

Constructions Mécaniques de Normandie (CMN) GENERAL TERMS AND CONDITIONS OF PURCHASE (G.T.C.P)

Révisées au 24/03/2022

1. Preamble

These General Terms and Conditions of Purchase (GTCP) shall apply to all purchases between by Constructions Mécaniques de Normandie, RCS Paris, B 562 110 965, hereinafter: « **The CLIENT** » and the order holder, hereinafter « **The SUPPLIER** ».

2. Definitions

« **Order Form** » or « **Purchase Order** » : the electronic document by which the CLIENT places an order for the Supply with the Supplier

Any Purchase order shall contain :

- description of the Supply
- price (s) of the Supply;
- place(s) of performance or place of delivery of the Supply;
- deadlines and delivery date or execution date ;
- the identification elements specific to the Client ;
- a copy of the GTCP.

« **Compliance** » or « **Compliant** » : the conformity of the Supply is assessed with regard to:

- specifications provided and/or approved by the CLIENT and/or standard characteristics of the SUPPLIER ;
- rules of art ; and
- legal provisions.

« **Supplier** » : the legal or natural person selected by the CLIENT to execute the Purchase Order.

« **Supply** » products and/or services as specified in the Purchase order.

« **Party** » or « **Parties** » : referred to the CLIENT and/or the Supplier.

« **Site** » : the place(s) where the Supply shall be delivered and/or the service shall be performed.

« **Subcontractor** » : any subcontractor used by the SUPPLIER for the performance or delivery of part of the Supply.

3. Content and conclusion of contract

3.1 The GTCP apply except when specific conditions expressly provide otherwise on the Purchase order. Acceptance of the Purchase order implies express acceptance of the GTCP and waiver by the SUPPLIER of its own conditions. Unless otherwise provided, the Purchase Order shall enter into force on its issuance date. The GTCP and the Purchase order, including its annexes, constitute the only documents governing the contractual relationship between the CLIENT and the SUPPLIER.

3.2 The Purchase Order is formalized by a written commitment on an Order Form signed by an authorized person. The prices are firm, non-revisable and are established according to the rules and procedures of the Incoterm "DDP" (Incoterms 2010 CCI Paris) insurance included. The CLIENT reserves the right to modify or cancel his Purchase order depending on the progress of the contractual operations.

3.3 The simple fact of accepting, designing, manufacturing, invoicing or delivering all or part of the Purchase Order constitutes acceptance of these GTCP by the SUPPLIER.

3.4 The SUPPLIER will send an order acknowledgment within eight (8) days from the date of receipt of the Purchase order. In the absence of written dispute on the terms of the Purchase order, it will be deemed accepted.

4. Assignment- Subcontracting

4.1 Subcontracting

The SUPPLIER is not authorized to subcontract or have subcontracted all or part of the Purchase order without the express agreement of the CLIENT.

Any request shall be made in writing, specifying the nature of the work to be subcontracted and the qualification of the Subcontractor presented. The Subcontractor shall be approved by the CLIENT. In the event that the SUPPLIER does not comply with the legal obligations in terms of subcontracting, the CLIENT is entitled to immediately suspend any payment to the benefit of the SUPPLIER as long as the latter has not fulfilled the said legal obligations, all without prejudice the CLIENT's right to terminate the Purchase order under the conditions set out below.

Notwithstanding the approval of the Client, the SUPPLIER remains solely responsible for the proper execution of the entire Purchase Order by him or his Subcontractors. In addition, the SUPPLIER guarantees the CLIENT against any claim by its Subcontractors or their employees.

4.2 Assignment- Change of control

The Supplier does not have the right to assign the Contract to third parties, even in part, without the CLIENT's prior written consent. In the event of a change of direction or control, the SUPPLIER shall immediately inform the CLIENT. In the event of assignment by the SUPPLIER to third parties, all of the CLIENT's rights resulting from the Purchase Order, including the right to demand damages, shall be enforceable against them. The SUPPLIER remains, together with the third-party assignee, jointly and severally liable to the CLIENT for the complete execution of the Purchase Order.

5. Delivery, Ownership and risks

5.1 The Supply is deemed delivered when it is made available to the CLIENT on the Cherbourg site or any place specifically indicated on the Purchase Order, during working days and during the usual working hours of the Site.

5.2 Ownership and risks relating to the Supply are transferred upon delivery to the Site subject to its Compliance. Any non-compliant Purchase order will be made available to the SUPPLIER on the Site, at the risk and expense of the SUPPLIER.

