

GENERAL TERMS AND CONDITIONS OF SALE ARCEL

PURPOSE AND APPLICATION OF THESE GENERAL TERMS AND CONDITIONS OF SALE

These General Terms and Conditions of Sale (GTCS) form the basis of the commercial negotiations and are systematically sent or given to the Buyer to enable him/her to place an order.

The following terms and conditions set out the rights and obligations of ARCEL and the Buyer in relation to the supply of equipment (hereinafter the "Supplies") by ARCEL to a client (hereinafter the "Buyer").

These general terms and conditions of sale apply to all orders placed with ARCEL by any company (hereinafter referred to as "the Buyer").

The Buyer is deemed to have read and accepted these general terms and conditions of sale, attached to the offer communicated by ARCEL, when placing an order with ARCEL under the conditions set out below. Any acceptance of the quotation or sending of an order form implies the Buyer's unreserved acceptance of these general terms and conditions of sale.

The Buyer expressly waives the right to invoke its own general terms and conditions of purchase.

The non-application by ARCEL of any clause in these General Conditions of Sale shall not be construed as its rejection of such clause.

The Buyer accepts that these conditions may be subsequently modified by ARCEL, the modifications then being applicable to all subsequent orders.

1. PLACING THE ORDER AND FORMING THE CONTRACT

It is specified that the prices and information given in ARCEL's catalogues, prospectuses and price lists are given for information only and are not binding on ARCEL, without an offer issued by ARCEL. ARCEL reserves the right to make any changes to its supplies, the representations and descriptions of which appear on its documents for advertising purposes only, and to make any changes to their prices. ARCEL is under no obligation to provide its working drawings, even if the supply is delivered with an installation or foundation diagram.

Before placing the order that is the subject of these Terms and Conditions, the Buyer acknowledges that he/she has received all the necessary and relevant information to exercise his/her choice and purchase act, and therefore waives the right to invoke any grounds that could invalidate his/her consent, such as fraud or error.

ARCEL issues an offer to the Buyer in accordance with the needs expressed by the latter, relating to any Supply sold by ARCEL, specifying the quantity and price.

ARCEL's offers to Buyer are valid for one (1) month from the date of issue, unless otherwise specified in the offer.

In response to ARCEL's offer, Buyer must send a purchase order, formalising its acceptance of all the terms stipulated in ARCEL's offer.

The Contract of Sale shall only be formed and completed upon ARCEL's express acceptance of the Buyer's order, which is evidenced by :

- the parties signing a Contract,
- or by ARCEL sending an acknowledgement of receipt of the order,

(hereinafter the "Contract").

For all orders placed by telephone, fax or e-mail, the Buyer's confirmation and/or the Delivery Note must state "order confirmation sent by telephone, fax or e-mail".

Once the Contract has been formed, no cancellations or amendments will be accepted and the price will be due. If the Buyer wishes to modify the Contract, it must obtain ARCEL's written agreement. Buyer may not use the absence of a formal acknowledgement of receipt to modify or waive its order without ARCEL's written consent. The parties agree to expressly exclude any right given to the judge to modify or adapt the contract and the relationship between the parties, in particular as provided for in Article 1195 of the Civil Code.

In the event of acceptance of the waiver or modification, ARCEL reserves the right to pass on to Buyer all disbursements and costs incurred.

2. PRICE - PAYMENT

2.1. Prices and price changes

Prices are exclusive of tax, packaging, transport costs and ancillary or related services, unless otherwise stipulated in the offer or acknowledgement of receipt issued by ARCEL.

Prices are based on the economic conditions prevailing at the time the Contract is formed.

ARCEL's prices are subject to change at any time without notice. The price stipulated in the Contract may be modified by ARCEL after the offer has been issued but also after the formation of the Contract only in the following cases: (i) a change in economic circumstances (prices of materials, imported components, wages, social security contributions, prices of subcontractors, government regulations) or other similar conditions over which ARCEL has little or no control since the formation of the Contract which results in higher costs compared to the costs on the day of formation of the Contract, which will be charged to Buyer up to a maximum of 10% of the price of the supplies affected by the increase; (ii) in the event of force majeure case, as defined in Article 9.

