

## **SOCOMEK SAS GENERAL PURCHASING TERMS AND CONDITIONS**

### **1. SCOPE OF APPLICATION**

The purpose of these General Purchasing Terms and Conditions is to define the terms and conditions for the placement and fulfilment of product and/or service orders (hereinafter referred to as “the Supply”) by the company SOCOMEC SAS to a Supplier (hereinafter referred to as “the Supplier”). The acknowledgement of receipt of the Order, the undertaking of production, delivery or invoicing of the Supply shall be deemed as full acceptance by the Supplier of these General Purchasing Terms and Conditions and of the terms and conditions specific to the Order.

Clauses 3, 7, 8, 9 and 11 of these General Purchasing Terms and Conditions constitute an essential requirement for a commitment from SOCOMEC SAS. In all circumstances, these General Purchasing Terms and Conditions will prevail over any document issued by the Supplier, including the Supplier’s general purchasing terms and conditions.

### **2. ORDER**

SOCOMEK SAS places Orders electronically, by post or by fax. The acknowledgement of receipt of the order must be returned to SOCOMEC SAS within 48 hours of reception of the Order. After this period, the Order shall be deemed as accepted under all its terms and conditions by the Supplier.

Any disagreement regarding the Order (including regarding the price) must be notified within the 48-hour period referred to above and be clearly and accurately written on the Order. The Supplier must send the Order document back to SOCOMEC SAS for validation of the changes before registering said Order.

### **3. FULFILLING THE ORDER**

#### **3.1. SUPPLY COMPLIANCE**

The Supply delivered must strictly comply with the Order specifications and, where appropriate, with the samples and prototypes approved by SOCOMEC SAS. The Supplier must fulfil the Order according to best practices and following the applicable standards and regulations. The Supplier must also verify that the Supply complies with the Order specifications before delivery. The Supplier must maintain readily available all documents attesting to the conformity of the Supply, including certificates of conformity, to be handed over to SOCOMEC SAS at any time and upon first request.

No payment made by SOCOMEC SAS may be considered as a waiver of the right to assert the non-conformity of Supplies delivered.

The Supplier must also comply with the requirements laid out by SOCOMEC SAS in its Responsible Purchasing Charter and its Ethics Charter, available at the following address: [www.socomec.com](http://www.socomec.com), which the Supplier has hereupon been informed of. The Supplier shall be expressly told of any changes made to these requirements.

Any changes pertaining to the Supply, the production process or the production site brought about by the Supplier must be submitted to prior written authorisation from SOCOMEC SAS.

#### **3.2 DURABILITY OF THE SUPPLY**

The Supplier must inform SOCOMEC SAS six months prior to the potential obsolescence of a Supply component or, when appropriate, of any difficulty encountered during production of the Supply.

#### **3.3. PACKAGING AND SHIPMENT**

The Supplier is liable for any damages suffered by the Supply as a result of insufficient or inadequate packaging.

Two (2) copies of the packing slip must be included with the shipment, specifying all the necessary information for the identification of the packages, to be attached to the outside of the packaging.

The Supply being shipped must enclose all the documents necessary to its transport, its use, its storage and its maintenance. The Supplier must maintain readily available to SOCOMEC SAS any information or document indicating proper use of the Supply, to be handed over upon first request. Upon delivery, the Supplier must provide SOCOMEC SAS with a certificate of origin and the Supply’s Custom Codes.

SOCOMEK SAS reserves the right to refuse any delivery which does not satisfy these provisions, with no compensation due to the Supplier.

#### **3.4. DELIVERY**

Unless stated otherwise on the Order, the delivery must be made DDP (Delivery Duty Paid – Incoterms 2010) at the SOCOMEC SAS premises indicated on the Order, during the delivery reception service’s opening hours.

The Supplier must deliver a Supply manufactured no earlier than two months prior to the delivery date.

The delivery date is compulsory and constitutes an essential requirement of the Order. Any delivery made earlier than the Order’s due date without prior written consent from SOCOMEC SAS will be rejected.

In the event of a late delivery, SOCOMEC SAS may, without prejudice to any damages:

- Maintain the Order and request the payment of a penalty equal to 3% of the Order’s total price per week of delay, as well as request that the Supply be delivered using express delivery services, as soon as possible and at the Supplier’s expense and risks.

- Cancel all or part of the Order, without giving rise to any kind of compensation payable to the Supplier. If appropriate, the Supplier must take the relevant Supplies back, as soon as possible and at the Supplier's expense and risks.