5.3 The SUPPLIER retention of title clauses shall only be valid if expressly accepted by the CLIENT. The SUPPLIER agrees that no retention of title clause is stipulated by its own suppliers or Subcontractors.

6. Delivery Date - End of works

6.1 Regarding the delivery date, the Parties shall refer to the indications in the Purchase Order. If tests are provided for in the Purchase Order,

acceptance by the CLIENT will only take place after they have given full satisfaction to the CLIENT.

6.2 In case of late delivery outside of the Force majeure, as defined in Article 22, delay liquidated damages shall be applied by the CLIENT to the SUPPLIER as follows :

-1% of the total amount of the Purchase Order per calendar late delivery day with a maximum of 10% of the total value of the Purchase Order.

The CLIENT will be able to deduct them from the final amount of the SUPPLIER's invoice. The SUPPLIER shall minimize the consequences of its delay as much as possible.

6.3 Advance deliveries can only be made after the prior written consent of the CLIENT. The CLIENT reserves the right to refuse all or part of a Purchase Order that has arrived before the « earliest » delivery date.

7. Packaging - Transport

7.1 The SUPPLIER is responsible for the packaging, which shall be appropriate for the means of transport used and the equipment transported in accordance with the standards in force and the rules of the art. Damage caused by defective, insufficient or unsuitable packaging is entirely the responsibility of the SUPPLIER. Packaging that is consigned and returned to the SUPPLIER is reshipped postage due under its responsibility.

7.2 Every package has a shipping order with the order number and for each item the material description and the line number. There shall only be one shipping order per purchase order.

8. Compliance-Quality

8.1 To be accepted, the Supply shall be Compliant and suitable for the use for which it is intended. The Supply is delivered in a complete state of completion with all the indications necessary to be used correctly. The Supply that does not meet these requirements will be deemed non-Compliant. The Compliant Supply will be subject to an acceptance/receipt procedure and a receipt slip signed by the CLIENT. The CLIENT reserves the right to refuse all or part of the Non-Compliant Supply and/or to require the SUPPLIER to replace or repair the products, to have the Purchase Order executed by a third party of its choice or to retain the Supply for price reduction. In all cases, all costs and risks resulting from non-compliance will be borne by the SUPPLIER.

8.2 The CLIENT reserves the right to exercise or have exercised by any organization of its choice the monitoring of the progress and the control of the execution of the Purchase Order in the workshops of the SUPPLIER or in those of its Subcontractors. The observations made by the CLIENT or its representative in no way reduce the responsibility of the SUPPLIER who, in any case, remains full and whole, in particular with regard to the obligation to deliver the Supply in accordance with the Purchase Order. In order to comply with the quality procedures put in place by the CLIENT, the SUPPLIER undertakes to submit to any assessment and to send the CLIENT

a certificate of conformity of the Supply before each shipment

9. Modifications

The SUPPLIER shall accept and execute without delay any legitimate modification requested by the CLIENT regarding the Supply (nature, quantity, delivery time, place of delivery). These modifications shall be subjected to an adjustment price and deadlines of the order, provided these adjustments were firstly and duly justified by the SUPPLIER and accepted by the CLIENT. The SUPPLIER shall not make any modification without the CLIENT's written agreement.

10. Provision of equipment

10.1 The ownership of tooling produced or acquired by the SUPPLIER for the order shall be transferred to the CLIENT on such production or acquisition. The SUPPLIER shall restate this tooling to the CLIENT on its request and shall not use this tooling for another purpose than the order without its prior approval.

10.2 When the CLIENT freely delivers goods to the SUPPLIER for the order, those goods remains the CLIENT's property but the SUPPLIER shall keep them in good working condition until the execution and restitution of the order

11. Invoicing and payment

11.1 Invoices shall be sent after delivery in 2 originals at the address mentioned on the Purchase order. The SUPPLIER shall send one invoice per Purchase order bearing a number. Payments shall be made by bank transfer at forty-five (45) days end of month, from the issuance date of invoice. Any invoice shall refer to only one order and mention the purchase order number and the line number of each item. The CLIENT declines the invoicing of delivered and unordered goods.

11.2 Any late payment from the CLIENT shall give rise to the payment of interest calculated on the BCE rate +10% in accordance with the applicable legislation plus a fixed compensation for recovery fees of 40 Euros. Interest for late payment shall be due from the day following the settlement date on the invoice, without necessity of a reminder.

