

# **CONDITIONS OF PURCHASING**

# Article 1 - Essential conditions

This order specifies the technical, commercial and administrative conditions, which are required from the supplier. No modification to these conditions can be taken into account unless it is subject of an amendment or an annex to this order.

The items to be supplied shall be delivered with the documentation necessary for their correct use, storage and maintenance. Records concerning maintenance records, components and spare parts needed to grant the traceability and globally all documentation which is not delivered with the item is under the supplier's responsibility. It shall be stored for, at least, five years and it must be available for inspection by ATELIERS BIGATA, the authorities and/or its customer under simple request.

# Article 2 - Acceptance for order

This order shall only become final once ATELIERS BIGATA has received the attached written acknowledgement of receipt, duly approved and bearing the supplier's commercial stamp. The supplier shall only be able to carry out technical or commercial modifications if he has obtained, confirmed by a written amendment or an annex. No other from of acceptance will be binding on ATELIERS BIGATA.

If the written acknowledgement of receipt is not returned within 14 days following the issue of the order, such order shall be deemed accepted by the supplier.

Our conditions are an integral part of each order and take precedence over the suppliers' conditions of sale. All clauses and conditions appearing on any letters, invoices or documents sent out by the supplier shall be deemed unwritten.

In cases where a general / framework agreement relating to the contractual relations in respect of this order is already in existence and binding upon the supplier and ATELIERS BIGATA, the provisions of such general / framework agreement shall be deemed to be supplemental to the foregoing general conditions and shall prevail, in case of discrepancy or inconsistency.

# Article 3 - Delivery

All consignments must be free of charge at the place of destination.

They shall be the subject of two delivery notes: one to be sent by post on the day of dispatch, the other to accompany the goods. It is obligatory that these delivery notes bear the order number, item reference numbers, the full description and quantities of the items being delivered.

ATELIERS BIGATA reserves the right to refuse any delivery that exceeds the quantities specified in the order. The return of any surplus shall be carried out at the supplier's risk and expense.

# Article 4 - Receipt and transfer of title

The items to be delivered travel at the sender's risk. The transfer of title and risk only takes place once the correct quantity and quality of items ordered have been received by the consignee at his place of business. Receipt procedures carried out on the supplier's premises do not constitute any acceptance of responsibility by us.

# Article 5 - Packing

In order to be accepted by ATELIERS BIGATA, all packing instructions must be obligatory indicated on the supplier's delivery notes. An invoice for packing will only be accepted if it has been provided for in the order.

# **Article 6 – Inspections**

It is the supplier's responsibility to check the items being supplied and to certify that they conform to the applicable conditions.

Inspections carried out by the Official Authorities and Tests carried out by our personnal do not relieve the suppliers of this responsibility.

# **Article 7 – Delivery times**

The delivery times indicated in our orders are mandatory: the delivery dates are those of the arrival of the goods ate the place of destination.

ATELIERS BIGATA reserves the right to cancel by registered letter any order or any part of an order that is not delivered on the date indicated, without prejudice to our right to damages.

Where delivery is late, delivery by a faster means may be insisted upon at the supplier's expense.

No delivery before the due date is acceptable without prior consent, formalized by a written amendment or annex.

# **Articles 8 - Penalties**

Excepting for circumstances outside our control, the penalties specified in the order shall be applied automatically to all late deliveries.

In addition to these penalties, ATELIERS BIGATA reserves the right to request the supplier to pay all justifiable damages resulting from the delay in delivery.

# Article 9 - Rejections

All goods supplied which do not conform to the specifications of our order shall be rejected and shall be taken back by the supplier within 14 days following our notification of rejection: when this time limit has expired, the goods shall be returned by us by forward carriage to the address of the sender at his own risk. All rejected items shall give rise to a credit.

Furthermore, ATELIERS BIGATA reserves the right to claim back the expenditure incurred and any damages if the deficiencies that give rise to the rejection become apparent when being put into operation.

The items delivered to replace those which have been taken back shall be the subject of a new invoice. The date of their final acceptance shall be taken as the starting point for calculation of the penalties and the period of guarantee.

# Article 10 - Export control

The supplier shall identify any part of the item which may be subject to Export Laws and Regulations and shall provide ATELIERS BIGATA and/or our Customer with all information concerning such applicable Export Regulations as well as with any assistance it may request in Implementing such applicable Export Regulations.

