

## GENERAL CONDITIONS OF PURCHASE

### Preamble

The purpose of the present General Conditions of Purchase (GCP) is to define the terms of relations between any of the subsidiaries of HMY Group (hereinafter referred to as "the Buyer") and its suppliers of any products and services (hereinafter referred to as "the Supplier").

### Article 1: Orders

1.1 Orders from the Buyer are sent to the Supplier by any means (fax, post, etc.). The Supplier agrees to check the details of the order submitted by the Buyer and, in agreement with the Buyer, to take any corrective measure that may be necessary.

Orders are considered to be accepted under the Special Conditions that they specify and the present General Conditions of Purchase if, within a period of two (02) business days of their receipt by the Supplier, they have not been subject to any written reservations made by it (hereinafter referred to as "the Operative Event"). Any commencement of processing the order by the Supplier or Service Provider shall also be regarded as full and entire acceptance of the order.

1.2 Any order may be subject to modification by the Buyer before the date of delivery initially agreed. Such modification only commits the Parties if the Buyer confirms it by written supplement to the order ten (10) business days before the date of delivery initially agreed.

### Article 2: Delivery

2.1 Unless otherwise expressly stated in the order, delivery is made to the address given on the order and transport is made at the Supplier's expense and under its responsibility, and it is also responsible for taking out appropriate insurance.

Packages must be designed so as to ensure the optimum safety of the products under normal conditions of transport and handling, in compliance with the law.

Any package dispatched must be accompanied by a dispatch note containing the date and order number, the method of dispatch, the quantity and a description of the products in the same terms as the order, together with any indication required for the receipt and assembly of the products.

2.2 The dates and places of delivery are given in the order. The periods start to run from the day after the day of the Operative Event.

The delivery period is strict and adherence to it is an essential and determining condition of the consent of the Buyer. Apart from events of force majeure, proof of which must be shown, the Supplier is fully liable with regard to the Buyer for any delay or failure to deliver or for incomplete delivery. In this event, the Supplier shall automatically owe damages for any loss that the Buyer has a right to claim in full reparation of the loss suffered.

Additionally, the Buyer has the right to cancel the order and to use another supplier. In this event, the difference between what we pay to this new supplier and what we would have had to pay in execution of the order concerned, as well as the expenses incurred by this new purchase, shall be paid by the defaulting Supplier.

Any delivery that is early compared with the date given in the order must be previously and expressly agreed to by the Buyer.

### **Article 3: Compliance – Guarantee**

3.1 The Supplier guarantees (a) that the supply complies with the specifications and requirements agreed, and/or (b) that it is at the leading edge of technology and geared for the special purposes of the Buyer, and/or (c) that it is free from defects in design, materials and execution, and/or (d) that it meets in full the requirement to produce the results desired by the Buyer and/or (e) that it fulfils all the legal obligations, standards and rules of the profession in force, and in particular those relating to the environment, safety, and labor and employment conditions. Any declarations or guarantees contained in the Seller's catalogues, brochures, sales documents and quality systems documents are contractually binding on it. The Supplier guarantees that the technical specifications of the order are fully suitable for the Buyer's needs and acknowledges that it has examined these specifications in detail.

3.2 The Supplier guarantees the effective functioning of the products supplied for a period of two (02) years from their being put into service. Claims made under the present guarantee will suspend the guarantee period until the fault has been repaired by the Supplier; the guarantee period is extended by the same amount.

3.3 If at any time it turns out that the supplies are not in compliance, without prejudice to its right to full repair, the Buyer shall have the right (a) to suspend payment until the supplies have been made compliant, and/or (b) to refuse non-compliant supplies and demand, within a period of two (02) business days, the delivery of replacement supplies or for the necessary repairs to be carried out at the Supplier's expense, and/or (c) to terminate the order. All supplies refused for any reason are to be sent to the Supplier at its expense and risk, or are stored at the Supplier's risk in the Buyer's warehouses. At the end of a period of fifteen (15) days from notification of the refusal, the Supplier shall be liable to pay the warehouse storage costs for these supplies.

3.4 If the replacement supplies and/or repair of faulty supplies are not provided within the above period, the Buyer has a right to replace them or to have them replaced by another supplier at the Supplier's expense.

3.5 All supplies repaired or replaced are subject to the provisions of the present article and the guarantee period mentioned in the present documents shall start to run again for its full term from the date of delivery or repair.

3.7 The Supplier agrees to supply the items and parts for repair, maintenance or development for a period of ten (10) years. In the event of the cessation of the manufacture of all or part of the supply, items or parts, the Supplier shall inform the Buyer of this at least one (01) year in advance so that the latter may make supplementary orders.

3.8 The Supplier shall mark the products supplied individually or in batches so as to allow rapid identification and monitoring, and generally shall put in place a traceability procedure.

3.9 The rights and claims of the Buyer as specified in the present General Conditions of Purchase are added to those provided for by law, including any changes in the laws or regulations.

**Article 4: Inspections and testing**

4.1 The Buyer and any person authorized by it have the right to carry out any inspections and tests on the supply as well as to carry out inspections of the Supplier's site and audits and checks on its quality procedures.

