

## General Terms and Conditions of Sale

PUNCH Powerglide Strasbourg SAS ("PPS")

Effective from January 2018

### 1. SCOPE

These General Terms and Conditions of Sale ("Terms and Conditions") and the tariff attached hereto are effective as of January 1<sup>st</sup>, 2018. It shall apply to all present and future offers, orders, agreements, deliveries, and other services unless amended or excluded through the signing of a specific supply agreement negotiated with the written consent of PPS. The issuance of an order implies full adherence to Terms and Conditions without reservation.

Terms and Conditions are even applicable if PPS supplies its products and/or services without challenging divergent conditions used by the Client, provided that these Terms and Conditions were previously communicated by any means to the Client.

Any additional agreement or other amendment to these Term and Conditions shall necessarily take the form of an express, written agreement.

PPS will provide a 30 day notice for any change or cancellation of these Terms and Conditions and/or modification of the applicable tariff (provided however, PPS may modify these Terms and Conditions and/or the applicable tariff if they are in contravention of the applicable law or if a new tax of whichever nature is to be adopted which would increase the prices of the Products set forth herein, with immediate effect).

The latest version of the PPS' Terms and Conditions are available and can be downloaded on the PPS website.

### 2. ACCEPTANCE OF ORDERS, DELIVERY AND PAYMENT

PPS' offers are always subject to confirmation and the Client's orders shall be binding on PPS only after PPS has confirmed them in writing or, failing this, at the moment when PPS begins to perform the order. Delivery times and deadlines shall not be binding but only indicative.

All prices are understood to be quoted in Euros, unless otherwise agreed. Except if it is provided otherwise in the order confirmation, they apply to EX WORK deliveries, exclusive of packaging.

Unless mutually agreed on the base of an express provision to the contrary signed by both Parties, PPS is always committed towards the Client to a best efforts obligation regarding the performance of its services.

Therefore, the Client shall be responsible for all incidental costs such as freight and insurance as well as export, transit, import, and other licenses. The Client is also responsible for paying any type of taxes, fiscal costs, fees, customs duties, and the like that are levied in connection with the agreement and agrees to reimburse PPS for them upon presentation of the relevant documentation.

The applicable prices are those indicated by PPS in the applicable tariff, together with, where relevant, the VAT at the rate in force. The amounts due shall be paid within a period of 30 days after issuance of the invoice by wire transfer to the benefit of the account mentioned on PPS invoices.

In case of late payment, the prices of the Products will be increased by an interest rate equal to three times the legal interest rate. Such interest is due as from the receivable due date without any prior notification being necessary. In addition, in case of delayed payment, the Client will automatically owe, to PPS, a lump-sum indemnity for recovery costs as provided by article D.441-5 of the French Commercial Code. If the incurred recovery costs are higher than the amount of such indemnity, PPS may request an additional indemnification, upon justification.

Delays in payment or endangerment of PPS receivables due to the deterioration of the Client's creditworthiness shall entitle PPS to

demand immediate payment of or to be granted a security for all its existing receivables arising from the business relationship, independent of the term of any bills of exchange. In such case, PPS has the right to require payment in advance or to be granted an enforceable security for any outstanding deliveries. No discount shall be granted in the event of early payment.

### 3. RESERVATION OF TITLE

PPS reserves the ownership of the Products until full payment of all the amounts due by the Client in principal and interest. For the entire duration of the retention of title, the Client undertakes to duly inform any third party about the property rights of PPS on such Products. The Client also undertakes to immediately inform PPS about any attempt by any third party aiming to obtain possession of Products under retention of title. The Client will assist PPS free of charge for the enforcement of its rights.

During the period of reservation of title, the Client shall maintain the delivered Products separately with a sign mentioning that they belong to PPS and insure them against theft, breakage, fire, water, and all other risks at his own expense for the benefit of PPS. In addition, the Client shall take all action necessary in order to ensure that PPS' claim to title is neither compromised nor revoked. The Client may not pledged the reserved Products nor assign them as security. The Client must notify PPS immediately in the event of pledging, seizure, or other disposal of the Products. The Client is only authorized to use the reserved Products within the scope of proper, ordinary course of business.

