

GENERAL CONDITIONS OF PURCHASE

General Conditions of Purchase applicable on March 1st, 2025
Please consult our General Conditions of Purchase on www.selectarc.com

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1. SCOPE OF APPLICATION

These General Conditions of Purchase ("GCP") govern the conditions applicable to all orders of all products/services from a third party (hereinafter the "Supplier"). Unless otherwise agreed in writing between SELECTARC and the Supplier, these GCP are solely applicable to all orders of goods or services, notwithstanding any contrary provisions in the Supplier's general terms of sale or any of its commercial documents, which the Supplier irrevocably acknowledges and accepts by signing these GCP.

These GCP applies to any order placed by SELECTARC with the Supplier from the date of signature of these GCP, which the Supplier irrevocably acknowledges and accepts.

1.1. Terminology

- "Supplier(s)" refers to all external service providers supplying SELECTARC.
- "SELECTARC" refers to all SELECTARC sites belonging to SELECTARC Group.
- "Parties" refers to the mutual requirements applicable to the Supplier(s) and SELECTARC.
- "Product(s)" refers to any merchandise, goods, raw materials, and components.
- "Service(s)" refers to the provision of services to SELECTARC.
- "Contract(s)" refers to SELECTARC orders, email agreements, specific Supplier contracts, or any other technical, commercial, and quality documents validated between the parties.
- "GCP" refers to these General Conditions of Purchase of SELECTARC.
- "CFS" refers to Counterfeit, Fraudulent, Suspect items/documentation.

1.2. SELECTARC's Expectations

SELECTARC requires its Suppliers to commit to the development and improvement of their quality management system, in accordance with ISO 9001 at a minimum. The Supplier undertakes to promptly transmit of any modifications and updates to its certifications.

Cybersecurity Incident:

The Supplier undertakes to take all necessary and sufficient precautions and measures to avoid generating, facilitating, or inducing a cybersecurity incident in the course of its services. The Supplier must notify SELECTARC in the event of a cybersecurity incident as soon as it becomes aware of it and no later than twenty-four (24) hours after the incident. Until the cybersecurity incident is solved, the Supplier is obliged to take all appropriate measures without delay to limit the scope and consequences of the incident.

Measures to be implemented by the Supplier against CFS:

The Supplier implements all necessary measures to prevent and fight fraud, suspicion, or counterfeiting during its activities or those it subcontracts.

The Supplier must implement and impose the following measures on its own subcontractors:

- Training appropriate personnel in the detection and prevention of CFS,
- A procedure allowing each employee to promptly alert a representative of the Supplier's organization of any deviation or anomaly regarding compliance with order specifications,
- The application of an obsolescence monitoring program,
- Control of external supply sources, originating from original or authorized manufacturers, authorized distributors, or other approved sources,
- Requirements to ensure traceability of goods to their original or authorized manufacturer,
- Verification and testing methodologies to detect CFS,
- Monitoring of information feedback from external sources related to CFS,
- Quarantine and reporting of counterfeit or suspected counterfeit parts,
- All documentation provided to SELECTARC must be legible. Any masking product is prohibited.

Archiving Technical Documents:

Without prejudice to the application of regulatory provisions and unless otherwise stipulated in the order or other commercial agreement, the

Supplier undertakes to archive all documents related to the execution of the order for a period of ten (10) years after the order's expiration date.

Raising Personnel Awareness of Organizational and Human Factors, specifically:

- Their contribution to product or service compliance.
- Their contribution to product or service safety.
- The importance of ethical behavior.
- Clear and prompt communication of anomalies.

2. ACCEPTANCE OF ORDERS

Orders placed by SELECTARC are subject to these general terms and conditions of purchase.

No specific condition of the Supplier can prevail against these general terms and conditions of purchase unless formally and expressly accepted by SELECTARC in writing. In case of contradiction between a clause in these general conditions of purchase and the Supplier's general terms of sale, the concerned clause will be considered null and void, without affecting the validity of the order.

An order acknowledgment must be sent by the Supplier to SELECTARC in writing or by email within forty-eight (48) working hours. In the absence of written reservations within the specified period, the order will be considered accepted by the Supplier.