The parties agree to expressly exclude any right given to the judge to modify or adapt the contract and the relationship between the parties, in particular as provided for in Article 1195 of the Civil Code.

Under no circumstances may these price variations give rise to termination of the Contract. ARCEL undertakes to do its utmost to give Buyer sufficient notice of any price change and the reasons for it. The parties will negotiate in good faith in the event of any difficulties relating to this price change.

2.2. Payment

Unless otherwise stipulated in ARCEL's offer or in the sales contract concluded with the Buyer, invoices are payable to ARCEL no later than thirty (30) days from the date of issue. No discount will be granted for early payment.

Payments must be made without deduction or withholding of any kind. Partial delivery may not delay payment of the part delivered in any way.

In cases where a down payment is provided for, the parties acknowledge and accept that the amount of this down payment will remain the property of ARCEL, if the Contract is terminated during performance, for a reason outside ARCEL's will and control, without having been fully performed.

Under no circumstances may any complaint or claim by the Buyer have the effect of deferring or suspending payments. Buyer may not rely on any partial or total non-performance by ARCEL to refuse to pay the agreed price in whole or in part, and hereby expressly waives the benefit of Articles 1219 et seq. of the French Civil Code.

In accordance with Articles 1289 et seq. of the French Civil Code, the Buyer authorises the offsetting of sums owed by it to all and any of ARCEL's sister companies (companies in which the company registered with Lyon commercial register under number RCS 972 505 895 holds 51 percent of the share capital) against sums owed by ARCEL's sister companies to the Buyer for any reason whatsoever.

2.3. Late payment and non-payment

Any delay in payment in relation to the payment date stated on the invoice will automatically lead to the application of late payment interest equal to the interest rate applied by the European Central Bank to its most recent refinancing operation, plus 10 percentage points, from the day following the due date, without prior formal notice being required.

In this case, the rate applicable during the first six months of the year concerned is the rate in force on 1 January of the year in question. For the second half of the year concerned, it is the rate in force on 1st July of the year in question. The amount of the fixed indemnity for collection costs due to ARCEL in the event that the sums due are paid after the aforementioned payment date will be 40 euros. However, where the recovery costs incurred exceed the amount of this fixed compensation, ARCEL may request additional compensation, upon justification.

In addition to the late payment interest due automatically, ARCEL will also be entitled to claim compensation for the damage suffered as a result of the

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late payment and all its direct and indirect consequences.

In the event of non-payment of an invoice on the due date, ARCEL shall have the right to suspend performance of its obligations, suspend or cancel orders in progress and/or demand immediate payment of the outstanding balance.

Late payment and non-payment constitutes an obligation, the non-performance of which may result in the termination of the contract at the initiative of ARCEL, following formal notice sent by ARCEL, which has not been complied with within the time limit set by ARCEL.

3. PERFORMANCE AND DELIVERY TIMES

3.1. Lead times for the execution and delivery of the Supplies ordered are specified in the offer issued by ARCEL. These lead times are binding and are applicable between the parties, notwithstanding any modification requested after the offer has been issued by ARCEL, unless such modification has been accepted in writing by ARCEL. Performance and delivery times are defined excluding ARCEL's annual closure periods (referred to each year on the commercial documents), public holidays and exceptional events. The starting point for performance and delivery times is set (i) on the day following receipt of validation of drawings and technical documents by the Buyer for any new product with a study, (ii) on the day of formation of the Contract in the case of a Supply without drawings or already produced in the past (no study) and other technical studies subject to validation by the Buyer.

3.2. Unless expressly provided otherwise in the Contract, delivery times are indicative and failure to comply with them shall not entitle the Buyer to any compensation and shall in no way constitute valid grounds for terminating the Contract, refusing to pay the price or applying late payment interest. In any event, ARCEL's undertakings with respect to delivery and performance times are subject to Buyer's compliance with its own obligations, in particular the timely provision of all documents, information or products necessary for the performance of the Contract, including Buyer's payment obligations.

3.3. Delivery and performance times are automatically extended in the event of:

(i) delay not attributable to ARCEL (ii) Force Majeure as defined in Article 9 below, (iii) late payment, in accordance with Article 10.1 below, (iv) modification of the Contract by Buyer.