However, PPS shall retain all the rights linked to the Products, including in relation to any and all trademarks (whether owned by PPS or licensed to PPS), copyrights, valuable know-how and trade secret.

PPS grants to the Client the right to use the Products but all the Intellectual Property rights shall remain PPS's property and shall not in any case be considered as transferred to the Client.

### 4. SHIPMENT AND TRANSFER OF RISK

PPS bears all the risks of loss or damage only up to the EX-WORKS delivery of the Products. Thus, the Client shall be responsible for all risks as from the loading of the Products at PPS' plant, including without limitation while the Products are in transit with a carrier (i.e. even in the event of partial deliveries or if, as an exception, PPS has undertaken to provide other services such as freight-paid delivery, installation, or assembly). If an acceptance inspection is required, the risk is deemed to be transferred upon the acceptance inspection. This inspection must take place by the acceptance deadline without delay or alternatively after PPS has reported that the Products are ready for acceptance. The Client cannot refuse acceptance if the delivery contain a minor defect or non-conformity.

These general Terms and Conditions of Sale refer to the Incoterms 2010 of the International Chamber of Commerce.

### 5. GENERAL PROVISIONS

#### 5.1 LICENSES, ETC

Client shall obtain its own licenses, authorisations, permits, certificates or other documents required by any governmental authority for the supply and use of the Products. PPS shall not be liable for any violation of applicable laws and regulations by Client with regard to the use of the Products. Client shall maintain, store, handle and transport the Products in compliance with the instructions for use of the Products, as may be modified from time to time.

Notwithstanding the rights conferred to the purchaser by Article 1629 of the French Civil Code, PPS shall only be bound by the eviction guarantee resulting from Article 1626 of the French Civil Code where it was aware of the rights belonging to third parties. PPS shall only undertake an in-depth check on the absence of third party rights, particularly in the absence of a patent registered by a third party, on the express request of the Client and in consideration of a remuneration to be agreed between the Parties.

Independently of the extent of the rights granted to the Client, PPS reserves the right, in any event, to use the know-how used or developed including the ideas, methods, and studies, so as to carry out other developments and other services, including for other Clients.

## 5.2 WARRANTY

- 5.2 (a) PPS warrants that the Products will comply with their description.
- 5.2 (b) Save for the warranty in 5.2(a), the terms of these Terms and Conditions are in lieu of all warranties, conditions, terms and obligations concerning the supply of the Products which might but for this section 5.2 (b) apply between PPS and Client or would otherwise be implied or incorporated into the sale whether by statute, trade usage, or otherwise all of which are agreed to be excluded to the fullest extent permitted by law. The Client being in the same line of business as PPS, the warranty against hidden defect is hereby excluded.
- 5.2 (c) PPS shall be solely held liable for the non-conformity/defectiveness of a Product, when such non-conformity/defectiveness is exclusively and directly attributable to PPS, as long as the liability of PPS has been judicially established.

## 5.3 EXPORT COMPLIANCE

The Parties shall comply with the United-States, France and all applicable export control laws and regulations.

Any Product that is identified during the course of the contract shall be handled in the following manner:

- a) The sending Party shall notify the other Party of the controlled Technology's classification prior to any shipment or transmission;
- b) The Party receiving notice under (a) above shall have an opportunity to accept or reject the delivery of the Product prior to shipment or transfer by the sending party;
- c) The parties shall make reasonable efforts to cooperate in obtaining required licensing and implementing required internal control for the involved Product, to effectively continue the program;
- d) Rejection of a Product shall not constitute a breach of this General Terms and Conditions;
- e) The Parties shall assess the impact of the Product rejection to determine if the program can continue or not.

Any Product notice to be delivered to PPS shall be in writing.

Compliance with these laws and regulations includes, but is not limited to, abiding by U.S. sanctions, embargoes and prohibitions on transactions with restricted parties.

