

# GENERAL TERMS AND CONDITIONS OF PURCHASE CLAYENS NP GROUP

Date of update : May 2020

10, Rue Jean Rostand - BP315 ■ 69 745 GENAS ■ TEL. +33 4 78 40 11 52 ■ TELECOPIE +33 4 72 47 01 48 ■ [contact@sintex-np.com](mailto:contact@sintex-np.com) ■ [www.sintex-np.com](http://www.sintex-np.com)  
S.A.S au capital de 16 743 870 € ■ RCS: 965 504 731 RCS LYON ■ Siret: 965 504 731 00088 ■ Code NAF: 2229A ■ TVA INTRACOMMUNAUTAIRE: FR 18 965 504 731 ■ N° EORI: FR 965 504 731 00088 ■ N° DUNS: 28 253 40 07



These General Terms and Conditions of Purchase (hereinafter called "GTCP") shall apply to all orders placed with suppliers or subcontractors by any company within the CLAYENS NP Group.

These GTCP and any Special Terms and Conditions of Purchase pertaining to an order shall take precedence over any sales conditions of a supplier or subcontractor quoted in commercial offers, tenders or proposals, acknowledgements, invoices or correspondence forwarded by suppliers or subcontractors.

The supplier or subcontractor acknowledges that the signing of these GTCP implies a total waiver of such sales conditions by the supplier or subcontractor.

No amendment of these GTCP shall be deemed accepted by the CLAYENS NP Group unless specifically

agreed to in writing by the purchasing department of the CLAYENS NP Group.

The term "supply" as used in these GTCP refers to: Raw materials, studies and design work, parts, subcontracting or services, forming the subject of a prior written order issued by the CLAYENS NP Group.

## Clause 1 – Contract Order

All purchases made by the CLAYENS NP Group are systematically formalised by a purchase order.

All purchase orders shall be subject to a formal acknowledgement issued by the supplier or subcontractor.

Should an acknowledgement not be forwarded to CLAYENS NP within 72 hours of receipt of the relevant

purchase order, the latter shall be deemed to have been fully accepted by the supplier or subcontractor.

Order acceptance shall incur a duty on the part of the supplier or subcontractor to comply with these GTCP.

No provisions contrary to these GTCP, included in estimates or order acknowledgements and forwarded by the supplier or subcontractor, may amend or modify these GTCP or any Special Terms and Conditions of Purchase pertaining to the order, unless they form the subject of a written agreement provided CLAYENS NP.

The supplier or subcontractor has a duty to provide parts or services in compliance with the contract purchasing data (drawings, general specifications, technical specifications) included on all CLAYENS NP purchase orders.

CLAYENS NP may cancel the purchase order without penalty at any time prior to receiving the supplier or subcontractor order acknowledgement.

In the event of breach of these GTCP, CLAYENS NP reserves the right to complete or have completed by one of its own subcontractors the relevant supply and the order supplier or subcontractor shall undertake to make available to CLAYENS NP all studies and design work, tooling, moulds, procured items, parts manufactured or being manufactured in fulfilment of the order.

### Clause 2 – Prices

Prices quoted on purchase orders shall be considered firm and non-adjustable unless otherwise stated.

Prices agreed by the two parties are confidential and shall, under no circumstances, be communicated to third parties.

The supplier or subcontractor guarantees that the supplies manufactured are free of any design, manufacturing or operating defect in compliance with the technical and quality requirements included on or in the CLAYENS NP drawings, general and technical specifications.

### Clause 3 – Packing and Packaging

The supply shall be delivered with the documentation required for its usage and maintenance, and the packing required for its storage and proper conservation. Invoicing of packing shall not be accepted unless foreseen and included on the purchase order.

The supplier or subcontractor shall be liable for any deterioration of the supply due to unsuitable packing or packaging.

### Clause 4 - Inspections

The supplier or subcontractor shall be responsible for checking and certifying compliance of the supply with CLAYENS NP drawings, general and technical specifications and relevant documentation, of which the supplier or subcontractor acknowledges its knowledge.

