

1. Scope

1.1. These General Terms and Conditions of Purchase and, if applicable, the most current version of LEM Group Suppliers General Requirements Manuel (available on www.lem.com) which are an integral part of these General Terms and Conditions of Purchase (hereinafter collectively the "Conditions of Purchase") apply to all goods and services procured by LEM TECH FRANCE S.A.S. with a capital of 50,000 Euros, registered number 827 802 356 R.C.S. in Lyon, with its registered office at Les Allées du Parc, Allée des Parcs 575/655, 69800 St.-Priest, France or any of its affiliates within France (hereinafter "LEM") from external suppliers (without regard to supplier location), as listed by LEM in a purchase order (hereinafter the "Products/Services"). By accepting LEM order, the supplier agrees to the application of these Conditions of Purchase for the procurement of Products/Services by LEM. Conditions other than these Conditions of Purchase and the supplier's conditions of sale do not apply even if LEM does not explicitly refuse them or if the conditions of the supplier set out that they shall prevail. Any modifications of or deviations from these Conditions of Purchase must be agreed in writing and signed by LEM and the supplier, in which case such modifications or deviations shall prevail.

2. Affiliate

2.1. An affiliate of LEM TECH FRANCE S.A.S. is defined as any legal entity which directly or indirectly controls, is controlled by or is under common control with LEM TECH FRANCE S.A.S. The term "control" shall mean the ability to vote more than 50% of the voting securities of any entity or otherwise having the ability to direct the management and policies of an entity.

3. Order

3.1. The contract is considered as concluded between LEM and the supplier when LEM has placed an order, unless the supplier rejects it in writing within 2 working days after receipt. The order together with these Conditions of Purchase and any other documents specifically referred to in the order or separately agreed to in writing, such as technical specifications, drawings or quality requirements, will be binding and form part of the contract between LEM and the supplier.

3.2. The supplier shall fully comply with LEM's requirements as set forth in the order, including, without limitation, the identified reference and revision level of the ordered Products/Services. Deviating comments on the order shall only be valid if approved in writing by LEM. In such a case, LEM will issue a revised order cancelling and superseding the previous one. In any case, the supplier undertakes to promptly inform LEM if any LEM's requirement contained in the order differs from the technical specifications validated by LEM.

3.3. Orders may be submitted, whether in writing or electronically, and do not need to be signed to be enforceable, unless otherwise required by applicable law.

4. Order change and cancellation

4.1. Except and only to the extent it is specifically precluded by applicable law, LEM may at any time, in the form of a change order to the supplier (whether in writing or electronically), make any changes to an order even after it was approved (e.g. change to delivery dates, place(s) of delivery, packaging, quantities and/or the Products/Services covered by an order).

4.2. If any such change causes a material increase or decrease in the cost of, or the time required for, performance of the order, an equitable adjustment shall be made to the price and/or delivery date. Any claim by the supplier for adjustment under this clause shall be made in writing, together with supporting documentation satisfactory to LEM. However, any such claim shall be deemed waived unless asserted within 2 working days after receipt by the supplier of the change order. Unless otherwise instructed by LEM, any claim by the supplier must be approved by LEM in writing before the supplier proceeds with such change. The supplier shall not suspend performance under any order while LEM and the supplier are in the process of making such changes and any related adjustments.

4.3. Except and only to the extent it is specifically precluded by applicable law, LEM may cancel any order at any time and for its sole convenience on or before the lead time for production or 30 calendar days prior to the date of delivery, whichever is shorter, without any liability to LEM in connection with any such cancellation. If LEM cancels any order less than the lead time for production or 30 calendar days prior to the delivery date, whichever is shorter, LEM shall reimburse the supplier for the work already performed prior to the notice of cancellation that the supplier can document to LEM's satisfaction. The supplier shall not be paid for any work done after receipt of the notice of cancellation nor for any costs incurred by supplier's sub-suppliers or providers which the supplier could reasonably have avoided. LEM will in no event reimburse costs exceeding the contract price of the Products/Services under the cancelled order. This clause 4.3 is without prejudice to LEM's rights to cancel any order for cause.

