these shortcomings have an impact on the proper performance of the General Conditions by GENERIX, the Client undertakes to do whatever may be necessary in order to remedy the shortcomings observed and allow for the return to the proper operating mode.

ARTICLE 10: LIABILITY

GENERIX undertakes to implement all the necessary measures, in accordance with the customs and usage of state of the art IT material, for the realization of the services. In case of intervention on the Client’s equipment, GENERIX will make every effort and will take all the necessary precautions in order to avoid harm to any other application or data of any kind contained in the aforementioned
equipment. The Client shall protect itself against these risks by making back-ups of all documents, files and media in particular, at least once every two working days prior to any intervention by the Provider and must provide for the necessary procedures for the resumption of operation. GENERIX is not responsible for and shall not be held liable for any compensation to the Client for any consequential damages as defined in case law and by the French courts (in this respect, the Parties shall refer to the provisions of Articles 1150 and 1151 of the Civil Code).

The parties agree forthwith that consequential damages include, in particular: loss of earnings, increase in overhead costs, loss of profits or clienteles, or damage to Client data which may be caused directly by the Software Package supplied by GENERIX.

GENERIX’ liability with regard to the Client within the scope of the present order, for all damages combined, is limited:

- within the framework of services provided for a “fixed price” package, to the “fixed price amount paid by the Client, within the framework of services provided for a “time and material” package, to the amount corresponding to the sums paid by the Client within the present scope for the year during which the damage began.

In any event, GENERIX’ liability towards the Client, for all damages combined, is limited to the sum of 10,000 Euros. Only unavoidable Damage shall be indemnified.

ARTICLE 11: ASSIGNMENT

The Client shall not validly assign the benefit of these present General Conditions, in whole or in part, without the prior written consent of GENERIX.

ARTICLE 12: CONFIDENTIALITY AND COMMUNICATION

Conforming to the principle of trade secrets, the Client undertakes to exercise the utmost discretion regarding any privileged information relative to the organization or activities of GENERIX and to which it will have access during the execution of the Services. This commitment remains in effect for the duration of the present General Conditions and for the 2 years following its expiration regardless of the reason.

The Client agrees to consider and to keep confidential all information, communications, data, programs, and/or documents (hereinafter “Information”, whatever the nature) which is communicated by GENERIX, in writing, orally or under any other form and medium whatsoever (including on magnetic media or electronic tape) on the occasion of the conclusion and the execution of the Services. This obligation of confidentiality pertains in particular to the Client’s existing, past and future personnel, whether directly or indirectly, as well as to any of its potential providers. The Client is hereby informed that GENERIX, in its capacity as a company listed 100% on a regulated market, is required to abide by the provisions of the Transparency Directive transposed into the general regulations of the French financial markets regulator, AMF (Autorité des Marchés Financiers), by Order dated January 4th, 2007, which more particularly requires all listed companies to publicly disclose, via financial announcements, any and all information liable to affect the price of the issuer’s shares.

Since this provision is one of public order, the Client cannot validly make opposition thereto.

ARTICLE 13: NON SOLICITATION OF PERSONNEL

GENERIX personnel assigned to the Services remain under the administrative and disciplinary control of GENERIX and GENERIX’ hierarchy of authority at all times; under no circumstances shall authority be transferred during the execution of the General Conditions. Whatever the duration and/or location of the Services, GENERIX’ personnel shall on no account be considered employed by the Client or as a temporary worker placed at the Client’s disposition. Generally speaking, each party is responsible for the supervision, management and control of its own personnel. GENERIX freely decides what tasks it assigns to its staff. GENERIX may contract out a Service, in full or in part, to the subcontractors it has selected.

For the duration of the execution of the services and for twelve (12) months following its expiration, the Client shall refrain from seeking, whether directly or indirectly, to hire GENERIX personnel that participate, are required to participate and/or have participated in the execution of the stated Description of Services without the prior written permission of GENERIX. Should any of GENERIX’ personnel be hired by the Client, or by one of its intermediaries following such overtures, the Client undertakes to pay to GENERIX a lump sum, covering in particular its selection and recruitment expenses, training costs and damages arising from commitments already given, equal to the last twelve (12) months of the gross salary of the GENERIX employee in question.

ARTICLE 14: FORCE MAJEURE

The responsibility of the either of the Parties cannot be questioned should a case of force majeure arise, thereby preventing it (the Party) from executing its obligations as set forth in the order. The Parties agree that that which constitutes cases of force majeure are defined by the Civil Code and in case law of the French Courts. In the case of a force majeure the services shall be suspended for the duration of the aforementioned case of force majeure until such time that implementation resumes its course.

ARTICLE 15: COMPETENT JURISDICTION

Each party agrees to the application of French domestic law enforcement in order to govern, interpret, and enforce all its rights, duties, and obligations arising from, or in any way related to the purpose of this order. The French Commercial Court located at GENERIX’ headquarters shall be deemed the sole court competent. The present General Conditions constitute the totality of the agreement concerning the Services, and supersede any prior oral or written communications between the parties.

The Client cannot acquire rights to Software packages or receive maintenance service under the present General Conditions. Specific and independent contracts must be signed, for that purpose, between the Client and GENERIX.