### Clause 5 – Delivery

All deliveries shall be conducted in compliance with the dates specified on CLAYENS NP purchase orders.

The delivery date shown on the purchase order is that of arrival of the supplies at the relevant CLAYENS NP factory or factories and is the provisional acceptance date for contracting work. The date of arrival of the goods being the determining date, it shall be considered the date of their receipt by the CLAYENS NP reception departments.

CLAYENS NP reserves the right to modify the delivery date or supply quantities quoted on the CLAYENS NP purchase order, without resulting compensation or price increase, in order to adjust its manufacturing schedules.

Such modification shall be deemed tacitly accepted, if the supplier or subcontractor has not communicated its disagreement in writing within 72 hours of the date, on which CLAYENS NP duly notified the supplier or subcontractor of the aforementioned modification.

Unless otherwise stated, all deliveries shall require establishment of a delivery note featuring the references and date of the relevant CLAYENS NP purchase order.

Compliance certificates, inspection records and all other documents referred to on the CLAYENS NP purchase order shall be included in the delivery packages.

No early delivery shall be permitted without CLAYENS NP prior agreement.

The supplier or subcontractor undertakes to warn CLAYENS NP of any event likely to cause delayed or advanced delivery.

The supplier or subcontractor shall remove any supply refused by CLAYENS NP within 8 days and at its own cost.

### Clause 6 - Defective Supplies

The supplier or subcontractor undertakes to rectify with all due diligence any recorded defects and any operating malfunction resulting from faulty design, materials or workmanship.

The supplier or subcontractor shall assume all the related costs including carriage and transportation, re-working, modification, disassembly and reassembly of faulty components within the supply.

The supplier or subcontractor shall repair every type of damage sustained by CLAYENS NP, its customers or third parties due to the defective supply and within the completion times stated by CLAYENS NP based on the level of seriousness of the non-conformity.

Verifications conducted at the supplier or subcontractor by CLAYENS NP representatives do not relieve the supplier or subcontractor of its responsibility with regard to the quality of the supplies. The supplier or subcontractor may not avail itself of an invoice payment in order to counter claims relating to the quality or quantity of the corresponding supplies.

In the event that the supplier or subcontractor is incapable of delivering a supply in compliance with the specifications of the CLAYENS NP order, the latter party reserves the right to have the relevant compliance assurance work performed by a third party at the cost of the supplier or subcontractor.

Similarly, in the event that operations involving sorting of supplied parts at CLAYENS NP or at a CLAYENS NP customer prove necessary, the supplier or subcontractor undertakes to bear the cost of all expenses inherent to the sorting operations after being duly notified thereof in advance.

Should the supplier or subcontractor not reply within 48 hours of being notified (or less, if deemed necessary with regard to the seriousness of the incident), the sorting operations will be started at the cost of the supplier or subcontractor.

An administrative fee will be back-charged to the supplier or subcontractor in default with regard to any quality incident and the supplier or subcontractor shall similarly reimburse all relevant costs back-charged by CLAYENS NP customers.

### Clause 7 - Payment Conditions

Unless otherwise stipulated, CLAYENS NP payments will be made in compliance with the French on Modernisation of the Economy (LME) payment terms for French suppliers or subcontractors, namely 30 days EOM with payment made on 15th of month following, 45 days EOM or net 60. Payment will be made by bank transfer, draft or cheque.

Payment conditions will be fixed on a case-by-case basis for foreign suppliers or subcontractors.

The payment due date is calculated from the invoice issuance date under LME-related payment conditions and the contract delivery date or, in the event of late delivery, from the effective delivery date for all other cases.

CLAYENS NP reserves the right not to make down payments for partial deliveries solely initiated by the supplier or subcontractor.

The supplier or subcontractor shall be liable for all bank charges applied to international bank transfers.