4.4. No further claims shall exist.

5. Prices and payment terms

5.1. The supplier shall provide the Products/Services at a firm-fixed price including all delivery costs. Price increases shall be valid only if confirmed in writing by LEM's duly authorized representative.

5.2. Unless otherwise specified in the order, all prices are deemed delivery duty paid (DDP - Incoterms 2010) to the place of delivery specified by LEM. Currency is as set forth in the order.

6. Invoicing/Terms of payment

6.1. The supplier may issue an invoice after delivery but not later than 30 calendar days of delivery of the Products/Services.

6.2. The supplier shall submit to LEM invoices in a form and format satisfactory to LEM and complying with generally accepted accounting principles. In particular, invoice shall indicate the exact LEM order number, LEM designation of the Products/Services, quantity and price. The invoice address is according to the order. The value-added tax shall be shown separately on the invoice. The supplier shall be responsible for all consequences arising from the failure to meet these requirements.

6.3. Unless otherwise agreed in writing and except and only to the extent it is specifically precluded by applicable law, the invoices are paid by LEM within 60 calendar days from the date of issue of the invoice. Payments shall in no event be construed as an acceptance of the Products/Services nor a waiver of notices of defects by LEM.

6.4. LEM reserves the right of set-off and the right of retention to the extent permitted by applicable law.

6.5. The supplier is not allowed to proceed to any delivery stop against LEM in case of late payment of LEM.

7. Place of delivery and passing of risk and ownership

7.1. Unless otherwise specified in the order, deliveries shall be DDP (Incoterms 2010) to the place of delivery specified by LEM on the order or LEM's place of business if no other place of delivery has been specified.

7.2. Each delivery shall include a detailed delivery note listing the order details, order number, order date and LEM buyer name, with clear and correct description of INTRASTAT codes (when applicable). The supplier shall ensure that all special documents required by law, such as safety data sheets, certificate of origin and export documents, accompany the delivery.

7.3. The supplier will be responsible for any damage caused by wrong, missing or insufficient documentation. Wrong, missing or insufficient documentation may delay payment, except and only to the extent it is specifically precluded by applicable law.

7.4. Ownership of the Products/Services passes to LEM with their delivery to the place of delivery.

8. Packaging

8.1. Packaging must be secure and adequate for preventing damage during storage, transport and shipment. The Supplier must comply with any special labelling and packaging instructions given by LEM at no further cost, except and only to the extent it is specifically precluded by applicable law, respectively additional costs may be imposed by the supplier only with LEM's prior written consent.

8.2. The supplier shall ensure that the packaging complies with the applicable environmental regulations.

9. Delivery dates, delay

9.1. Delivery dates and quantities specified in the order are binding. Delivery date shall be understood as the date of delivery of the Products/Services at the agreed place of delivery in accordance with clause 7.1 above.

9.2. Partial deliveries and early deliveries are not permitted, unless otherwise agreed.

9.3. If the supplier anticipates that he will not be able to deliver the Products/Services at the delivery date, the supplier shall forthwith notify LEM in writing of the reason and the expected duration of the delay.

9.4. In case of early, delayed or partial delivery, the supplier shall be immediately deemed to be in default without notice.

9.5. Acceptance of an early, delayed or partial delivery shall not be deemed a waiver of the rights that LEM is entitled to as a result of supplier's deviation from the binding delivery dates.

9.6. In the event of delay, LEM reserves the right to claim a penalty amounting to 1% of the contract price per complete or incomplete week of delay, but not exceeding 10% of the contract price in total. The penalty shall not relieve the supplier from its obligations under the contract. LEM reserves the right to assert any further legal claims, including the right to claim damages and/or terminate the contract.