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The supplier shall obtain all relevant official approvals, licences and authorizations required for the worldwide export, delivery and operation of the item by ATELIERS BIGATA and/or our Customer.

Notwithstanding any other provision of this order or any other contract entered with the supplier, the supplier shall be liable for all damages, losses and liabilities incurred by ATELIERS BIGATA and/or our Customer as the result of the supplier's non-compliance with its obligations under this Article.

# Article 11 - Warranty

General conditions

The supplier warrants that the good supplied shall be fit for all functions and uses for which they are intended and that they have been manufactured according to the state of the art.

Irrespective of any special conditions specified in the order, the supplier must, under the terms of the warranty given in respect of the goods being supplied and in the case of any defective item, ensure its replacement or make it fit for the use for which it was intended, without charge to the buyer.

Product with a limited lifetime:

In the case of a supply of products having a limited lifetime or items including such products, the supplier must specify:

-the steps to be taken to enable storage whixx guaranteeing conservation, -the total length of effective life, before use, counted from the date of manufacture, -the date by which the product is to be used which must be affixed in an appropriate and indestructible way on the part of the packaging which acts to contain, support or protect the product. The residual life of the goods, which is to be available to the user, must be equal to at least 80% of their total effective life.

#### Article 12 - Cancellation or reduction of the order

In the event of a failure or a refusal by the supplier to perform any portion of this order or in the event of a material breach of any of its obligations under the specific or general conditions of this order, ATELIERS BIGATA, shall have the right to put the supplier on notice to cure failure or breach and if same is not cure within thirty days following such notice, ATELIERS BIGATA shall have the right, by written notice, to terminate this order for default on the part of the supplier, without prejudice to any rights, remedies and compensation available by law.

Should the contract, for which this order has been made, be cancelled either in the whole or in part by the unilateral decision of its customer, ATELIERS BIGATA, reserves the right to reduce or cancel its order in the same proportion and on the same terms without becoming liable to the supplier for damages claims.

ATELIERS BIGATA also reserves the right to cancel or reduce the order in the case where the supplier refuses or is unable to fulfil his technical or commercial obligations in accordance with the conditions of the order, and in particular, if the supplier is subject to a Court Administration order, a sequestration order or a liquidation of his assets, or is being wound up or has ceased trading.

Furthermore, ATELIERS BIGATA shall have the right to take the place of the defaulting supplier, with the studies carried out, the equipment, supplies, parts finished or being manufactured for the order being freely available, and the right to exploit free of charge the patents held by the supplier at his expense.

After a progress and quality inspection by ATELIERS BIGATA, the liquidation of the order shall be limited to expenses incurred within the limits of the total amount of the order, after deduction of the items which the supplier will be able to re-use.

# Article 13 – Price

Expecting provisions to the contrary specified in the order, the price are fixed and not revisable. If the order provides for a price review clause, this will be determined within the contractual time limits in accordance with price legislation and regulation in force at the time review.

In all cases where the order is within the context of governmental contract having a provisional price, the final prices shall be determined and accepted after investigations carried out by the Official Authorities.

The supplier formally undertakes for this purpose to supply the representative authorized to carry out such investigations with document which he may choose to request and to reimburse ATELIERS BIGATA with any sums which may have been paid in excess.

# Article 14 - Advances and instalments

If any advances or instalments are paid and if the order contains a price review clause, the prices shall remain permanently frozen in so far as they relate to those advances and instalments. The payment of an advance or an instalment comprises the transfer to ATELIERS BIGATA of the title in the studies, supplies, equipment, and parts manufactured for the purpose of completing the order, up to a proportion not exceeding the value of the said advance or instalment.

The supplier undertakes to take all measures necessary for the said items to be identified such that they can be easily distinguished by any person needing to do so.

The supplier undertakes to take all measures necessary for the correct conversation of such items and to take out the necessary insurance for this purpose.

# Article 15 - Invoicing

The invoice relating to each delivery, to be drawn up in one original, must be addressed to the Establishment which issued the order within 5 days following delivery. Each invoice must deal with only one order and must include the number of this order, the item reference number, the description, the numbers and the dates of the delivery notes to which it refers.

An invoice statement must be sent to us by the last day of each month at the latest for all deliveries carried out up to and including the 24th. Any delivery after this date is to be counted in the following month.

