

GENERAL CONDITIONS OF PURCHASE

1. CONTRACTUAL DOCUMENTS

1.1. Unless otherwise stipulated in the Order, these General Conditions of Purchase, open to negotiation between the Parties, apply to the purchase by Bollhoff Otal (the "Purchaser") of machines, materials, products (substances, preparations or articles) and/or services (hereinafter referred to as "the Supply") to the Supplier, to the exclusion of any other document. In particular, without limitation, the Parties expressly agree by mutual agreement that the Supplier's general conditions of sale, even if they are referenced and/or attached to the latter's shipments, are not adapted to the needs of the automotive industries and aeronautics constituting the Purchaser's end customers: they will therefore not apply, unless specifically accepted in writing by the Purchaser. Any special conditions included by the Supplier in its offers and acknowledgment of order receipt will only be applicable to the extent that they have been signed by the Purchaser.

1.2. The Order can be issued either in paper form or in electronic form.

1.3. The Order consists of the following documents:

- The special conditions of the Order,
- Technical specifications
- The Supplier Quality Manual,
- These General Conditions of Purchase,
- Any Supplier document accepted in writing by the Purchaser.

In the event of any discrepancy or contradiction between the above Contractual Documents, the documents shall prevail in descending order of priority set forth in the list above.

2. FORMATION OF THE ORDER

The Order and any amendment are deemed accepted without reservation and in all their stipulations by the Supplier (i) upon receipt by the Purchaser of the Supplier's unreserved acknowledgment of receipt or (ii) in the absence of written objections from the Supplier within three (3) working days following receipt of the Order or the amendment concerned. Any start of execution of the Order or the amendment concerned without any reservation having been previously expressed constitutes acceptance of the Order as defined above by the Supplier. Any objection from the Supplier must be accepted in writing by the Purchaser to apply to the Order. In particular, the Purchaser may cancel the Order without penalties or compensation, if the Supplier deviates or modifies the General Conditions of Purchase attached to the Order either as they are or as amended by the Parties, unilaterally without the consent of the Purchaser.

3. EXECUTION OF THE ORDER

3.1. The Supplier undertakes to execute the Order in accordance with the stipulations herein as accepted by it, as well as all the specifications provided by the Purchaser, all in compliance with the state of the art, the applicable regulations and standards in force. The Supplier is bound by an obligation of results.

3.2. The Supplier must verify and ensure that it has all the rights and all the information necessary for the execution of the Order before it is carried out, and therefore the Supplier is liable for defining the means implemented for the realization and possible deviations from the needs expressed by the Purchaser.

3.3. The Supplier, as a professional in its field, has an obligation of information and advice towards the Purchaser.

3.4. The Supplier will inform the Purchaser in writing of any situation concerning it which could affect the proper execution of the Order, and in particular any modification occurring in its organization or any event which could delay the execution of the Order.

4. PRICE

4.1. The applicable price is defined between the Parties and mentioned in the Order. The price is always firm and cannot be subject to any revision, indexation or adjustment based on currency fluctuations. Unless otherwise stipulated, the price includes the cost of packaging as well as any other cost, risk, charge or taxes in connection with the execution of the order, including the assignment or concession of intellectual property rights relating thereto. No additional costs of any nature whatsoever will be authorized, except with the prior written agreement of the Purchaser indicated on the Order.

4.2. The Supplier will send its invoices to the Purchaser's Supplier Accounts Department in accordance with the invoicing schedule defined in the Order. Invoices must include, in addition to the legal notices, (i) the number or reference of the Order, (ii) the quantities and description of the Supply, (iii) the date and delivery slip, (iv) the prices details and (v) the name of the applicant.

4.3. If the Order bears the mention "price to be communicated to us upon acknowledgment of receipt" and this price is not transmitted to the Purchaser before execution of the Order, this execution cannot constitute acceptance of the price by the Purchaser. The invoice will be accompanied by any necessary reference documents. The invoice is sent to the person mentioned on the Order as well as to the Supplier Accounts Department of the Purchaser. Invoices that do not comply with the above stipulations will be considered invalid and returned to the Supplier.

4.4. Invoices are paid 30 days from the end of the month on the 15th date of issuance of the invoice for machines, materials and products, and 30 days from the end of the month for services.

4.5. In the event that advances or deposits have been granted, their payment must be covered by a first demand guarantee, or any other guarantee agreed between the Parties.