10. Performance

10.1. The supplier undertakes to perform the contract with all due diligence and efficiency, in a competent and workmanlike manner and in compliance with the generally accepted best practice of the industry.

10.2. The supplier agrees that it will comply with all applicable laws, standards, rules, regulations and requirements of the jurisdiction where the Products/Services are manufactured, stored, shipped, used and sold.

10.3. In case of Products/Services procured by LEM for the need of manufacture of its own products, the supplier shall use an appropriate and documented quality management system to ensure at all times traceability of the Products/Services and any materials in the Products as well as conformity of the Products/Services with the agreed specifications and quality standards. The supplier shall not substitute or modify the Products/Services nor any materials in the Products without LEM prior written consent. Might the supplier require changing manufacturing site, product design, process or control, the supplier must receive LEM's prior written agreement for such change.

10.4. The supplier shall promptly notify LEM in writing of any circumstances which could endanger or hinder the performance of the contract, including any possible quality or safety issue with the Products/Services.

11. Sub-suppliers and providers

11.1. The commissioning of sub-suppliers is subject to the prior written approval of LEM.

11.2. Independently of any negligence or fault, the supplier shall assume unlimited liability for its providers and sub-suppliers as for itself, even though LEM has approved them and LEM shall have no obligation and no liability whatsoever vis-à-vis the providers and sub-suppliers of the supplier.

12. Inspection

12.1. LEM is entitled, upon reasonable notice, at any time during the contract and for a period of 6 months thereafter, to access and inspect the facilities and records relating to the design, manufacture, testing, storage and/or delivery of the Products/Services, including, without limitation, the manufacturing and quality control, testing operations and compliance procedures relating to the Products/Services. The inspection may be carried out by LEM's representatives and/or LEM's customers. The supplier shall allow LEM's representatives and/or LEM's customers the appropriate right of access to the premises, facilities, equipment, personnel, books and records of the supplier, providers and sub-suppliers. The supplier shall ensure that LEM has the rights to access and inspect the providers and sub-suppliers as set forth herein.

12.2. Such inspection shall not relieve the supplier from its obligations under the contract.

13. Warranty and Remedies

13.1. The supplier warrants that the Products/Services (i) have the promised characteristics, (ii) are in accordance with the agreed performance requirements and specifications, (iii) comply with the applicable laws, standards, rules, regulations and requirements where the Products/Services are manufactured, stored, shipped, used and sold, (iv) are free from defect in design, material and workmanship, (v) are free from defects of title and rights of third parties, (vi) are suitable for their intended purposes, (vii) meet the quality agreements between LEM and the supplier, if any, and (viii) are new and unused at the delivery date. Said warranties shall be in addition to any warranties of additional scope given by the supplier to LEM.

13.2. The warranty period shall be 36 months from the date of delivery of the Products/Services or for a longer period if the supplier issues such a warranty.

13.3. The supplier hereby discharges LEM from its obligation to inspect the Products/Services at receipt.

13.4. Any notification of defects within the warranty period is deemed made in time and the supplier hereby waives the objection of delayed notification.

13.5. In the event of defective Products/Services, LEM may, at its option (i) require the supplier to remedy the defects at no charge, (ii) require the supplier to replace the defective Products/Services at no charge, (iii) reduce the price in proportion to the defects, or (iv) terminate the contract. In any case, LEM retains the right to claim damages in addition to the remedies set out above in this clause.

13.6. If the supplier is unable to eliminate a defect within a reasonable time since notification of the defect by LEM or in case of urgency, LEM shall be entitled to eliminate the defect itself or through a third party at the cost and risk of the supplier.

