

## **GENERAL PURCHASING CONDITIONS**

### **General Provisions:**

Unless otherwise specified, all purchase orders from the Purchaser (Aquarese) shall follow the following conditions which prevail over any contrary terms, printed or handwritten, proposed by the Vendor and not explicitly accepted by the Purchaser.

### **Relationship between the Parties:**

The Vendor and the Purchaser are independent contractors. Nothing in this agreement creates any special relationship between the parties, neither party is a legal representative of the other party, and neither party can assume or create any obligation, representation, on behalf of the other party for any purpose whatsoever.

### **Order Confirmation:**

Any purchase order leads to an order confirmation (within 48h), from any supplier, which induces the formal approval from the Vendor of the particular conditions of the order and the present general purchasing conditions which they concur to.

Without any order confirmation received within eight (8) days past the purchase order placement, the Purchaser reserves the right to cancel the order without any penalty.

### **Modification:**

Any changes to the order must be documented in writing. Any modification requested by the Vendor must go through a preliminary authorization from the Purchaser's purchasing department and is validated only upon written confirmation from the Purchaser.

### **Packaging :**

The Vendor commits to provide the most appropriate packaging for the goods in order to ensure their integrity until their time of use. Unless specified on the delivery note, packaging is not considered to be returnable. Packaging related to protection, shipment or goods handling for the purchased items must follow the requirements of European Directive 94/62 dated 20/12/1994 published in the official journal of the European Community under reference L365/10 dated 31/12/1994. Also, each and every item must be clearly identified.

### **Dispatch – Shipment :**

All delivery must include a delivery note detailing the purchase order reference information and the delivered items along with the dispatching date and the packing. These notes will be placed outside of the (or one of the) packages, in a waterproof envelop. In the absence of a delivery note duly completed, the reserves to the carrier being impossible, only the weights and quantity noted by the Purchaser will be considered for the settlement. The goods travel at the expeditor's own risk who is covered by the appropriate insurance policies.

### **Delivery :**

The Purchaser reserves the right to send back any delivery arriving more than 15 days prior the expected date and refuse any excess quantities. In the event of agreement from the Purchaser for an anticipated delivery, the settlements will be dealt with following the initial contractual payment terms. The Vendor commits to notify immediately the Purchaser of any event which could lead to a delivery delay compared to the lead time specified in the order. In the event of an actual delay, the Purchaser can, without any compensation and whatever the cause of the delay at the exception of force majeure, demand that the shipment be done express at the Vendor's own expense, reduce or cancel at no cost the order or part of the order not executed ; after a formal notice to the Vendor whose effect would have not been followed within eight (8) days, can transfer additional costs, apply the penalties, as specified here after, expressly accepted by the Vendor.

### **Delay Penalties :**

The delay penalties are defined on a case by case basis for each week started, with a limit of 10% of the total amount of the order.

### **Reception – Acceptance :**

The goods must be delivered unless otherwise specified at Aquarese's Douvrin site, during opening hours, from Monday to Friday (excluding bank holidays) between 8am and 12pm, and between 1pm and 4pm. Any goods or items identified as not compliant to the Purchaser's order are refused, sent back to the Vendor at their own costs and are subject to a credit note request. The risk transfer only takes place once the goods are accepted by the Purchaser.

### **Price :**

The indicated prices on the purchase order are definite and not revisable.

### **Invoicing – Settlement :**

Invoices, issued in 2 copies, are sent to the Purchaser's accounting department. Invoices shall specify the purchase order reference number, the lines numbers corresponding to the goods delivered and the delivery note(s) number(s). The settlement of invoices occurs net 45 days end of month. If, on the Vendor's account, the order requires multiple deliveries, the Purchaser will not be impacted by the additional costs induced.

### **Cancellation for failure to execute :**

The Purchaser can put an end to all or part of the contract, without making the Purchaser liable to the Vendor, at any time after its validation if the Vendor:

- renounces, does not execute or threaten not to execute any requirements of the present contract including the Vendor's warranties,
- neglects to provide or threaten not to provide the services or the goods following the present requirements,
- or neglects to provide on time and correctly the services or the delivery of the goods.

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The Purchaser requires from its Vendors to provide an order confirmation within 48h. The order confirmation must detail the delivery date; if not honored, the Purchaser is as of right to cancel the order. The Vendor has obligation to inform of any possible delays.