13. Guarantee

13.1 The guarantee consists in particular of the adjustment and/or free replacement of all or part of the defective Supply. The guarantee is necessarily extended to the costs of labor and travel, transport and packaging incurred for this occasion. During the warranty period, the SUPPLIER modifies or replaces, as soon as possible or at the latest within the agreed deadlines, all the elements of the Supply that are non-Compliant, defective or not suitable for the expected results. Failing this, the CLIENT may, seven (7) calendar days after formal notice remained unsuccessful, carry out itself or have carried out by any third party, at the expense, risk and peril of the SUPPLIER, any modification (including repair) or any replacement necessary to remedy the failure of the SUPPLIER.

The SUPPLIER also guarantees the Supply against hidden defects. The SUPPLIER guarantees that the Supply delivered or installed

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comply with the Purchase Order and is not subject to any intellectual property claims (patents, trademarks, models, etc.). A guarantee certificate and/or compliance certificate shall be sent with the Supply when mentioned in the Purchase Order by the CLIENT. The SUPPLIER shall be held fully liable for any damages towards the CLIENT for defective Supply without limitation, except where such defect is attributable to the CLIENT for improper use of goods, non compliance with the SUPPLIER's instructions or lack of maintenance or storage. The SUPPLIER commits to indemnify the CLIENT for any damage incurred by the SUPPLIER, in particular for delivery decline or counterfeiting established or alleged by a third party for any patent or trademark, without limitation of liability for the SUPPLIER.

13.2 This Guarantee is granted for twelve (12) months from the acceptance of Supply and shall be renewed for the same duration after each modification or replacement made during its period. The warranty claim will be notified to the SUPPLIER at the latest within one month of the occurrence of the failure.

14. Intellectual Property

The CLIENT shall remain the only owner of any information, drawings, design, and other technical information which may have been disclosed by the CLIENT to the SUPPLIER for the Purchase order or the offer, and generally of the know-how or intellectual property arising from the execution of the order or disclosed to the SUPPLIER in all ways. These information shall be kept confidential by the SUPPLIER until the CLIENT decides otherwise. The SUPPLIER commits to only use these information for the order process and to restate them on simple request.

15. Liability – Insurance

The SUPPLIER certifies, for itself and its Subcontractors if applicable, that he has taken out the insurance necessary for the performance and undertakes to keep them up to date for the duration of the performance of the Purchase order. The SUPPLIER shall indemnify during or after the execution of the Purchase order for any loss or damage caused to third parties and for any death or personal injury arising from the SUPPLIER's act or omission or its Subcontractors, servants or agents. At the CLIENT's request, the SUPPLIER shall have to justify a valid certificate of liability insurance.

16. Claims

Any claim arising from the CLIENT shall be made by registered letter with acknowledgment of receipt within a reasonable delay after the signature of the delivery note with any reservation of the Supply.

The payment of the Supply shall be therefore suspended.

17. Environmental requirements

The Supply shall respect the specification prescribed by the applicable regulation, in particular regarding the environmental and health protection.

18. Security

18.1 The SUPPLIER at its own costs shall have to take any necessary administrative authorizations for the activity of its own personal working on the CLIENT's Site. The personnel of the SUPPLIER shall accept any identity checks and other verifications that can be performed by the SELLER's security agents its representatives or by the State agents. The SUPPLIER's personnel shall be subjected to internal regulations on Site.

18.2 The agents remain under control and authority of the SUPPLIER, including when they work on the CLIENT's Site.

18.3 The SUPPLIER working on site shall first provide the CLIENT with the social declarations certificate less than six (6) months old according to the French decree n°2011-1601 from November 21st, 2011 and undertakes to renew them every six (6) months.

18.4 In the event of non-compliance with an obligation stated above, the CLIENT (i) may take or cause to be taken immediately and without formality, at the expense of the SUPPLIER, any measures which prove to be appropriate, if he considers that these measures have not been taken or implemented quickly enough by the SUPPLIER and (ii) reserves the right to refuse access or maintenance on the Site to the SUPPLIER and/or its possible Subcontractors. All the consequences of non-compliance with one of these obligations, including the implementation of the measures taken by the CLIENT in the event of failure or negligence of the SUPPLIER, the refusal of access or maintenance on the Site will be at the sole responsibility of the SUPPLIER.