3. PRODUCT/SERVICE COMPLIANCE – MONITORING

The Supplier is responsible for the compliance of products/services with the order's specifications, which are either indicated in a separate specification or on the order itself. The Supplier must have a quality and continuous improvement practice that allows it to identify, assess, and control its risks.

In case of non-compliance of products/services, the Supplier is obliged to inform SELECTARC as soon as it becomes aware of it, and in any case within forty-eight (48) working hours in writing. Upon the buyer's request, the Supplier will provide a root cause analysis and an action plan to remedy the non-compliance and prevent its recurrence within ten (10) days maximum.

In case of delivery of non-compliant products/services, SELECTARC reserves the right to demand compensation for damages such as production stoppage costs and customer penalties.

In case of a derogation request, it must be submitted to SELECTARC in writing as soon as it becomes aware of it, within the limit of 48 working hours upon receipt of the order. SELECTARC will inform the Supplier of its decision in writing.

The Supplier must inform SELECTARC of changes affecting raw materials, semi-finished products, and/or manufacturing processes, manufacturing site locations, or any other event affecting the supply chain.

In case of a change in manufacturing site locations, the Supplier is obliged to pass on the applicable requirements to the entire supply chain and specifically SELECTARC's requirements, and an initial sample presentation is imperative.

The Supplier must grant access to SELECTARC, its customers, and any mandated third party, as well as Authorities, to the records and manufacturing sites concerned by the order, at all levels of the supply chain concerned by the order.

4. ACCEPTANCE CONDITIONS FOR PRODUCTS/SERVICES

The product/service acceptance criteria are those mentioned in the specification or on the order.

Unless otherwise specified, partial deliveries are not authorized.

Compliance checks can be carried out at SELECTARC's establishment upon delivery or, failing that, at a location specified in the order.

Checks can be carried out by SELECTARC's services or delegated to an external control organization.

Deviations not accepted in writing by SELECTARC will be treated as non-compliance.

The replacement of the product will be at the Supplier's expense, with SELECTARC reserving the right to demand compensation.

The Supplier's invoice payment is subject to satisfactory receipt of products/services.

5. DELIVERY/SHIPMENT

Each product must be properly packaged, identified (including Designation and traceability number, expiration date if applicable), and shipped in accordance with carrier practices to ensure product integrity upon arrival. The type of packaging must consider the constraints related to the type of transport (air/sea/land).

Unless otherwise specified, shipments will be made according to the incoterm mentioned in the order.

A shipping note recalling the order number as well as the item code and description, and the quantity delivered, must accompany each shipment.

In the case of orders for raw materials, consumables, or finished products, the certificate of analysis, Safety Data Sheet, and declaration of conformity must accompany the goods or be sent to the generic SELECTARC address supplier-certificate@selectarc.com before product delivery. Any product not accompanied by these documents will be considered non-compliant and will only be considered delivered upon receipt of these documents, which are considered in the supplier performance evaluation calculation.

The delivery date indicated on the order is the date of arrival of the supplies at SELECTARC's establishment.

Transfer of ownership and risks:

The transfer of ownership of supplies is carried out in accordance with current texts and regulations.

The transfer of risks occurs upon quantitative and qualitative receipt at SELECTARC's establishment or, failing that, at any other location specified in the order.

6. PRICE

Unless otherwise specified, the prices mentioned on the orders are firm, final, and non-revisable. They are indicated excluding taxes and in accordance with the incoterm mentioned in the order.

The billing currency is indicated in the order.

Unless otherwise specified, in the case of prices composed of a variable part based on raw material prices, this variable part will correspond to the price on the date of shipment of the goods (BL/waybill).

7. PAYMENT CONDITIONS

Unless otherwise specified, payments are made according to the payment term indicated on the order.

SELECTARC reserves the right not to pay invoices related to partial deliveries, due solely to the Supplier's initiative.

Unless expressly agreed in advance, SELECTARC will pay the Supplier's invoices after complete receipt of the order and according to the above payment conditions.

