

<i>Reference</i> MODACHGEN00000007
<i>Index</i> A

<b>GENERAL CONDITIONS OF PURCHASE</b>
Techni Modul Engineering



Object:

The General Conditions of Purchase define the general provisions that govern the business relationships between Techni Modul Engineering and its external contractors and are supplemental to any contract or order.

Area and scope

These General Conditions of Purchase apply to all orders made by Techni Modul Engineering with a supplier, contractor or subcontractor. These provisions can be supplemented or amended by special provisions as defined in the specific terms and conditions or the order.

Access to the documentation:

All of the documents mentioned are available on the following website: <http://www.tme-composites.com>

Order of importance of the documents:

The order of importance of the documents is as follows: purchase order, specific contract and general conditions of purchase.

## GENERAL CONDITIONS OF PURCHASE

### 01 GENERAL CONSIDERATIONS

The provisions of these general conditions of purchase are the subject of negotiation with external contractors and the resulting modifications are integrated into the specific general conditions or the order. By beginning to execute a contract or order, the external contractor accepts the order and these general conditions of purchase.

Acknowledgement of receipt of the order must be sent to us, duly signed and completed, within 10 days of receipt of said order. In the absence of any acknowledgement of receipt, the order will be deemed to have been accepted by the external contractor.

### 02 SUBCONTRACTING

The seller cannot, without prior written authorisation from the buyer, be replaced by one or more subcontractors for the execution of the parts of this order that are its speciality. The external contractor remains solely responsible for subcontracted work and supplies. Any subcontracting of all or part of this order shall in no case relieve the seller of its responsibility and liability to the buyer.

In the case of an order for work costing more than EUR 5,000 excl. taxes, the supplier shall provide proof of the payment of social contributions; the payment of its invoices can be suspended until confirmation of this is received from the bodies concerned.

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### 03 PRICE

The agreed prices are flat rates that are not revisable and include all costs, expenditure, disbursements and charges, including the packaging needed for dispatch to the destination specified in the contract or order, under normal conditions of protection, safety and handling.

### 04 DELIVERY TIME – PENALTIES

The delivery times specified in our orders are mandatory and include the delivery of supplies to their destination.

Except in cases of force majeure, and without prior formal notice, Techni Modul Engineering will be able to apply penalties for delay calculated based on the price including all taxes and equivalent to 0.40% of the contract or order amount, per calendar day of delay, within the limit of 10% of the contract or order amount. If formal notice is served and goes unheeded for 10 working days, after 25 days Techni Modul Engineering will be able to rightfully and unilaterally terminate the contract or order.

In case of cancellation of the order, any instalments we have already paid must be immediately and fully reimbursed.

If equipment has been delivered, we reserve the right to ask the external contractor to remove that equipment at its own expense and risk.

The application of these penalties is made automatically, with no prior formal notice.

Penalties applied by our own clients and due to a delay by the external contractor will be passed on to the latter, within the limit of the order amount, to cover its responsibility for the penalties we have incurred.

However, we reserve the right to claim damages from the external contractor due to the harm that would be caused by both the delay and the necessity for us to terminate the contract.

The payment of these penalties does not relieve the supplier of its obligation to complete the work, or from any other contractual obligation.

In the event of delay in relation to the contractual delivery time, we reserve the right to require a rapid means of transport for that delivery, which will be paid for by the external contractor.

### 05 PACKAGING – TRANSPORT – DELIVERY

Unless otherwise specified in the contract or order, the default delivery address is the Techni Modul Engineering production site at ZA de Pérache 63114 COUDES.

The delivery slip must include the order reference number, extension numbers, the description and quantity of the products, and documents relating to the work. The delivery slip must be accompanied by all the administrative documents stipulated in the contract or order.

Techni-Modul Engineering reserves the right to return any incomplete or early deliveries to the external contractor, at the sole expense and risk of the latter.

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In the event that our company or our client is unable to receive the ordered equipment, our company reserves the right to postpone the delivery date. In this case, the external contractor must be responsible for the storage and safekeeping of the equipment, at its own expense and risk, for a period of up to 2 months. Beyond this period, the terms and conditions of acceptance of delivery will be agreed between the external contractor and our company.

Delivery times: Monday to Thursday 8 am - 12 pm and 1 pm - 4:30 pm, and on Friday in the morning only.

## **06 COMPLIANCE – INSPECTION – ACCEPTANCE**

Parts, components or sub-assemblies (the products) supplied to Techni-Modul Engineering will comply with the specifications and requirements expressed in the order and in the various supporting documents of the latter (plans, diagrams, nomenclatures, instructions, benchmarks, applicable standards and guidelines, etc.). If a deviation, leading to a non-compliance in relation to those specifications and requirements, is detected, it is the external contractor's duty to immediately report that deviation in writing to TME. It must obtain written approval from TME concerning the decision on how this non-compliance will be addressed. Changes made to products, processes or suppliers, etc. will then be tracked by the external contractor in a "Non-compliance Corrective Action" document.

We reserve the right to monitor the manufacture of our orders on the premises of our external contractors or their sub-contractors. To do this, our technicians must have free access to the workshops in which our parts are manufactured, in order to carry out interim checks or collect samples. These inspections and checks in no way relieve the external contractor of its responsibility.