- 13.7. After the defect has been remedied or the defective Products/Services have been replaced, the warranty period shall commence anew.
- 13.8. The right to assert any further legal claims remains expressly reserved.
- 14. Product obsolescence**
- 14.1. If the supplier discontinues the production of the Products, he shall be bound to inform LEM of this at least 12 months in advance and allow LEM the opportunity to make a final order at all times within such 12 months period.
- 15. Liability, Insurance**
- 15.1. The supplier shall be liable to LEM and its affiliates, shareholders, directors, officers, employees, agents, subcontractors, suppliers and customers (the "Indemnified Parties") for and hold such Indemnified Parties harmless from all costs and all damages, and, shall pay any costs and damages incurred by the Indemnified Parties from and against any third-party claims (including lawsuits) arising from the Products/Services provided by the supplier under the contract, including but not limited to product liability (if applicable) or a contractual breach of the supplier such as late delivery or breach of warranty obligations, whether or not the supplier may have been negligent or at fault. This liability includes, but is not limited to, the costs of product recall actions, the costs of dismantling, installation, testing, and transportation of defective products at (from and to) LEM's customers.
- 15.2. The supplier shall have and maintain all necessary insurance coverages with insurance carriers to the satisfaction of LEM, including, but not limited, professional liability and public liability insurance (with extended product liability insurance) that also covers the costs of any recalls. At any time upon LEM's request, the supplier shall provide LEM with a certificate of insurance as evidence of appropriate coverages. The insured amount under this clause 15.2 cannot be considered nor construed as limitation of liability.
- 16. Intellectual property rights**
- 16.1. The supplier warrants that the Products/Services do not infringe any copyrights, patents, trademarks, designs or other property rights of third parties.
- 16.2. In addition to clause 15.1 above and independently of any fault on the part of the supplier, the supplier shall promptly defend the Indemnified Parties (as defined in clause 15.1) against any third-party claims based on alleged intellectual property rights infringement and pay any costs and damages incurred by the Indemnified Parties in conjunction with such claims. Supplier's obligation to defend the Indemnified Parties and pay any costs and damages shall not apply if and to the extent the liability or damage was caused solely by the supplier's proper use of LEM Property contributed to, or implemented into the Products/Services (as defined in clause 17.1 below) and if the supplier does not know or was not expected to know that intellectual property rights of third parties were infringed.
- 16.3. If an action for the infringement of property rights is filed, the supplier may at its own expense, at LEM's option, either reach a settlement which grants LEM the right to use the Products/Services free of any liability for infringement, or replace it with a similar one as agreed by LEM, or take back the Products/Services and credit LEM with an amount equal to the purchase price reduced taking into account the normal depreciation of the Products/Services. Failure to satisfy the above LEM's option entitles LEM to terminate the order and claim compensation for any and all costs and damages incurred. This clause 16.3 is without prejudice to LEM's rights under clause 16.2.
- 17. Ownership of information and material**
- 17.1. Any and all intellectual property, commercial and technical information and material, including, without limitation, patents, know-how, trademarks, logo, designs, drawings, tools, molds, dies, plans, templates, samples, specifications, test equipment, manufacturing and/or testing and quality processes (hereinafter "LEM Property") that LEM discloses and makes available to the supplier, in whatever form and format, shall be and remain LEM's property. The supplier shall not at any time do or cause to do, directly or indirectly, any act which impairs or tends to impair in any way LEM's rights, title or interest in and to any of LEM Property. LEM reserves all rights in respect of LEM Property.
- 17.2. LEM Property shall not be modified without the written consent of LEM. Any items of LEM Property shall be clearly marked by the supplier as being owned by LEM and separated from the supplier property. LEM Property shall not be used by the supplier except for performance of the contract or as authorized in writing by LEM and may only be supplied to third parties with LEM prior written consent. The Products manufactured with any LEM Property may neither be used by the supplier itself nor offered or supplied to third parties.