ARCEL will inform Buyer as soon as possible of any such extension and the reason for it.

3.4. If the parties have agreed on the application of late payment penalties, these will be considered as discharge penalties and will only be applicable:
· only after a grace period of two (2) weeks, starting from the formal notice to deliver issued by the Buyer by registered letter with acknowledgement of receipt, and
· only if the delay is exclusively attributable to ARCEL and has caused the Buyer a real loss which has been established by both parties.

4. DELIVERY - SHIPPING

4.1. Unless otherwise stipulated in the Contract, supplies are delivered ex works (EXW Incoterms CCI 2020). ARCEL will notify Buyer when the supplies are available in its workshops. Buyer shall be responsible for loading and transport at its own risk. For any part machined at the Buyer's request, the quantity delivered and invoiced may be greater than that of the order with a tolerance of + 5% (plus or minus five percent). From 50 (fifty) pieces, the tolerance is +/-2% (plus or minus two per cent), without exceeding a maximum of 10 extra pieces. For insulators, the tolerance is 0/+10% (plus or minus ten per cent). No claim will be accepted if the tolerance does not exceed the values defined in this paragraph.

4.2. Once the supplies are made available and therefore considered delivered in accordance with Article 4.1, if shipment is delayed for any reason beyond ARCEL's control, the supplies will be deemed to have been delivered at the agreed time and place, with the costs and risks of handling and storage being borne by Buyer. Where applicable, if it has this information, ARCEL will inform Buyer as soon as possible of the delay and the reasons for it and will provide Buyer with a new indicative delivery time. However, ARCEL shall not be bound by this new delivery time, which shall be indicative only.

4.3. Packaging: Packaging will not be taken back by ARCEL and, unless otherwise stipulated in the Contract, its cost shall always be borne by Buyer. In the absence of any special indication, the packaging is prepared by ARCEL in accordance with the Best Practice for the type of supplies concerned.

4.4. When the Supplies are effectively in the hands of the Buyer, the Buyer undertakes to carry out a thorough inspection and to make any claim against the carrier if any defects appear to have been caused by transport. In the event of reservations made to the carrier upon delivery, the Buyer shall immediately inform ARCEL. Furthermore, if the Buyer becomes aware of any apparent defect, fault, non-conformity or missing Supply after taking over Supply, the Buyer shall notify ARCEL in writing within a maximum of 48 hours after taking over the Supplies. After this period, the Buyer may no longer make any claim in respect of such defects, non-conformities or missing Supplies.

4.5. Returns : Returns are not permitted except with ARCEL's written consent. If Buyer wishes to return a Supply ordered, it must make a written request to ARCEL. Any return of a Supply must necessarily be the subject of a prior and express agreement in writing, which may be formalised by an email, between ARCEL and Buyer (RMA). Any Product returned without this agreement will be held at the Buyer's disposal and will not give rise to the issue of a credit note. The costs and risks of the return are borne by the Buyer. In any event, no returns will be accepted after a period of (fifteen) 15 days following the delivery date. Any returns accepted by ARCEL will result in the creation of a credit note for the benefit of Buyer, after verification of the quality and quantity of the supplies returned. The amount of this credit may be reduced, at ARCEL's discretion, by a deduction of up to 30% of the price of the supply, to take account of the circumstances giving rise to it. In the event of an apparent defect or non-conformity of the supplies, duly notified by registered letter with acknowledgement of receipt within (eight) 8 days of delivery and ascertained by ARCEL, the Buyer may obtain free replacement or reimbursement of the supplies, at ARCEL's discretion, to the exclusion of any compensation or damages.

5. TRANSFER OF RISK – RETENTION OF TITLE

5.1. The transfer of risk, in particular any loss of and/or damage to the Supplies, shall pass from ARCEL to Buyer from the date of delivery as defined in Article 4.1, i.e. from the date of notification that the Supplies are available in ARCEL's workshop.