In any event, final payments or balance of any account in the event of payment by installments for the Supplies can only be made after the Supplier has provided all of the technical documentation, instructions for use and declaration of conformity required.

4.6. The Supplier will send its credit note to the Purchaser to the Supplier Accounting Department.

5. DELIVERY TIME AND DELAY

5.1. Delivery times and dates are defined by mutual agreement between the Parties and indicated in the Order. Acceptance by the Supplier of the Order implies its irrevocable commitment to respect the defined delivery times.

5.2. The delivery times and dates indicated in the Order are essential conditions and cannot be modified without the written agreement of both Parties.

5.3. Early deliveries are not permitted without the prior written consent of the Purchaser. In the event of partial deliveries, the Supplier undertakes to inform the Purchaser within a reasonable period of time before the delivery date, the Purchaser may refuse delivery or postpone it to a later date. In any case, the Supplier will not be entitled to any bonus or discount for early delivery.

The Supplier shall immediately inform the Purchaser in writing of the detailed circumstances of any event likely to delay the execution of the Order, without being able to claim an extension of the delivery time. The Supplier shall make all reasonable efforts to minimize delays in deliveries as well as the consequences of these delays. In the event of late delivery and except force majeure cases, the Purchaser shall be entitled to apply late payment penalties as provided below and/or to terminate the Order without notice, in addition to compensation for the damage suffered as a result of the delay.

In the event of a delay attributable to the Supplier, the Purchaser may apply penalties to the Supplier from the day following the initial delivery date, applying the formula below:

P = amount of penalties
V = the value of the Supply
R = number of days late
Therefore $P = V \times R \times 3\%$

The Purchaser shall send a notice of penalties with details of the amount of the penalties, the supporting documents necessary to prove the damage suffered by the Purchaser and to prove the Supplier's default. The latter may contest the notice of penalties within thirty (30) days from the date of issue of the notice of penalties.

In the absence of an answer within thirty (30) days from the date of issue of the notice of penalties, the amount of the penalties shall be considered as deemed owed by the Supplier. The Purchaser will issue an invoice which it shall be entitled to offset against the Supplier's invoice in compliance with the principles of legal compensation. The Purchaser shall have the possibility of applying the penalties and requesting compensation for its entire damage in accordance with article 8 below, if the amount of the penalties is insufficient to repair the entire damage suffered by the Purchaser.

6. DELIVERY

6.1. It is the Supplier's responsibility to verify the conformity of the Supply with the Order.

6.2. The Purchaser has the right to refuse any Supplies that do not comply with the Order, specifications or prior indications. The Supplier undertakes to use suitable, standard packaging that complies with current standards. The Supplier undertakes to choose its packaging based on CSR criteria.

Rejection of the Supplies shall be promptly notified to the Supplier by registered letter, email, receipt report or delivery note stating reservations. If the Supplier does not take action within ten (10) working days to replace the Supplies, or if the Supplier does not contest the non-compliance in writing within the same period, the Purchaser reserves the right: (i) to accept the Supplies as is with a reduction of the sale price; (ii) to accept the Supplies after corrective actions taken by the Supplier, whether these actions are carried out by the Supplier itself or any other third party of its choice; and (iii) to refuse the Supplies by making them available to the Supplier, the return being in any case at the exclusive expense, risk and peril of the latter.

The above stipulations in no way limit the application of the guarantee, as indicated in article 7, due to the Purchaser for reason of non-compliance.

6.3. Deliveries are made during opening hours indicated on the Order. They must be accompanied by a delivery note referring to the Purchaser's order number and a packing list. The Purchaser reserves the right to refuse or return at the expense and risk of the Supplier any delivery that does not comply in this regard.

7. GUARANTEE

7.1. Unless otherwise stipulated by the Parties, the Supplier guarantees, for a period of thirty-six (36) months from their receipt without reservation, that the Supplies are provided (i) in conformity with all specifications, drawings, design plans and others data from the Supplier or provided by the Purchaser and approved by the Supplier or jointly accepted by the Parties in writing; (ii) compliant with all indications mentioned in the Order, rules and principles stipulated in these General Conditions of Purchase; (iii) are new, carefully manufactured and according to the state of the art, free from any hidden defect or defect in design, manufacturing or operation, repair or modification. It is understood that the Supplier is responsible for providing all parts and documentation necessary for the proper functioning of the Supply, including when this is not expressly required by the Purchaser.