The following cases may be treated as late deliveries: underdeliveries, overdeliveries, deliveries where the shipment or nominative documents have not been included. Deliveries which do not comply with the Order, or with non-compliant packaging or labelling, or delivered to a different address than the one agreed to, will also be taken back by the Supplier as soon as possible and at the Supplier's expense and risks.

#### **4. PRICE**

Unless stated otherwise (particularly in the case of a price list approved by both SOCOMEC SAS and the Supplier and fluctuating according to the price evolution of raw materials), the prices quoted on the Order are in EUROS, firm and final, and include all taxes (excluding VAT) and duties. The prices include all ancillary costs such as packaging, handling, transport and insurance.

#### **5. INVOICING – PAYMENT CONDITIONS**

All deliveries are subject to invoicing. The invoice must be issued on the day of shipment at the earliest. The invoice must comply with existing regulations and include the Order reference and the Supplier number assigned by SOCOMEC SAS. Any incomplete invoice shall be returned to the Supplier for correction. The invoice payment shall take place once all corresponding obligations have been fulfilled by the Supplier. The Supplier must provide bank details to SOCOMEC SAS (IBAN and SWIFT or BIC Code).

Invoices are payable via bank transfer (or, exceptionally, by cheque). Payments are made according to the terms set out in the Order or, in the absence of terms regarding the payment deadline, the invoice shall be paid within 45 days end of the month starting from the date of the invoice. After the deadline, any delay in the payment of the Supplier's invoices shall lead to default interests in the amount of three (3) times the current legal interest rate as well as the payment by SOCOMEC SAS of a fixed compensation amount of 40 euros for recovery costs.

SOCOMEC SAS may compensate any sum invoiced for the Order with the sums it is owed by the Supplier, including late delivery penalties.

#### **6. TRANSFER OF OWNERSHIP**

Transfer of ownership for the Supply shall occur upon delivery. Any reservation of title clause in favour of the Supplier shall be deemed unwritten.

#### **7. WARRANTY**

The Supplier shall warrant the Supply starting from delivery against any lack of conformity or hidden defects, including those due to the design (except for defects resulting exclusively from a design created by SOCOMEC SAS), the materials, the manufacture and/or against any abnormal wear.

The Supplier shall also warrant compliance with the Order specifications, the defined quality criteria, the correct functioning of the Supply, and the agreed-upon characteristics and performance. Unless stated otherwise on the Order, the warranty period is 14 months starting from the Supply's date code. Under this warranty, the Supplier shall, at the option of SOCOMEC SAS and as soon as possible, proceed to the necessary repairs, replacements or reimbursements (deposits included) for free and with due diligence, or agree to a price reduction. All direct and/or indirect costs resulting from a defect covered by the warranty, including those incurred during transport and replacement operations, are entirely at the Supplier's expense.

The implementation of the warranty is in no way contingent upon the return of the defective Supply to the Supplier.

In the event of an implementation of the warranty, the warranty shall be renewed unchanged and for the same length of time. If the repairs/replacement of the Supply prove impossible within the required time limit, or are meaningless according to SOCOMEC SAS, SOCOMEC SAS may, at its sole discretion: (i) obtain full reimbursement of the purchase price from the Supplier, or (ii) cancel all or part of the Order, or (iii) itself perform or have performed by a third party, at the expense of the Supplier, the repairs or the replacement, with the Supplier remaining subject to the warranty obligations.

#### **8. LIABILITY - INSURANCE**

The Supplier is liable without limitations towards SOCOMEC SAS for all damages, physical, material, non-material, predictable or not, incurred directly or indirectly as a result of the performance or lack thereof by the Supplier of its obligations regarding the Order. Therefore, in the event of a product recall campaign in accordance with article 9 of these General Purchasing Terms and Conditions, the Supplier shall bear all the costs incurred by this campaign, whether or not these costs are covered by the Supplier's insurance.

The Supplier is fully liable for any damages caused by the Supply, its design (except for defects resulting exclusively from a design created by SOCOMEC SAS), its manufacturing process, the technical choices implemented for its production and its consistency with its intended use. The Supplier must therefore commit to enquiring about the Supply's final destination. The Supplier is hereby informed that the commercial activity of SOCOMEC SAS pertains to the safety of people and property, therefore the Supply may be used in safety installations.