5.2. **Ownership of the Supplies is transferred from ARCEL to Buyer upon payment by Buyer of the full price defined in the Contract, in principal, interest, penalties and accessories.** The Buyer undertakes to make it possible, at any time after delivery, to identify the Supplies delivered within its premises. As a result of the retention of title clause: the Supplies delivered remain ARCEL's property until full payment has been made. In the event of non-payment of all or part of the Supplies, ARCEL may repossess them seven (7) days after formal notice to pay sent by registered letter with acknowledgement of receipt has remained without effect, without prejudice to any damages to which ARCEL may be entitled. Buyer shall make the Supplies available and, failing that, ARCEL shall be entitled to take summary proceedings to obtain payment and, failing that, the allocation of the Supplies.

In the event of repossession of the Supplies, all sums paid on the date of repossession shall remain the property of ARCEL, regardless of the cause of damages. In addition, Buyer shall indemnify ARCEL for all damages suffered as a result of the unpaid Supplies and for all legal costs incurred.

6. GUARANTEES

6.1. It is the Buyer's responsibility to provide ARCEL with the characteristics of the Supplies corresponding to its needs, in particular the commercial and technical information necessary for a proper assessment of the Supplies required (intended use, possible incorporation in another product, product characteristics, installation plans, etc.) and to ensure that the characteristics agreed with ARCEL correspond in every respect to its expectations. **The Buyer is therefore deemed to have full knowledge of the Supplies ordered and acknowledges that it is in possession of all relevant information prior to the formation of the Contract. The Buyer shall be solely responsible for the choice of Supplies and their use.**

6.2. ARCEL undertakes to guarantee the Buyer against any defect and/or manufacturing fault in the Supplies with regard to ARCEL's characteristics or contractual characteristics, for twelve (12) months from delivery, the date of which is defined in Article 4.1. The Parties acknowledge and accept in any event that ARCEL is bound only by an obligation of means.

6.3. Under no circumstances may Buyer rely on any standards, specifications, requirements, regulations or practices not expressly accepted in writing by ARCEL or for which ARCEL is legally responsible.

6.4. If the Buyer considers that the warranty is applicable in the event of difficulties (defect, non-conformity, vice, faulty use) with the Supplies which would give rise to the warranty as referred to in Article 6.2, the Buyer must inform ARCEL by registered letter with acknowledgement of receipt within two (2) working days of discovering the difficulty with the following information: date of delivery of the Supply, use of the Supply since delivery, date and circumstances of appearance of the difficulty, consequences caused by the difficulty.

ARCEL will analyse this information, provided that it is all communicated, and if it deems it necessary, return the Supply concerned for internal analysis. Buyer undertakes to give ARCEL every facility to ascertain the defect and to remedy it. Buyer shall not, without ARCEL's prior written consent, repair and/or replace the Supplies or have them repaired and/or replaced.

Any modifications, repairs or other work carried out without the express prior agreement of ARCEL will invalidate the warranty.

The Supply can only be considered as effectively subject to guarantee if ARCEL, after analysis, confirms this in writing.

- 6.5. Unless otherwise stipulated in the Contract, the warranty given by ARCEL may only give rise to the replacement and/or repair, at ARCEL's choice, of Supplies recognised as defective by ARCEL under the conditions set out in Article 6.4. For supplies not manufactured by ARCEL, ARCEL shall not be liable for more than it has been able to obtain from its own suppliers under the warranty.
- 6.6. Parts repaired or replaced under this warranty do not benefit from any specific warranty beyond the initial warranty period.
- 6.7. The guarantee does not apply:
- To any non-conformities or apparent defects which may have been noted on delivery of the supplies and which have not been the subject of any complaint;
 - To wearing parts or parts exposed to fire, liquids or corrosive agents;
 - In the event of deterioration or accidents resulting from negligence, poor supervision or maintenance, poor storage conditions, faulty use of the supplies or use of the supplies for a purpose other than that for which they are normally intended;
 - in the event of a defect arising either from materials supplied by the Buyer, or from a design imposed by the Buyer, or from a modification made by the Buyer to the supply without the written consent of ARCEL ;
 - when the Buyer has replaced parts supplied by ARCEL with parts of another origin or when a repair or modification carried out by the Buyer has consequences for parts other than those repaired or modified;
 - to incidents due to fortuitous events or force majeure or attributable to natural causes such as flooding, excessive accumulations of snow or frost, dust, etc.
- 6.8. The Buyer may only invoke the benefit of the provisions concerning the guarantee once it has satisfied the payment conditions set out in the Contract.