## 5.4 LIMITATION OF LIABILITY

Except as otherwise provided expressly in this contract, there are no warranties, express or implied, including any implied warranty of merchantability or fitness for a particular purpose. Except as otherwise set forth herein, Supplier assumes no obligations or liabilities, and Supplier has authorized no other person or party to assume for it any obligations or liabilities, in connection with such products or parts thereof.

In no event, whether as a result of breach of contract or warranty, alleged negligence or otherwise, shall Supplier be liable for special, incidental or consequential damages, including but not limited to loss of profits or anticipated revenue, loss of use of other equipment, costs of substitute equipment or parts, downtime costs, or claims of customers of Purchaser for such damages.

## 5.5 INDEMNIFICATION

The Client shall defend, indemnify and hold harmless PPS from all liability and claims of all kinds for any injury to persons or property or any other claims of injury, loss, expense or damage incurred by any employee or customer of Client or any third party that are alleged to arise from (i) Client's negligent or intentional acts or omissions or wilful misconduct, or (ii) the misuse of the Products by Client.

## 5.6 ATTORNEY'S FEES

In the event legal action is pursued with respect to these Terms and Conditions, and if PPS prevails in such legal action, PPS shall be entitled to recover from the Client all of the legal fees, costs and expenses incurred by PPS in such action.

## 5.7 GOVERNING LAW - VENUE

These Terms and Conditions shall be governed by and construed in accordance with the laws of France. In case of dispute relating to or arising out of these Terms and Conditions or any related order, each party submit the said dispute to the exclusive jurisdiction of the courts of France, including in case of incidental claims, warranty claims and plurality of defendants.

## 5.8 ENTIRE AGREEMENT

Any order accepted on the base of these Terms and Conditions constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes any and all previous or contemporaneous agreements, statements and undertakings between the parties, whether written and oral. In the event there should be any conflict between these conditions, the applicable PPS' invoice or any other document, these Terms and Conditions shall control and take precedence. These Terms and Conditions may only be amended in a written document signed by authorized representatives of both parties.

## 5.9 ADVERSE EVENTS

Client shall advise PPS as soon as possible but within five days maximum, with sufficient detail and specificity, of any information regarding an actual, reported or potential adverse event or complaint relating to the Products, which comes to the attention of Client or Client's employees, agents or subcontractors.

## 5.10 FORCE MAJEURE

In the event that a party is affected by a force majeure event or any circumstance beyond the reasonable control of that party (including, without limitation, any strike, lock-out, or other form of industrial action, act of God, war or insurrection, significant weather disturbance etc.) it shall forthwith notify the other party within three working days of the nature and extent thereof. In such case, the affected party shall be deemed to be in breach of these Terms and Conditions or otherwise be liable by reason of any delay in performance or non-performance of any of its obligations to the extent that such delay or non-performance is due to any force majeure of which it has timely notified the other party. If such event lasts more than 6 months, the parties shall be entitled to terminate these General Terms and Conditions and any order related to it.

## 5.11 SEVERANCE

If any term of these Terms and Conditions is or becomes invalid or unenforceable, such invalidity or unenforceability shall not affect the other terms, which shall remain in full force and effect. If any term is or becomes invalid or unenforceable, but would be valid or enforceable if some part of it were deleted or modified by the parties, the term in question shall apply with such modification as may be necessary to make it valid and enforceable. The parties shall act reasonably and in good faith to agree any such modification.

## 5.12 CONFIDENTIALITY

Both PPS and the Client undertake to keep confidential, and not to communicate to third parties, and not to divulge any proprietary information of any nature whatsoever received by the other, such as, in particular, the studies carried out in the context of the Terms and Conditions, as well as the results arising from the implementation of the study. This confidentiality shall be maintained for the whole duration of the order, and three (3) years after it has ended. The provisions of this paragraph shall remain in force notwithstanding the termination of any order. However, PPS shall be entitled to mention the Client in its reference list, which the Client accepts expressly. This mention shall not include any confidential or sensitive information and shall be communicated to the Client upon request.

## 5.13 LANGUAGE

All present and future offers, orders, agreements, deliveries, and other services shall be made in English unless stated otherwise.