- 17.3. While in supplier's possession or control, LEM Property shall be held at supplier's cost and risk. The supplier warrants that it will keep any items of LEM Property in good condition and safely stored, and will replace any such items when lost or destroyed. The supplier undertakes to carry out in a timely manner any needed maintenance and inspection work on any items of LEM Property at his own expense and shall promptly report any failure. The supplier shall insure at his expense any items of LEM Property against loss by fire, water and theft.
- 17.4. Any right of retention with respect to LEM Property is expressly excluded and the supplier undertakes that LEM Property shall be free and clear of all liens and encumbrances, security interests and claims of the supplier and supplier's creditors. Unless otherwise agreed, LEM Property must be automatically returned or destroyed at LEM's request. Notwithstanding the foregoing, in the event of supplier's insolvency or bankruptcy, LEM's representatives are authorized to enter the supplier's premises at any time and remove LEM Property.
- 17.5. In case the supplier fails to comply with any of its obligations under this Section 17, LEM shall be entitled to claim compensation for the resulting damages.
- 17.6. If the supplier develops custom features for the Products/Services, all intellectual property rights, title and interest in such custom work shall be the sole property of LEM, the custom work being considered works created under commissioning. In case such direct vesting of rights is not possible under the applicable law, the supplier shall at supplier's costs perform any and all actions, necessary to transfer and assign to LEM, or if not allowed under the applicable law, to provide LEM with the right to use or an equivalent, over such custom works, which is as broad as possible under the applicable law, for the maximum term allowed, without the right of supplier to use such works. Should the supplier fails to do so within reasonable time and in addition to any other remedies available to LEM, LEM shall be entitled to handle all necessary procedures and ask for assistance and reimbursement of the costs incurred.
- 18. Confidentiality**
- 18.1. As long as it is not entered into the public domain, the supplier shall keep as strictly confidential any and all information furnished by LEM, including, without limitation, all LEM Property as well as any other data, documents and experience of LEM, its affiliates or their respective customers or business partners, and shall not disclose any such information to any third party, or use such information for any purpose other than performing the contract, except otherwise expressly agreed to in writing by LEM.
- 18.2. LEM information shall not be retained for longer than necessary to provide the Products/Services. Immediately upon termination of the contract or at any time upon LEM written request, the supplier shall either return to LEM or, at LEM's option, destroy LEM information and all copies thereof, except for copies which must be retained in accordance with applicable law or which reside on automatic computer back-up or disaster recovery systems so long as such residing copies are not readily accessible and are not used or consulted for any purpose not permitted. In case of destruction, the supplier shall confirm in writing such destruction to LEM.
- 18.3. The disclosure of the contract for advertising or reference purposes shall not be allowed without LEM's written consent.
- 18.4. The supplier shall be bound by this undertaking on and after termination of the contract. Supplier is obliged to bind its employees, agents and sub-suppliers with the same non-use and confidentiality obligations.
- 19. Data Protection**
- 19.1. When performing the contract, the supplier may need to process personal data about LEM or its employees. The supplier shall be responsible for processing such personal data in compliance with the applicable data protection laws and only for the purpose of performing the contract. The supplier shall not, without LEM's prior written consent, transfer personal data to any third party or a country offering a lower level of legal protection than in the country of origin of the personal data in question.
- 19.2. The supplier is advised and consents that LEM processes personal data about the supplier and its representatives (such as the name, address, telephone number, fax number and e-mail address of the supplier's representatives) for the purposes of handling the contract between LEM and the supplier and managing and administering LEM group-wide purchases and procurement services. The supplier consents to LEM sharing personal data with other LEM affiliates, including for administrative and marketing purposes. The supplier understands and consents that personal data may be transferred to and processed in databases located and accessible globally by the personnel of LEM affiliates and any third party service providers acting on LEM's behalf worldwide, including in countries offering a lower level of legal protection than in supplier's country of incorporation. The supplier warrants that it processed personal data lawfully, including obtained the required consents, and that LEM has the right to process for its own purposes any personal data transferred by the supplier.