The Supplier also guarantees SOCOMEC SAS against any legal actions or claims made against SOCOMEC SAS by a third party deeming itself a victim of damages incurred by the implementation or non-implementation of the Order. During the implementation period of the Order, the Supplier must subscribe to and keep up-to-date adequate insurance policies, which must include coverage for the risk of withdrawal or recall, and the Supplier must provide justification if required by SOCOMEC SAS. The warranty terms of the aforementioned policies do not constitute a limitation of the liability of the Supplier.

## **9. PRODUCT RECALL**

If the Supply is deemed by SOCOMEC SAS, by the Supplier, by a public inspection body or following an administrative or judicial decision, as presenting a quality, performance or conformity defect, the Supplier must modify, repair or replace the Supply, as per the choice made by SOCOMEC SAS, at the Supplier's own expense, in order to correct the defect.

The Supplier shall bear the full cost for the locating, sorting, analysis, control, repair, replacement and/or transport operations for any Supply and for any product in which the Supply may have been integrated, whatever its location (be it stocked at SOCOMEC SAS premises or retailed through the distribution and client networks).

These operations shall be carried out by the Supplier, by SOCOMEC SAS, or by any third party designated by SOCOMEC SAS (service providers, subsidiaries, distributors, customers), whatever the location of the Supply.

In any event, the return of the Supply to the Supplier is not a requirement for the implementation and the handling of the Supply recall operations by the Supplier, as described in this article.

The Supplier must also fully assume the financial consequences of these operations without limitation (including the financial consequences of the momentary stop of the production tool of a SOCOMEC SAS customer, the costs of fixing the product, the costs of commercial operations to restore customer confidence...). For this purpose, the Supplier must subscribe to an insurance policy and maintain it throughout the duration of the relations, as well as after they have ended, covering the risks of withdrawal and recall. The warranty limits set out by the policies do not constitute a limitation of the Supplier's liability.

The Supplier and SOCOMEC SAS shall consult with one another prior to any product recall decision to coordinate their actions. For this purpose, the Supplier must maintain readily available to SOCOMEC SAS any document or information useful and necessary to the identification of the Supply.

## **10. PROVISION OF TOOLS**

Any Tools necessary for the fulfilment of the Order shall become the property of SOCOMEC SAS as soon as they have been manufactured by the Supplier or a third party. The Tools are made available to the Supplier to be used solely for processing the Order, the terms and conditions for their provision are determined by a loan for use Contract signed by the Supplier and SOCOMEC SAS.

The risks relating to the provided Tools shall be borne by the Supplier, which must subscribe to an adequate insurance policy. The Tools may only be used for the needs of the Order and may not be reproduced, loaned or made available to a third party. The Tools are to be handed back to SOCOMEC SAS upon request, with no compensation of any kind.

The term "Tools" refers to any means used for the manufacture of components such as but not limited to: production tools, testing tools, monitoring tools.

## **11. CONFIDENTIALITY – INTELLECTUAL PROPERTY**

The Supplier is required to take any necessary steps to ensure the confidential treatment, for the duration of the contract, of any information or document shared by SOCOMEC SAS as part of the Order(s). It shall return all documents shared by SOCOMEC SAS upon first request. The Supplier is expressly prohibited from using the information presented on the documents mentioned above, issued by SOCOMEC SAS, outside of the fulfilment of the Order.

The Supplier declares that the Supply is not covered by any intellectual property rights and guarantees SOCOMEC SAS and its customers against any demands and/or claims from a third party regarding this matter. If the Supply is the product of a design created exclusively by SOCOMEC SAS, the intellectual property rights as well as the expertise derived from the fulfilment of the Order are included in the price paid at a fixed rate and become sole property of SOCOMEC SAS. Upon delivery, the Supplier must also hand over any documentation, element or material relating to intellectual property or the expertise rights mentioned above.

These General Purchasing Terms and Conditions may not give rise to any transfer of intellectual property or expertise rights to the Supplier.

## **12. PROTECTION OF PERSONAL DATA**

In the event of the processing of personal data by the Supplier on behalf of SOCOMEC SAS (the "Data Controller") in connection with the employees of the Data Controller, consultants, customers and/or any other persons whose personal data are collected and processed by the Data Controller (the "Data"), it is expressly agreed that such processing will be limited to the fulfilment of the Order and will be carried out in accordance with the instructions of the Data Controller. The Supplier must, at all times, act in accordance with the legislation applicable to data protection (particularly Law No. 78-17 of 6 January 1978 and Regulation (EU) 2016/679).