Any defect or non-compliance must be rectified by the external contractor, at its own expense and without being able to claim an extension of the contractual deadline. In the absence of rectification, our company will be able to scrap or refuse the provision in question.

Acceptance of the supplies is only final once quantitative and qualitative checks have been carried out in our factories or at the place of use.

## **07 GUARANTEE**

All supplies are guaranteed by the external contractor to be in strict compliance with the contract or order, free of any defect, and usable under normal implementation conditions. The supplies carry a guarantee covering parts, labour and technician's travel for at least one year from the date they are received or any other agreed date. In the case of non-compliance or defect, the external contractor undertakes to repair or replace the provision in the shortest possible time, at no cost to Techni Modul Engineering, and to repay all expenses unnecessarily incurred by Techni Modul Engineering.

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## **08 INVOICING – PAYMENT**

Unless otherwise indicated, prices are fixed and not revisable or subject to any indexes, and goods are delivered carriage and packaging paid to the address specified in the order.

Invoices must include the order reference number and be sent to the following address:

Techni-Modul Engineering

ZA de Pérache

63114 COUDES

The payment period begins on the day the invoice is received and following delivery of all of the qualitatively compliant supplies, documents and/or certificates and agreed services and ends when payment becomes due or following acceptance, if this is planned.

Unless special conditions are included in the order, payments shall be made by bank transfer 45 days from the end of the month.

## **09 TRANSFER OF OWNERSHIP AND RISKS**

Techni Modul Engineering rejects any retention of title clause.

The acceptance of products and services, leading to the transfer of property, is deemed to intervene thirty (30) days after the products and services have been physically received by Techni Modul Engineering in accordance with the provisions of section 6.

## **10 INSURANCE**

The external contractor undertakes to subscribe to insurance covering any damage caused to property made available by Techni Modul Engineering. The amount of cover must be at least equal to EUR 155,000 per claim; beyond this amount, TECHNIMODUL ENGINEERING and its insurers will not take legal action except in the case of theft, gross negligence or intentional wrongdoing.

The external contractor is solely responsible for any damage occurring during the execution of its obligations, or caused by its provisions and services, by its staff or by its sub-contractors.

The external contractor undertakes to subscribe to, and maintain for the duration of the work and the contractual guarantee period, an insurance policy that provides it sufficient civil liability coverage.

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## **11 CONFIDENTIALITY**

"Information" means all financial, commercial, technical or other information communicated or obtained directly or indirectly in writing, orally or by any other means regardless of the media, during the realisation of the products or services. The external contractor is prohibited from publishing, communicating or disclosing to any third party in any way and for any reason whatsoever the information regarding TECHNI MODUL ENGINEERING that it may have knowledge of before or at the time it executes the order. The external contractor undertakes to keep confidential the existence and the content of the contractual documents and not to engage in advertising based on its contractual relations with TECHNI MODUL ENGINEERING without its prior written agreement.

## **12 INTELLECTUAL PROPERTY**

When it totally or partially funds their development, TECHNI MODUL ENGINEERING acquires full ownership of the intellectual property rights attached to the products and services related to an order, and in particular those related to the multi-part forms, plans, technical notes, drawings, models, prototypes, and specific tools. Only TECHNI MODUL ENGINEERING, therefore, can lodge a claim in its own name for an intellectual property title. In the case of creations protected by copyright (including software and databases), the external contractor assigns to TECHNI MODUL ENGINEERING, in consideration of the price paid by TECHNI MODUL ENGINEERING for the order, all economic rights, and in particular reproduction, representation, use, exploitation, dissemination, adaptation, modification, translation and marketing rights relating to creations realised in the framework of the order, for the entire duration of the protection and for all countries where such protection exists. The external contractor guarantees TECHNI MODUL ENGINEERING against all claims from third parties related to intellectual property of the products and services it delivers, and undertakes to take responsibility for all consequences and financial penalties that might arise for TECHNI MODUL ENGINEERING.

## **13 APPLICABLE LAW – ATTRIBUTION OF JURISDICTION**

The General Terms and Conditions and the order are governed by French law. Any dispute relating to the interpretation or the execution of the General Terms and Conditions and the order that the parties are unable to resolve amicably within a period of one (1) month from the date of its notification, will fall under the EXCLUSIVE JURISDICTION OF THE COURTS OF CLERMONT- FERRAND.

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## 14 The supplier's personnel

It is the external contractor's responsibility to ensure that its staff are aware of:

- their contribution to the compliance of the product or service
- their contribution to the safety of the product
- the importance of ethical behaviour

## 15 Prevention of counterfeit parts

The external contractor undertakes to train the appropriate staff in the detection and prevention of counterfeit parts. It must put in place a programme guaranteeing the monitoring of obsolescence.

The external contractor must control its external supply sources and ensure the supplies come from the original or authorised manufacturers, from authorised distributors or from other approved sources.

Traceability being a requirement, the external contractor must make all necessary arrangements to maintain, guarantee, conserve and find traceability back to the original or authorised manufacturer.