### Clause 8 - Invoicing

Invoices shall be drawn up in two copies and each shall be separately mailed to the CLAYENS NP accounting department. Invoices shall include references of the relevant purchase order. CLAYENS NP reserves the right to refuse any goods and any related invoice, for which no purchase order has been issued by the CLAYENS NP Group.

The supplier or subcontractor shall not assign or transfer a claim arising from fulfilment of the CLAYENS NP order to any third party.

### Clause 9 - Suppliers and Subcontractors recommended by CLAYENS NP Customers

Suppliers or subcontractors certified by CLAYENS NP customers shall undertake to comply scrupulously with the conditions stated on CLAYENS NP purchase orders.

Moreover, only CLAYENS NP is empowered to modify the formalised requirements and any technical or logistical interference from a customer of CLAYENS NP will be systematically refused.

### Clause 10 - Transfers of Ownership and Risks

Transfers of supplier or subcontractor ownership shall operate in accordance with the legal texts in force. Transfer of risks shall take place, when quantitative and qualitative acceptance is pronounced at CLAYENS NP factories or on delivery. In the event of ancillary work (assembly, setting, testing, etc.) and notwithstanding the aforementioned provisions, the supplier or subcontractor shall continue to assume the risks inherent to the supplies subjected to such work until its acceptance has been pronounced.

Acceptance-related operations performed at the supplier or subcontractor shall constitute no assumption of risks on the part of CLAYENS NP.

### Clause 11 - Guarantees

The supplier or subcontractor shall guarantee provision of supplies in the quantities stipulated on CLAYENS NP purchase orders. The supplier or subcontractor shall not halt production or delivery of the supplies without prior written authorisation of CLAYENS NP.

Minimum notice of 6 months shall be required in the event that the supplier or subcontractor wishes to terminate the business relationship with CLAYENS NP in order to identify a new partner.

Should the supplier or subcontractor fail to provide the aforementioned 6 months' notice of termination, CLAYENS NP reserves the right to seek compensation from the supplier or subcontractor for the financial loss sustained by CLAYENS NP.

### Clause 12 - Penalties for delay

Penalties for delay, either under the contract or passed on to the supplier or subcontractor, when CLAYENS NP is subjected to such penalties through the fault of the supplier or subcontractor, shall start from the delivery date included on the CLAYENS NP purchase order. The aforementioned date shall remain in full force and effect in the event of reworking, modification and scrapping operations required by restoration of the supply to the technical requirements set forth on drawings, in contract specifications, and in all official current regulations, standards and legislation.

In the event of late delivery, CLAYENS NP reserves the rights to:

- . Apply a penalty for delay of 0.5% of the total supply contract price per day of delay, up to a maximum penalty of 5% of the total order price.
- . Claim for financial indemnification of all losses sustained by CLAYENS NP and its customer.

The supplier or subcontractor shall indemnify CLAYENS NP for all its committed or sustained expenses, such as production downtime costs, exceptional transport costs and all sums inherent to the aforementioned delays and paid to CLAYENS NP customers.

### Clause 13 - Contract Termination

Any contract termination imposed or not imposed by the end customer shall be subject to a maximum stock return equivalent to 1 month of consumption based on current volumes.

### Clause 14 - Production Moulds and Tooling

Moulds and tooling manufactured by the supplier or subcontractor on behalf and at the cost of SINTEX NP, and all goods and tooling made available to the supplier or subcontractor may only be used for fulfilling CLAYENS NP orders unless otherwise authorised in writing by CLAYENS NP. Moulds and tooling shall remain the property of CLAYENS NP and shall be returned to CLAYENS NP on request and in good working order. The supplier or subcontractor shall affix an owner identification plate (supplied or not by CLAYENS NP) to the aforementioned moulds and tooling. The supplier or subcontractor shall ensure and bear the cost of routine maintenance and repairs following all operating incidents affecting the aforementioned moulds and tooling.

In the event of damage, accidental loss or deterioration, the supplier or subcontractor shall reimburse the replacement value to CLAYENS NP or shall bear the cost of reconditioning moulds and tooling stored on its premises.