### **Disputes/Non-conformity/Use of Warranty :**

Goods (except wear parts) are covered under warranty for a year, they are free from any material defects, manufacturing, functioning or assembly defects in addition to the legal warranty hidden defects. In the event of a non-conformity of goods or if they show one of the above defects or any other, they can be returned to the Vendor, at their own cost, risk and peril, including those related to the shipment.

The Vendor commits to notify the Purchaser of any manufacturing defect and to remedy to any functioning defect of goods originated from a material design or manufacturing vice.

If the repair work needs to be carried out on the Purchaser's premise due to the nature of the goods, the labour costs related to the repair work, the travel and accommodation costs for their personnel and the costs related to the disassembly and re-assembly of any other element but the defected goods fall under the Vendor's responsibility. For the purchase of services, the Vendor is responsible for incidents provoked by any failure.

### **Subcontracting :**

The Vendor shall not pass all or part of the order on, shall not subcontract its execution, contribute to a group or a company, without the preliminary written approval of the Purchaser. Even with such written consent, the Vendor holds the full responsibility of the order and its complete execution within the defined leadtime, regarding the Purchaser. The Purchaser reserves the right to visit the production sites including in the event of a transfer to one or multiple Vendor's subcontractors.

### **Tooling – Supplies provided by the Purchaser to the Vendor:**

Tooling manufactured specifically for the execution of a Purchaser's order, paid by the Purchaser, or any other equipment provided by the Purchaser, belongs to the Purchaser as of right and must be identified as such by the Vendor. It is reserved to the Purchaser's usage only and can be returned to them at their first request, without the Vendor claiming to any compensation. The types, models, gauges, drawings or any other, provided for the execution of the supplies are stored and returned in the same conditions. If those toolings were to be left at the Vendor's premise, they must maintain them in a good operating condition and must take all necessary insurances. The Vendor holds the full responsibility of the quality of the parts produced using the toolings property of the Purchaser. All supplies from the Purchaser to the Vendor for the execution of an order (raw material, industrial supplies, tooling, etc.) is subject to a shipping notification. All claims from the Vendor must be addressed to the Purchaser's Procurement Service within five (5) days following the delivery of the supply, otherwise, the replacement deliveries could be invoiced by the Purchaser.

### **Industrial property – Confidentiality :**

The documents provided to the Vendor, property of the Purchaser, along with the goods manufactured according to the Purchaser's specifications, shall not be disclosed or shared to any other party without the preliminary written approval of the Purchaser. The Vendor is responsible toward the Purchaser for any counterfeiting actions or for any disloyal competition against the Purchaser and the consequences of such actions. The Purchaser's purchase order cannot, ever, lead to a direct or indirect disclosure without a preliminary written approval of the Purchaser. The Vendor abstains from soliciting the Purchaser's customers for products of the same nature.

### **Jurisdiction :**

By express convention, any claim related to the fulfillment or interpretation of the order falls under the jurisdiction of the court of Bethune. The applicable law is the French law.

### **Law and safety compliance :**

The Vendor or any good or service sold by the Vendor shall respect all laws, rules, regulations, conventions, orders, decrees and standards applicable in the French law.

### **Modification in the legal position of the Vendor:**

The Vendor commits to notify the Purchaser, as soon as brought to their knowledge, any modification in the composition of their capital, their senior management, their legal status or their financial structure along with any law sentence they could be submitted to such as receivership or liquidation.

### **Ethical principles :**

The Purchasing policy is run in compliance with the societal principles that Aquarese defends and promotes beyond the laws, regulations, and contractual requirements. The societal principles are the respect of human resources, the development of Human potential, integrity, the respect of Regulations in force, the liable recording of data, the safety of goods and people, the environmental impacts.

### **Covenant to Provide Export-Related Information and Disclosures.**

On Buyer's request Seller shall promptly provide all information necessary (in such form and detail as Buyer reasonably request): (i) to import, export and/or re-export Goods under this Agreement, including, as applicable, Harmonized Systems (HS) code, the Export Control Classification Numbers (ECCN) and subheadings or munitions list category numbers; and/or (ii) a list of all ingredients and materials incorporated in the Goods, the amount of such ingredients and materials, and their origin. Seller shall promptly provide Buyer notice of, and information concerning, any changes in or additions to information provided.