7. RESPONSIBILITIES

ARCEL shall under no circumstances be liable to Buyer if the Supplies delivered comply with the Contract, good practice and Buyer's specifications, in particular if Buyer fails to comply with the installation, use, maintenance and/or safety instructions applicable to the Supplies or if the damage is due to a defect in the installation or maintenance of the Supplies. In any event, any liability of ARCEL under the Contract, whatever the cause and whatever the consequences, shall be expressly limited to the amount, exclusive of VAT, of the sums received under the Contract and more specifically, if the distinction is possible, to the price exclusive of VAT of the Supply in question. Under no circumstances shall ARCEL be held liable for any immaterial and/or indirect prejudice suffered by the Buyer such as loss of profit, loss of production, operating loss, loss of customers, damage to image, etc. Buyer waives any recourse against ARCEL to obtain compensation for the pecuniary consequences of any prejudice caused to third parties and shall indemnify ARCEL against all third party claims, directly or indirectly related to the performance of the Contract.

8. INDUSTRIAL AND INTELLECTUAL PROPERTY - CONFIDENTIALITY

8.1. Studies, documents, data, plans, information and know-how communicated by ARCEL to Buyer or coming to Buyer's knowledge during the performance of the Contract remain the exclusive property of ARCEL. Similarly, all tooling used in the manufacture of the Supplies as well as all intellectual and/or industrial property rights relating to the Supplies remain the exclusive property of ARCEL, even if Buyer participated in their development in any way whatsoever. No transfer of rights or title shall take place, regardless of the services or sales carried out. The Buyer may not communicate (transfer, copy or reproduce) this information to third parties, or use it for purposes other than those originally intended when the information was made available, without ARCEL's express prior written consent. In general, as soon as one of the parties becomes aware of the fact that the performance of the Contract may infringe the industrial property rights of third parties, or as soon as the first claim is made by a third party against ARCEL or against Buyer, the parties shall communicate to each other all information and all elements likely to defeat this right or challenge.

8.2. If the sale is not concluded, the studies and documents, plans, information and know-how provided in support of the offer must be returned to ARCEL within fifteen (15) days of the expiry date of the offer. The Buyer undertakes not to keep any copies. All the aforementioned documents as well as those provided by ARCEL to Buyer during the consultation or during the performance of the Contract must be considered CONFIDENTIAL as they form part of ARCEL's know-how. Furthermore, it is understood that these documents may not be communicated to persons other than those who strictly need to have access to them in the context of the performance of the Contract.

This Article shall remain applicable between the Parties for a period of ten (10) years after the end of the Contract or the Parties' business relationship. Any breach of this article by the Buyer will give rise to automatic compensation from ARCEL for the loss suffered, without the amount of compensation being less than 10,000 euros.

9. FORCE MAJEURE

The occurrence of a case of force majeure will result in the immediate suspension of performance of the Contract. If the case of force majeure continues for more than 60 days, the contract may be terminated at the initiative of either party, with no right to compensation on either side. Cases of force majeure are events which prevent the performance of an obligation or make it extremely difficult, beyond the control of a Party, which it could not foresee or anticipate when the Contract was concluded, and which cannot reasonably be overcome by the implementation of appropriate measures. ARCEL and Buyer expressly consider the following events, without this list being exhaustive, to be cases of force majeure: natural disasters, bad weather, sabotage, embargoes, strikes, interruptions or delays in transport or means of communication or in the supply of raw materials, energy or components, tooling accidents and scrapping of major parts during manufacture, acts, regulations or decisions by public, civil or military authorities. As soon as such an event occurs, the party affected shall notify the other party in writing and the time limits for performance shall be automatically extended by the duration of the event. The Buyer is not entitled to damages in the event of cancellation or late delivery arising from these circumstances. The Buyer may not invoke force majeure to excuse itself from its obligation to pay the price to ARCEL.

9.3. If the duration of the force majeure event exceeds three (3) months, either party may terminate the Contract by registered letter with acknowledgement of receipt, the termination being effective as of right fifteen (15) days after receipt of the registered letter. Any part of the Contract performed on the date of termination shall be definitively acquired by the Buyer, who undertakes to pay the price thereof.

