

Within the present terms and conditions, the GUICHON Company shall be referred to as the "Buyer". The company receiving the order shall be referred to as the "Vendor". The customer of the GUICHON Company, who is the recipient of all or part of the order, shall be referred to as the "Customer". The present "GENERAL TERMS & CONDITIONS OF PURCHASE" form an integral part of the order. They define the rights and obligations of the contracting parties. They are deemed to be integrally accepted by the Vendor who is obliged to be personally responsible for all its possible sub-contractors in such a way that the Buyer shall not be disturbed or sued under any circumstances. The general terms and conditions of purchase shall only be modified and/or supplemented through the wording used in the order confirmation letter or a subsequent amendment. They shall cancel and replace any other contrary or additional clauses which the Vendor is likely to refer to and more particularly the provisions of the general terms and conditions of sale, in whatever form or stage they may be.

- A) **GENERAL TERMS & CONDITIONS** - The present purchase order constitutes a purchase agreement. Its acceptance shall result in the supplier's obligation to conform to the general terms and conditions of this order. Contrary provisions included in the returned acknowledgement of receipt may only modify the terms and conditions of the present purchase order upon express agreement on our part, without which it will not be processed.
- B) **ACKNOWLEDGEMENT OF RECEIPT** - Should the acknowledgement of receipt not be received within eight days, the Vendor shall deem the order and all of its performance clauses as being wholly accepted. If after this period the Vendor has not demonstrated his agreement or disagreement to the terms and conditions of the order and its amendments, it shall be expressly agreed that the Buyer has the right to purely and simply cancel the order without the Vendor being able to claim for damages. Should the Vendor add reservations to his agreement, these reservations will cancel the order if the Buyer does not expressly agree to the Vendors' modifications. It shall equally be agreed that the Vendor is deemed to have definitely and unreservedly accepted under one of the following conditions:
- a) The Vendor returning to the Buyer a signed copy of the order and its amendments, even if it is not preceded by the statement "READ AND APPROVED".
- b) The Vendor initiating the processing of the order.
- C) **FACTORY PRODUCTION CONTROL** - The Buyer and/or its customer and any organisation accredited by any of the latter, reserves the right to monitor the execution of the supplies ordered - supply, manufacture, tagging and possible packaging. In addition to monitoring within the offices, workshops and/or shops of the Vendor, and the premises of possible subcontractors of the latter. Access to the said premises must be authorised and facilitated for the aforementioned representatives. The Vendor shall commit to take all steps necessary for this purpose. The aforementioned product inspections do not release the Vendor from their own inspections nor its responsibility with regard to guarantees under its contractual liability. The periods normally required to undertake the factory inspections and tests cannot be used by the Vendor as justification for any delay in the delivery of the supplies. A final inspection or test does not imply that the delivery has taken place. All costs relating to inspections or tests carried out in Vendor's or its subcontractors' factories, which aim to verify compliance of the goods to the general technical and particular specifications, shall be at the cost of the Vendor; with the exclusion of personal fees of the representatives of the Buyer or Customer.
- D) **PRICE** - The prices shown are deemed as final and non-revisable unless expressly stipulated otherwise. Taxes, delivery charges and packaging will be invoiced according to the special terms and conditions stipulated in our order.
- E) **DELIVERY** - The transfer of ownership shall take place subsequent to unloading at the place of delivery provided on the order, irrespective of the mode of transport used and the payment terms unless otherwise stipulated on our orders. Goods are therefore transported at the risk of the Vendor. All goods are deemed deliverable to our premises as "DELIVERED DUTY PAID" (Incoterms 2010), including packaging. Deliveries must include a delivery note stating the order number, quantity, specifications of the delivered item and its material test certificate, if required. In the absence of material certificates and (or) inspection records indicated on the order, the goods will be stored in a temporary storage area and thus unaccepted. They will be subject to a Continuous Improvement Form and fees relating to this failure will be invoiced to the Vendor. Delayed receipt shall automatically generate a rejection of the invoice; resulting in an extension to the payment deadline.

- F) SUB-CONTRACTING - In the absence of written agreement, GUICHON VALVES has the right to cancel the order in the event of illicit subcontracting; all the more so if the latter has not been audited by our services.
- G) MATERIAL WARRANTY - All fees arising from the failure of provision:
- replacement or repair of any part due to a fault detected before or after dispatch to the Customer, return transportation of the item between the Buyer, its Customer and Vendor.
 - Possible travel of staff to areas where the material is used or stored and to areas of the Vendor.
 - Additional work and testing incurred due to possible repair is charged to the supplier and deducted either from ongoing or future invoices. In the event of a default leading to the scrapping of the part, it must be completely replaced through the sole care and at the exclusive expense of the Vendor responsible for the default, even if the Vendor was only partially involved in the production of the part. The Goods are guaranteed for a period of one year unless otherwise indicated in the order.
- H) PERIOD OF RECEIPT- The delivery period displayed on our purchase orders is understood for goods arriving at their destination. The receipt of goods, inspections undertaken by our agents or that of the Customer and the payment of invoices do not release the Supplier from the guarantee provided for his goods, particularly with regard to latent or dimensional defects not found in the inspected batch. We reserve the right to refuse any goods which have not been delivered within the indicated periods. The final acceptance of goods is conditional upon their acceptance by our control service. All refused goods must be made available to the Supplier. Re-shipment shall be made with postage fees due by the latter, including packaging fees. The payment of invoices can only be made after the acceptance of the delivered goods. If need be, we reserve the right to request the on-site adjustment of unsatisfactory delivered goods.
- I) PENALTIES - A delay is represented by the period which runs from the contractual date of the delivery, accepted by the Supplier on the acknowledgement of receipt of the order, and the effective delivery date. The delivery date is taken into consideration in the application of penalties and that of receipt of the complete batch of goods by the control service after replacement of defective elements if required. The GUICHON Company reserves the right to seek from the Supplier damages or interest corresponding to loss caused by the delay, in addition to any penalties, within the terms and conditions of common law. The total penalty is to be paid to the Buyer by the Vendor upon final invoicing. This payment by the Vendor or deduction by the Buyer does not release the Vendor from fulfilling all of his contractual obligations.
- J) INVOICES & PAYMENT - The date for invoicing is that of the transfer of property indicated above. Invoices must state the purchase order number, the delivery order number and must be sent to the GUICHON company accounting department by email to accounts@guichon.com, or failing this be sent by post. Unless otherwise stipulated invoices are payable by bank transfer within 30 days end of month on the 15th day of the following month. In the event of advance delivery on initiative of the Supplier, these conditions shall apply according to the contractual date of the delivery stated in the order. Non-compliance to the terms and conditions above may delay the payment of invoices without the Buyer being held accountable.
- K) CONFIDENTIALITY - The Supplier shall commit to protect the confidentiality of the technical and commercial elements to which he is given access during the processing of our order.
- L) JURISDICTION - The parties expressly agreed that the legal jurisdiction is set before the competent court in Chambéry according to French Law.