In the event that CLAYENS NP has paid only part of the mould or tooling price, according to the procurement conditions established when placing the mould or tooling order, CLAYENS NP remains, in any event, owner of the mould or tooling and reserves the right to take

possession thereof at any time subject to payment of the outstanding difference between the total mould or tooling price and the sum already paid. The payment period for this outstanding difference shall be 30 months from the contract deadline applicable to the first parts.

#### Clause 15 - Subcontracting

In application of Article 3 of French Law 75-1334 of the 31st December 1975, the supplier or subcontractor shall undertake not to subcontract all or part of the CLAYENS NP order without the prior written approval of CLAYENS NP concerning the subcontractor selection.

#### Clause 16 - Insurances

The supplier or subcontractor shall be financially and technically responsible for all the materials, products, moulds and tooling placed at its disposal.

The supplier or subcontractor shall be liable for reimbursing the value of all materials corresponding to production scrap. Having the custody and use of the equipment entrusted to it by CLAYENS NP, the supplier or subcontractor shall be responsible for all losses and damage of every type, to which the aforementioned equipment may be subjected, from the time at which the it takes possession of the aforementioned equipment until it ensure its delivery to CLAYENS NP.

Should the supplier or subcontractor consider that it cannot bear the aforementioned risks, it shall take all the necessary measures to insure against them.

The supplier or subcontractor shall be liable for all direct or indirect consequences, and all hidden or latent defects, which may affect the supplies.

The supplier or subcontractor shall provide evidence, at the request of CLAYENS NP, of its taking out of one or more insurance policies covering the third party financial risks, which may arise from a defective product.

#### Clause 17 – Compliance with Legislation and Ethical Commitment

The supplier or subcontractor certifies that it has knowledge of and complies in every respect with the laws, decrees and regulations issued by all local authorities with

regard to its activity and within the scope of fulfilling the order.

The supplier or subcontractor undertakes to combat social exclusion, in particular through training, integrating and mentoring young people.

The supplier or subcontractor prohibits the employment of children under the age for completing compulsory schooling in the relevant country.

The supplier or subcontractor undertakes to comply with regulations specific to each country under employment law.

#### Clause 18 – Responsible Purchasing Policy

CLAYENS NP is determined to control the environmental, social and economic impact.

We encourage the application of good governance practices in the activities of all of our purchases.

We implement the means to be exemplary in terms of loyalty regarding the integrity and fair treatment practices of our suppliers particular, with factual selection criteria.

We ask our suppliers to commit to a sustainable development approach.

#### Clause 19 – Right of Access to Workshops

The supplier or subcontractor shall systematically provide CLAYENS NP representatives and/or CLAYENS NP customers with access to its workshop or production shop within the scope of audits or meetings.

#### Clause 20 - Confidentiality

The supplier or subcontractor shall take all effective measures to prevent commercial or technical information on CLAYENS NP orders and invitations to tender from being communicated, even fortuitously, to third parties.

This duty of ensuring confidentiality shall be maintained throughout the order fulfilment period and for a period of 3 months thereafter.

The supplier or subcontractor guarantees CLAYENS NP against all third party claims relating to the industrial property of the components it supplies to CLAYENS NP and undertakes to stand in for CLAYENS NP in the event of legal proceedings.

#### Clause 21 - Advertising

The supplier or subcontractor undertakes not to expose in any form whatever CLAYENS NP products and parts manufactured from CLAYENS NP drawings, models or technical specifications, unless CLAYENS NP has duly authorised such exposure in writing.

#### Clause 22 - Disputes

The supplier or subcontractor shall endeavour to settle out of court all disputes involving interpretation or execution of CLAYENS NP orders.

All disputes involving interpretation or execution of SIN NP orders shall be referred exclusively to the jurisdiction of the Courts in the area of the CLAYENS NP headquarters.

#### Clause 23 - Applicable Language

These GTCP have been formally drafted in the French, English and German languages.

The French language version shall take precedence in the event of difference between, and/or interpretation of, the three versions.