- 20. Export and import compliance**
- 20.1. The supplier shall remain in full compliance with all applicable export and import control laws and regulations. The supplier will obtain, at its own expenses, any import, export, transfer and re-export approvals and licenses required for the Products/Services and will retain documentation evidencing compliance with those laws and regulations.
- 20.2. The supplier undertakes to find out in due course about possible export and/or import bans or restrictions and will immediately inform LEM accordingly when relevant.
- 21. LEM Code of Conduct**
- 21.1. The supplier, its employees, agents, sub-suppliers and providers are expected to comply with the requirements as set forth in LEM Code of Conduct, setting out LEM's core values, responsibilities and ethical obligations, and any updated version thereof. Signature of LEM Code of Conduct by the supplier is a pre-requisite to any continued business relationship between LEM and the supplier. The supplier is responsible for ensuring compliance with LEM Code of Conduct by all its employees, agents, sub-suppliers and providers. LEM reserves the right to audit compliance with LEM Code of Conduct which may include facility inspections. Failure to adhere to LEM Code of Conduct shall entitle LEM to terminate the contract for material breach without compensation.
- 22. Force Majeure**
- 22.1. Either party shall be entitled to suspend performance of his obligations under the contract to the extent that such performance is impeded by Force Majeure, meaning an event that was not foreseeable by the affected party at the time of execution of the respective order, is unavoidable and outside the control of the affected party, and for which the affected party is not responsible. The following events (the list of which is not exhaustive) shall be considered as Force Majeure events to the extent they present the characteristics described above: strike, boycott, embargo, export restrictions, riot, epidemics, natural disasters, extreme natural events, act of war, terrorist acts. Each party shall use its commercially reasonable efforts to minimize the effects of any event of Force Majeure.
- 22.2. The party claiming to be affected by Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance. If the affected party fails to give such notice, the other party shall be entitled to compensation for any additional costs which it incurs and which could have avoided had it received such notice.
- 22.3. Either party shall be entitled to terminate the contract by written notice to the other party if performance of the contract is suspended for Force Majeure for more than 30 calendar days.
- 23. Assignment**
- 23.1. The supplier may not assign, transfer or encumber any rights resulting from the contract without LEM's prior written consent. LEM is allowed to assign, transfer or encumber to any third party any rights resulting from the contract.
- 24. Applicable law**
- 24.1. The contract shall be governed by and construed in accordance with the laws of the country of incorporation of the LEM company placing the order, with explicit exclusion of both any applicable international private law principle and the United Nations Convention on Contracts for the International Sale of Goods dated 11th April 1980.
- 25. Place of jurisdiction**
- 25.1. The place of jurisdiction for any disputes shall be the registered office of the LEM company placing the order.
- 26. Other provisions**
- 26.1. Failure to enforce or exercise any right or provision of these Conditions of Purchase or a contract does not operate, and shall not be construed, as a waiver of such right or provision and shall not preclude the right later to enforce such right or provision or any other term herein contained.
- 26.2. If any provision of these Conditions of Purchase should be void or unenforceable, this shall not affect the validity of the remaining provisions. Any provisions that are void or unenforceable shall be replaced by provisions that come as close as possible to achieving the intended purpose.
- 26.3. Any clause of these Conditions of Purchase expressly or impliedly intended to survive termination of the contract shall remain in full force and effect notwithstanding such termination. Clause 13 (Warranty and Remedies), clause 15 (Liability, Insurance), clause 16 (Intellectual property rights), clause 17 (Ownership of information and material), clause 18 (Confidentiality), and clause 19 (Data Protection) shall survive termination.
- 26.4. Nothing in this contractual relationship shall be construed to constitute the supplier as an agent or employee of LEM or so as to have any kind of partnership with LEM. Unless authorized in writing, the supplier may neither represent, nor engage LEM towards third parties.
- 26.5. LEM and the supplier agree to these Conditions of Purchase being in English. In case of discrepancy between the English and other language versions, the English version shall prevail.