# Article 16 - Payment

The invoices are only settled after an order to pay is made for the value of the goods accepted by ATELIERS BIGATA. Payments are made by way of bills of exchange, which may be presented during the period of ninety days after the end of the month in which it is received and up to the 10th of the following month.

The domiciliation of a bill of exchange shall be indicated by ATELIERS BIGATA at the time of acceptance. Any bill of exchange drawn on ATELIERS BIGATA, without prior acceptance from us, shall be refused upon presentation.

# Article 17 – Auditing of accounts

If the accounts of this order are audited, for whatever reason, and particularly in the case of cessation of trading by the supplier and in the case where ATELIERS BIGATA cancels the order, the debts incurrent or likely to be incurred between the supplier and ATELIERS BIGATA as a result of this

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order and any different contracts which the supplier and ATELIERS BIGATA may have had a cause to enter into together shall be merged into a single account in order to mutually compensable each other even if the debts are not liquidated or due at the time of the audit of the accounts.

# Article 18 - Equipment and property lent or entrusted

The equipment manufactured by the supplier at the expense of and for the benefit of ATELIERS BIGATA, totally or partially, as well as the property and equipment placed at the disposal of ATELIERS BIGATA, must only be used for the carrying out of orders.

The protection and maintenance of such equipment and property shall be ensured by the supplier at his expense and risk. The supplier undertakes to take out the necessary insurance for this purpose. Such equipment and property remain the property of ATELIERS BIGATA and, if this has not already been done, the supplier must provide them with a permanent marking or identification plate indicating such ownership. The supplier undertakes to return such equipment and property in good condition whenever ATELIERS BIGATA should first ask for them.

# Article 19 - Patents and industrial property

The supplier guaranties ATELIERS BIGATA against any claims by third parties concerning industrial property in respect of the items, which he delivers to us, and he undertakes to act in place of ATELIERS BIGATA in the event of legal proceedings.

The supplier must respect the obligation of "Professional Secrecy" and he must, in particular, take all necessary measures to ensure that the standard specifications, drawings or manufacture details relating to ATELIERS BIGATA's order are neither communicated, nor disclosed to third parties, either by himself, or by his employees or his subcontractors.

ATELIERS BIGATA shall be the sole owner of all the results of this order, including but not limited to all designs, drawings, blue prints, technical information, models, prototypes, tools and all elements of the know-how required for the performance of this order. Only ATELIERS BIGATA shall be entitled to effect or carry out at its own costs and in its own costs and in its sole name any formalities or actions for the acquisition or grant of any industrial or intellectual property rights in connection with such results.

# **Article 20 - Publicity**

The supplier undertakes to only show the parts manufactured in accordance with the drawings, designs or technical specifications of ATELIERS BIGATA with our written authorization.

Under no circumstances may our orders give rise to direct or indirect publicity without the written authorization of ATELIERS BIGATA.

#### Article 21 - Indemnities and insurance

The supplier shall be solely liable for and shall indemnity and hold harmless ATELIERS BIGATA from and against all claims, losses, costs and expenses (including attorney's fees) in any way connected with the death of or injury to any person or the loss of or damage to any property arising out of or having their origin in the performance of this order.

To the extend that the performance of this order requires the presence of one party's representatives at the premises of the other party, each party shall be liable for and shall indemnity and hold harmless the other party from and against all claims, losses, costs and expenses (including attorney's fees) in any way connected with the death of or injury to or the loss of or damage to any property of said representatives, except in case of gross negligence or wilful misconduct of the other party.

Without prejudice to the above provisions, the supplier shall at its own costs effect and maintain insurance for the following risks in amounts satisfactory to ATELIERS BIGATA.

-damage to property lent by ATELIERS BIGATA

-general third party liability insurance (when the performance of the order requires presence of supplier's representatives at ATELIERS BIGATA's premises or at any place specified in the order)

-product liability insurance

The supplier undertakes to provide, upon request of ATELIERS BIGATA, a certificate that the forgoing insurance is in full force and effect.

# Article 22 - Applicable law - Settlement of dispute

The order is governed by the laws of France.

In the event of a dispute, controversy or claim ("Dispute"), arising out or in connection with the order, including any Dispute regarding its existence, validity or termination, such Dispute shall be exclusively and finally determined and settled by arbitration shall be Paris.

Resource to jurisdictions is expressly excluded, except as provided for in the International Chamber of Commerce Rules of Conciliation and Arbitration concerning Conservatory and interim measures.

All required documents must be issued in English language.

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