7.2. During the duration of the warranty, the Purchaser must notify the Supplier in writing of any defect or malfunction in the Supply and the Supplier must immediately and at its expense either replace or repair the Supplies, or correct the defect or malfunction, including anomalies and possible damage caused by the defect or malfunction to any subassemblies of the Supplies or to the equipment incorporating the Supply. The Supplier shall grant a new period of thirty-six (36) months after each replacement, from delivery of the replacement Supply, or in the event of repair, an extension of the duration of the warranty equivalent to the duration of unavailability of the Supply.

7.3. If the Supplier fails to meet its obligation to replace or repair the Supply or correct the defect or malfunction promptly, the Purchaser shall have the right, at its sole discretion, (i) to carry out the replacement, repair or correction itself at the Supplier's exclusive expense, (ii) to have the replacement, repair or correction carried out by a third party at the Supplier's exclusive expense and/or (iii) to obtain from the Supplier a full reimbursement of the price purchase of the defective or malfunctioning Supply. Notwithstanding the foregoing, the Purchaser will be entitled to take, at the expense of the Supplier, any precautionary measures that it deems useful for the preservation of the interests of the Parties and the limitation of the damage resulting from the non-compliance of the Supply.

7.4. The Supplier acknowledges that the guarantees specified above are in addition to the legal guarantees and those expressly granted by the Supplier, other than those stipulated here, as well as any other guarantee, express or imply, applicable to the corresponding order. These guarantees will remain valid notwithstanding any inspection, acceptance test or payment made by the Purchaser related to the orders.

7.5. The Supplier guarantees the availability of the Supplies, their components and spare parts for a period of ten (10) years. Without prejudice to the above, any cessation of production of a Supply, its components and/or spare parts will be subject to written notification to the Purchaser with a minimum notice period of twelve (12) months. The Supplier further undertakes to execute, according to the terms provided for in the Order, any Order for Supplies, components and/or spare parts issued by the Buyer within the framework of this notice.

8. RESPONSIBILITY

8.1. The Supplier remains responsible for all material and immaterial damage and losses, in particular production losses, dismantling and assembly costs, caused by it, its agents and employees, its subcontractors, suppliers and service providers and their employees to the Purchaser, its employees, its end customers, suppliers and subcontractors and to any third party.

The Supplier retains authority and control over all its employees, including when they work on the Purchaser's site or on the site of the Purchaser's end customer. Consequently, the Supplier justifies upon first request to the Purchaser that it takes out and maintains in force all the necessary insurance, in particular those covering the Supply or parts thereof on its own site against all risks and consequential damages and not consequential.

8.2. Only legal compensation is authorized between the Parties, each Party may automatically compensate all or part of the sums owed by its co-contractor provided that these sums are certain, liquid and payable.

9. INTERVENTION OF THE SUPPLIER ON THE PURCHASER'S SITE

In the event of intervention by the Supplier on the Purchaser's site, the Supplier undertakes to comply with all regulations applicable to the site, in particular safety instructions, prevention plans, security and safety protocol and to sign the documents necessary submitted by the Purchaser in order to be able to enter the site or intervene on site as part of the delivery of the Supplies.

The Supplier undertakes to communicate to any third party acting on its behalf any necessary documentation, such as security and safety protocol in order for the concerned third party to intervene on the Purchaser's site according to the applicable regulation.

10. INTELLECTUAL PROPERTY – CONFIDENTIALITY

10.1. The Supplier considers and treats as confidential all information of any nature to which it accesses during its commercial relationship with the Purchaser.

10.2. All elements of intellectual and/or industrial property whatever their nature (drawings, models, plans, specifications, functional analyses, specifications, tools, measuring means, know-how, technical files, studies, etc. . .) are and remain the exclusive and inalienable property of the Purchaser, to the extent such information emanate from the Purchaser.

Consequently, these elements of intellectual and/or industrial property cannot be used by the Supplier outside of the execution of the Order, in any way and for the benefit of anyone without the prior written authorization of the Purchaser.

10.3. The confidentiality obligations in articles 10.1 and 10.2 above remain applicable for 5 years following the termination of the commercial relationship.

10.4. In the event of generation of intellectual and/or industrial property by the Supplier necessary for the exploitation of the Supply by the Purchaser, the Supplier undertakes to grant a right of use to the Purchaser, free of charge, non-exclusive and worldwide. .