**Article 5: Transfer of ownership – Transfer of risks**

Unless otherwise stated in writing by the Buyer, the transfer of ownership and risks is made on the date of delivery or the date of acceptance without reservations by the Buyer where this is provided for in the order, irrespective of the date of payment.

**Article 6: Price – Invoicing – Payment**

6.1 Unless otherwise stated in writing by the Buyer, the prices are those known and accepted by it on the order date. They include transport and packing; the packaging must be suitable for transport and conservation. No tariff increase is binding on the Buyer without its prior, express written consent.

Prices are firm and irrevocable. However, the Supplier agrees to pass on any cost reductions to the Buyer.

6.2 Each order gives rise to the issue of an invoice. Invoices must be received by the Buyer's accounts department in three (03) copies. In particular, invoices must indicate the Supplier's references, the date and the Buyer's order number as well as the details referred to in the order under "reference to be stated" and, where the order gives rise to payment in instalments, the advance amounts already received together with the balance remaining payable.

6.3 Unless otherwise stated in writing by the Buyer, the period for payment is forty-five (45) days end of month of submission of invoice. Payment may be made by any means.

**Article 7: Intellectual property**

7.1 Samples, drawings, models, tools, plans and any other copyright protected documents given to the Supplier for the requirements of the order shall remain the Buyer's exclusive property. The Supplier shall ensure their conservation and is prohibited from using, reproducing and/or communicating them to any third parties without the Buyer's prior written authorization. They shall be returned to the Buyer once the order has been carried out.

7.2 The models, tools, inventions, drawings, trademarks and software developed by the Supplier during the execution of the order shall become the Buyer's property as they are developed. The Supplier is prohibited from claiming any right or prior filing of trade marks over these elements.

7.3 Unless otherwise expressly indicated, the delivery of software or items comprising software includes the source codes, the object codes and the technical documentation required for the maintenance and/or adaptation of the software.

7.4 The Supplier gives a guarantee to the Buyer that the supply that is the subject of the order does not constitute an infringement or any other breach of any pre-existing intellectual property right of a third party. Consequently, the Supplier agrees to insure the Buyer against any claim or action brought by a third party relating to the execution or use of the supply and to indemnify the Buyer for the costs and indemnities for which it may be liable.

#### **Article 8: Confidentiality**

All written or verbal information communicated by the Buyer to the Supplier, and any documents and technical data, are confidential and may not be disclosed to third parties without the Buyer's prior written consent for a period of at least ten (10) years from the date of their disclosure to the Supplier. This information may only be used for the sole purpose of executing the order or preparing bids or quotations.

#### **Article 9: Liability – Insurance**

9.1 The Supplier is liable for any losses or direct, indirect, ancillary, special, material and consequential damage or losses, including loss of earnings, suffered by the Buyer as a result of late delivery, non-compliance and any other omissions by the Supplier in executing the order.

9.2 The Supplier shall remain liable for any material and consequential damage (loss of production, etc.) and direct or indirect loss caused as a result of its fault, that of its agents or representatives, its sub-contractors, suppliers and service providers.

9.2 The Supplier shall take out and keep in force any insurance policies necessary to cover its liability and damage to property under the General Conditions of Purchase. The Supplier shall submit to the Buyer any receipts testifying to the subscription of such insurance policies as well as the extent of the guarantees covered by these and shall meet all the Buyer's requirements, including relating to liability towards third parties and the Buyer.

#### **Article 10: Termination of the agreement**

If the Supplier fails to fulfil any of its obligations, the Buyer shall send it formal notice by registered letter with acknowledgement of receipt asking it to remedy such failure within a period of thirty (30) days of the first presentation of the letter.

If the formal notice remains without effect at the end of this period, without prejudice to its right to reparation the Buyer has the right automatically to terminate the present agreement by registered letter with acknowledgement of receipt and without any other formality. Termination shall occur on the date of the first presentation of the letter.

#### **Article 11: Sustainable procurement**

The Supplier must ensure adherence to the requirements of the law in matters of health, safety and the environment applicable to its products, activities and services.

The Supplier shall carry out action aimed at minimizing the impact on the environment and the professional risks associated with the manufacture, distribution, use and elimination at the end of the life of the goods and services

supplied. This action must be guided and monitored by means of a management system based on the ISO 14001 [International organization for standardization] and/or OHSAS 18001 [occupational health and safety management systems international standards] references or other references relating to the design of goods and services.

The Supplier agrees to conduct itself ethically and responsibly towards its clients, suppliers and collaborators in accordance with the laws in force, human rights, and the declaration of the International Labor Organization (ILO) concerning the fundamental principles and rights at work.

**Article 12: Fraud**

The Supplier is prohibited from granting any benefits or giving personal gifts to the Buyer's personnel. In the event of non-compliance with the present provision, the Buyer has the right to terminate any relationship with the Supplier with immediate effect.

**Article 13: Law applicable – Jurisdiction**

The present agreement is subject to French law.

Any dispute relating to the conclusion, execution, interpretation, termination and its consequences of any order, arising between the Supplier and the Buyer, shall be heard by the Commercial Court in the area of the Buyer's registered office, including in the event of multiple defendants. However, the Buyer retains the right to apply to any court with jurisdiction in the Seller's country.