19. Duty of information

The SUPPLIER undertakes to find out about the usual (particularly technical) conditions for the performance or delivery of the Supply and to inform, advise and warn the CLIENT, regardless of the skills or knowledge of the CLIENT. Before executing or delivering the Supply, the SUPPLIER shall carefully examine the information provided by the CLIENT and is also required to ask the CLIENT for any documents and information that it lacks. The Supplier shall immediately notify the CLIENT in writing, under penalty of not being able to rely on it later, of any anomalies, omissions, contradictions, incompatibilities between the information provided by the CLIENT and the rules of the art. If the SUPPLIER fails to comply with the above provisions, all the consequences of error or insufficiency in the information provided by the CLIENT will be borne by the SUPPLIER.

20. Confidentiality

All information received from the CLIENT by the SUPPLIER for the purposes of executing the Purchase Order or to which the SUPPLIER may have access due to its presence at the CLIENT must be considered strictly confidential, without it being necessary for the CLIENT to have to specify or mark its confidentiality (the "Confidential Information"). Confidential information remains the property of the CLIENT, subject to the rights of third parties. The disclosure of Confidential

Information by the CLIENT shall under no circumstances be interpreted as conferring on the SUPPLIER, expressly or implicitly, any right (under a license or by any other means) over this Confidential Information.

The SUPPLIER undertakes to respect, and to ensure that the members of its staff and any Subcontractors respect, this obligation of confidentiality throughout the duration of the Purchase order and for five (5) years following its expiration. The SUPPLIER will return to the CLIENT, at the expiry of the Purchase order for whatever reason, the information provided by the CLIENT and the data acquired by the SUPPLIER, as well as all the copies made that it may hold within the framework of execution of the Purchase Order, or will destroy, at the CLIENT's written request, the confidential information and data.

21. Suspension - Termination

21.1 The CLIENT reserves the right to cancel or suspend all or part of the execution of the Purchase order at any time. In this case, an agreement on the compensation due to the SUPPLIER shall be made, it being understood that this compensation will be limited to the additional expenses paid directly by this suspension, reinforced with justification, without being able to exceed 5% of the price of the Purchase Order.

21.2 In case of force majeure or facts arising from the CLIENT's customers and compelling the CLIENT to terminate the Purchaser Order, the indemnity shall be equal to the amounts specifically committed by the SUPPLIER for this Purchase order and after deduction of any amount already paid.

21.3 The SUPPLIER reserves the right to terminate or automatically rescind the Purchase order without legal formalities in case of serious or repeated contractual default by the CLIENT, especially in case of serious late payment and/or repeated.

22. Force Majeure

22.1 Force Majeure means an event beyond the control of the affected party, which couldn't be reasonably foreseen at the time of conclusion of the Purchase order and for which the consequences can't be avoided by appropriate measures, thus preventing the affected party from performing its obligations. If the Purchase order is delayed due to Force Majeure, occurring during the contractual deadlines, the execution delay shall be modified as a consequence. The SUPPLIER shall inform the CLIENT in writing of the Force Majeure event upon knowledge and commits to take any reasonable measures to minimize the delay. The SUPPLIER shall provide the CLIENT with proofs of the event fifteen (15) days from the occurrence of the force majeure event.

22.2. If the Force Majeure continues over one (1) month, CLIENT and SUPPLIER shall be entitled to terminate the Purchase order according to the provisions of article 21.2.

22.3. Each Party bears its own costs due to Force Majeure.

23. Litigation with third parties

If a third party brings an action against the CLIENT due to the execution of the Purchase order by the SUPPLIER or to the goods or services produced, the SUPPLIER shall at its own costs and on CLIENT request join the CLIENT on defending the pending claim.

24. Dispute Settlement

The present Purchase order shall be governed by French law. The Vienna Convention on international sales of goods signed in 1980 is expressly excluded. Any dispute which may not be amicably settled shall be submitted to the jurisdiction of Cherbourg.

25. Miscellaneous

25.1 Should a stipulation in these terms and conditions be or become ineffective, the effectiveness of all other stipulations remain valid and applicable and the Parties will make their best efforts to replace the ineffective stipulation by a valid one with the same economic impact.

25.2 No failure or delay by a Party in exercising any right of action shall constitute a waiver.

26. Anti-corruption

The SUPPLIER declares that he is familiar with and adheres to the CMN anticorruption code of Conduct accessible via the Internet portal : <https://www.cmn-group.com/appreciate-our-values/our-values/#> and undertakes to respect it scrupulously.

27. Data Protection

For any processing of personal data carried out in connection with a Purchase order, the Parties undertake to comply with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data («GDPR »).