In the event that there is a possibility of cogeneration of intellectual property, the Parties undertake to negotiate a collaboration agreement.

11. TERMINATION

11.1. The Purchaser shall have the right to terminate the Order without being liable for any compensation or penalties to the Supplier, if the Supplier has not provided the Purchaser with the information enabling it to qualify in the context of due diligence verification.

The Purchaser may terminate the Order by registered letter with acknowledgment of receipt with formal notice to regularize the situation within fifteen (15) days, in the following cases:

- (i) The Supplier fails to fulfill its obligation to deliver the Supplies within the time limits set out in the Order;
- (ii) The Supplier fails to fulfill its warranty obligations;
- (iii) The Supplier fails to comply with laws and/or regulations which are automatically applicable to its activity, such as rules relating to health, safety, environmental obligations, the protection of personal data, regulations relating to corruption in business ;
- (iv) The Supplier fails to fulfill the obligations of the Order and/or these General Conditions of Purchase.

In the absence of regularization of the breach by the Supplier, the Purchaser may either execute or have the Order executed in whole or in part by a third party of its choice at the Supplier's expense. To this end, the Supplier undertakes, upon request from the Purchaser, to communicate to the latter or any third party designated by it, all the elements necessary for the continued execution of the Order.

11.2. In the absence of default by the Supplier, the Purchaser may, at any time, terminate all or part of the Order by registered letter with acknowledgment of receipt, subject to at least six (6) months' notice and upon payment to the Supplier of the Supplies completed and delivered in compliance at the termination date, less any deposits and advances already paid.

11.3. Any judgment establishing judicial recovery or liquidation against the Supplier must be notified immediately to the Purchaser by the Supplier. In the event of duly notified judicial recovery, the Purchaser sends a formal notice requesting execution of the Order either to the administrator or to the Supplier in the absence of an administrator. Termination of the Order is pronounced in the event of a negative response or in the absence of a response within one (1) month from the sending of the formal notice. This period may be modified, before its expiry, by decision of the judge-commissioner. Termination of the Order and all resulting consequences shall take effect on the date of the decision of the administrator or the Supplier to waive further execution of the Order or on the expiration of the period mentioned above. In the event of judicial liquidation, the Order is terminated unless the judgment expressly authorizes the continuation of the co-contractor's activity.

12. TRANSFER OF PROPERTY AND RISKS

12.1. Unless otherwise agreed by the Parties, the transfer of ownership shall be effective upon delivery of the Supply to the Purchaser's premises or to any other location decided by the Parties, or as they are carried out for the provision of services. The Supplier expressly waives any reservation of ownership over the Supplies delivered.

12.2. The transfer of risks will be carried out in accordance with the Incoterm 2020® applicable to the Order. If no Incoterm is applicable, or in the absence of any indication in the Order, the transfer of risks will take place upon delivery to the place designated by the Purchaser.

13. DISPUTES

The applicable law is French law, the Vienna Convention of April 11, 1980 on international sales of goods being excluded by mutual agreement between the Parties. The courts and tribunals within the jurisdiction of the Court of Appeal of Chambéry have sole jurisdiction to hear all disputes relating to the validity, interpretation or termination of the Order, including in the event of summary proceedings, appeals in guarantee or plurality of defendants.

14. MISCELLANEOUS

14.1. In the event of subcontracting by the Supplier, this must be accepted by the Purchaser. The subcontractor must be approved by the Purchaser, without this releasing the Supplier from its responsibility towards its subcontractors. In particular, the Supplier will pass on to its subcontractors and suppliers all of the obligations of these General Purchasing Conditions and the Supplier Quality Manual.

14.2. As necessary, it is the liability of the Supplier to ensure diversification of its market shares with other customers concerning Supplies similar or not to those of the Order, subject to the stipulations of article 12 above. The Supplier undertakes to immediately inform the Purchaser of any circumstances giving rise to a risk of economic dependence. In this case, the Parties will meet to take possible development measures.

14.3. The Purchaser's tolerance for a breach by the Supplier of one of these conditions cannot be extended to any subsequent breach. Purchaser's failure to enforce any of these conditions shall in no way constitute a waiver of these conditions and shall not affect Purchaser's right to subsequently enforce compliance with them.

14.4. The nullity of any of the clauses of these conditions will not affect the validity of the other clauses and the Parties undertake to substitute for such a void clause a valid clause whose aim and economic effects are as close as possible to those of the clause affected by nullity.