10. PERSONAL DATA

ARCEL collects and electronically processes personal data on its Buyers (professional email and identity) in accordance with applicable regulations. This data is exclusively reserved for the use of ARCEL's authorised departments and the processing is justified by the contracts binding the Buyers to ARCEL. Any question or exercise of a right may be addressed by the Buyer to the email address info@arcel.eu.

11. SUSPENSION - TERMINATION

ARCEL shall be entitled to suspend or terminate performance of the Contract in the event of non-payment by Buyer on any due date. Performance may be suspended until the unpaid invoice has been settled and the performance deadlines will be automatically extended by the duration of the delay in payment, the payment itself being increased by the costs incurred during the suspension and the default interest defined in Article 2.3. The Buyer will be notified of the suspension in writing. If ARCEL pronounces the suspension, this will not be considered as a termination by ARCEL and will not entitle Buyer to compensation.

12. EXPORT OR RE-EXPORT TO RUSSIAN FEDERATION, TERRITORIES OCCUPIED BY FEDERATION OF RUSSIA AND BELARUS

12.1 The Buyer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any Supplies under or in connection with this Contract that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014. This entire provision 12 also applies to any Supplies exported or re-exported, directly or indirectly to territories occupied by Federation of Russia or Belarus falling under the scope of Council

Regulation (EU) 2022/263 of 23 February 2022, as amended by Council Regulation (EU) 2022/1903 of 6 October 2022, Council Regulation (EC) No 692/2014 of 23 June 2014, Council Regulation (EC) No 765/2006 of 18 May 2006, or any other Regulations or updates to Regulations applying to these countries or territories.

12.2 The Buyer shall undertake its best efforts to ensure that the purpose of paragraph 12.1 is not frustrated by any third parties further down the commercial chain, including by possible resellers.

12.3 The Buyer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph 12.1.

12.4 Any violation of paragraphs 12.1, 12.2 or 12.3 shall constitute a material breach of an essential element of this Contract, and ARCEL shall be entitled to seek appropriate remedies, including, but not limited to:

(i) termination of this Contract; and

(ii) a penalty of 50% of the total value of this Contract or price of the Supplies exported, whichever is higher; and

(iii) Buyer agrees to indemnify and hold harmless ARCEL from any loss, liability, damage, penalty or cost, including court cost and attorney's fees that may incurred due to any of this violation.

12.5 The Buyer shall immediately inform ARCEL about any problems in applying paragraphs 12.1, 12.2 or 12.3, including any relevant activities by third parties that could frustrate the purpose of paragraph 12.1. The Buyer shall make available to ARCEL information concerning compliance with the obligations under paragraph 12.1, 12.2 or 12.3 within fourteen (14) calendar days of the simple request of such information by ARCEL.

13. INTEGRALITY

It is agreed that these general terms and conditions of sale contain all the terms and obligations accepted by the parties, and that they cannot be contradicted or supplemented by statements or documents. Thus, as set out in the preamble, the Buyer may not invoke its own terms and conditions or any other document against ARCEL, which are not applicable to the relationship between the parties. Once the Contract is formed under the conditions set out in Article 1, these general terms and conditions replace any other document that may have been signed previously or exchanged between the parties. If one of the clauses of these general terms and conditions of sale is declared null and void or unwritten, or contrary to a national or international law of public order, only the clause in question will be cancelled, the other clauses remaining valid and applicable for the remainder. The parties will negotiate in good faith the drafting of a new clause to replace the invalidated clause.

14. LANGUAGE AND SETTLEMENT OF DISPUTES

These general terms and conditions are drawn up in French and have been translated in English for information purposes and for the Buyer's comprehension. Only the French version is authentic and enforceable before Courts.

The relationship between the Parties and the interpretation of the contractual stipulations shall be governed solely by French law.

In the absence of an amicable settlement, any dispute arising from the formation, interpretation or performance of the Contract and, more generally, from the parties' commercial relationship, shall be submitted to French Courts and more specifically to the Lyon Commercial Court, even in the event of a guarantee claim or multiple defendants.