In addition, the Supplier shall ensure that all its employees and subcontractors act in accordance with the terms and conditions applicable between the Parties and the applicable data protection legislation.

The Supplier shall implement and maintain all appropriate technical measures to protect the Data.

The Supplier shall defend, indemnify and hold harmless SOCOMEC SAS against any loss, damage, costs or expenses incurred as a result of a violation by the Supplier of this article.

It is the Supplier's responsibility to destroy the Data at SOCOMEC SAS's request or, failing that, at the end of the execution of the Order.

Finally, it is expressly stated that SOCOMEC SAS's agreement is essential for the Supplier to export the Data outside the E.U. If SOCOMEC SAS agrees, the Supplier undertakes to obtain all necessary authorisations for the transfer of personal data outside the E.U from the competent authorities.

### **13. TRANSFER - SUBCONTRACTING**

The Supplier may not, without prior written authorisation from SOCOMEC SAS, transfer or subcontract all or part of the Order fulfilment. If subcontractors are used, the Supplier shall remain solely responsible for the fulfilment of the Order with regards to SOCOMEC SAS.

### **14. ORDER MODIFICATION – ORDER TERMINATION**

Any modification of the Order must be subject to prior agreement between SOCOMEC SAS and the Supplier.

SOCOME SAS reserves the right to unilaterally terminate all or part of the Order with no legal formalities, no compensation and without prejudice to damages in the following cases:

- Failure to observe the contractual obligations, following a formal notice not acknowledged after a period of 20 days;
- Initiation of collective proceedings if, following a period of one month, the administrator has remained silent on the termination request issued by SOCOMEC SAS. The Supplier must inform SOCOMEC SAS without delay and in writing of any situation which may call in question the correct fulfilment of the Order.
- Change in the direct or indirect effective monitoring of the Supplier;
- Force majeure

### **15. COMPLIANCE WITH CURRENT REGULATIONS**

The Supplier must comply with all the regulatory or legal provisions (including all the anti-corruption provisions) applicable to the Supply and including:

- Provisions regarding respect for the environment and the recording, evaluation and authorisation of chemical substances present in all or part of the Supply,
- European and international regulations regarding the control of exports which may be applicable to the Supply as well as the software, information and products which the Parties may exchange as part of the Order.

Furthermore, the Supplier must maintain available any documents testifying to the compliance of the Supply with regulations, to be handed over upon request and without delay to SOCOMEC SAS and/or any relevant supervisory authority.

Finally, the Supplier must respect all the national laws and regulations applicable to the delivery location specified on the order, and in general, the Supplier must systematically comply with the laws and regulations when specified on the Order and/or design brief, or which may become applicable before the Supply delivery date.

Any failure to meet these requirements amounts to a serious breach for which the Supplier is solely liable.

### **16. SUPPLIER OBLIGATIONS REGARDING LABOUR LAWS**

The Supplier must comply to all applicable legal provisions and regulations with respect to labour laws, including the provisions governed by the United Nations Convention on the Rights of the Child signed on the 20<sup>th</sup> November 1989 and the Worst Forms of Child Labour Convention adopted in 1999, as well as all regulations relating to the employment of foreign workers. The Supplier must also respect all regulations relating to concealed work and must provide SOCOMEC SAS with the following documents when signing these General Purchasing Terms and Conditions, then upon request and every six months:

- A declaration on the honour of the work carried out regularly by the salaried employees with respect to articles L1221-10, L3243-2, R3243-1, et L8251-1 of the French Labour Code,
- The nominal list of all the foreign workers employed by the Supplier and required to hold a work permit,
- A declaration of provision of social declarations issued by the URSSAF within the last six months,
- A declaration on the honour of the submission to the Tax Administration of the tax returns obligatory at the date of signing,
- A certificate of incorporation (KBIS extract) issued in the last month,
- A current insurance certificate.

Any breach of the obligations listed above shall lead to an immediate termination of business relations between the Supplier and SOCOMEC SAS. The Supplier will guarantee SOCOMEC SAS against the pecuniary sanctions of any actions or claims issued by a third party, including administrations, as a result of non-compliance with the obligations listed above.

#### **17. APPLICABLE LAW - ALLOCATION OF JURISDICTION**

The applicable law is French law, excluding the provisions of the Vienna Convention signed on the 11<sup>th</sup> April 1980 relating to contracts for the sale of international goods. In the event of a dispute, the Strasbourg (France) Courts shall have sole jurisdiction.