8. INVOICING

Invoices must be issued and sent to SELECTARC at the generic address supplier-invoice@selectarc.com. They must include the order number, essential element for SELECTARC to identify and control them.

SELECTARC reserves the right to return any incomplete invoice to the supplier.

SELECTARC will not accept any responsibility for any order initiated by the Supplier without official validation.

9. TRANSFER OF CREDIT

The Supplier is prohibited from assigning the claim arising from the execution of an order SELECTARC to any third party without prior written agreement from SELECTARC.

10. SUBCONTRACTING

The Supplier undertakes not to subcontract all or part of the order without prior written agreement from SELECTARC.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR) - HEALTH AND SAFETY AT WORK

The Supplier must fully comply with all applicable laws and regulations applicable to the place of delivery specified in the order, particularly those related to social legislation, including provisions concerning illegal labor as well as applicable anti-corruption laws in the context of its services. The Supplier must also respect the conventions signed under the aegis of the International Labour Organization, particularly the provisions relating to children's rights. The Supplier certifies and attests that, for the supply of any product/service to SELECTARC, no child labor, no forced labor has been used, directly or indirectly, throughout the logistics and manufacturing chain.

The Supplier certifies compliance with [d\) de l'article 3 octies du règlement \(UE\) 2023/1214 modifiant le règlement \(UE\) no 833/2014](#), prohibiting the import and purchase of products containing steel inputs originating from Russia and coming from any third country "when they are processed in a third country incorporating steel products originating from Russia."

Regarding minerals from conflict zones, the Supplier undertakes to comply with the rules of the "Dodd-Frank Act." The Supplier also undertakes that the raw materials used in the composition of purchased products do not originate from listed conflict zones. The Supplier undertakes to provide proof of this at SELECTARC's request. The Supplier is particularly required to complete the corresponding questionnaire.

The Supplier undertakes to execute the products/services provided in the order in accordance with the legal and regulatory provisions, particularly regarding hygiene and safety at work.

The order may be terminated immediately by SELECTARC, without payment of compensation, without damages, and without recourse from the Supplier in case of non-compliance with all or part of the provisions of this article.

12. REACH, ROHS,... REGULATIONS

The Supplier undertakes to comply with all obligations relating to substances regulated and/or prohibited, in particular those indicated by the REACH regulation, and the European RoHS Directive. SELECTARC reserves the right to request any supporting documents from the Supplier in this regard.

13. LIABILITY – DELIVERED PRODUCTS/SERVICES

The Supplier is responsible for the delivered products/services and, in particular, for any material, immaterial, direct, or indirect damages that may occur.

Whether it is a product or service order, the Supplier's civil liability must be guaranteed by an insurance contract taken out with one or more authorized insurance companies. The Supplier undertakes to justify its existence if SELECTARC requests it.

If it is a product order, the Supplier must indicate on the invoice and the delivery note the country of origin of the products delivered to SELECTARC in accordance with the definition of origin given by the applicable European Union regulation.

If it is an order for classified dangerous products, the Supplier is obliged to comply with the applicable regulations, particularly regarding the identification and packaging of products as well as the regulations governing their transport.

The Supplier will indemnify SELECTARC for all costs and damages incurred by it as a result of false or inaccurate declarations, particularly regarding the country of origin of the delivered products.

14. CONFIDENTIAL INFORMATION

SELECTARC considers all information, of any nature, that the Supplier becomes aware of in the context of this order is deemed confidential and may not be disclosed to third parties without limitation of duration.

The Supplier will take all necessary measures to prevent commercial or technical information concerning SELECTARC's orders and tenders from being communicated, even accidentally, to third parties.

15. TECHNICAL DOCUMENTS

All technical documents or information provided by SELECTARC remain its property and must not be disclosed to anyone or used for manufacturing other than the order without prior written authorization.

Technical documents such as specifications, descriptions, etc., are deemed to be accepted without reservation by the Supplier upon order.

16. DELIVERY - DEADLINES

Products or services must be delivered or performed in accordance with the deadlines and conditions stipulated in the order.

The Supplier is required to inform SELECTARC as soon as it becomes aware of any delay in the execution of orders.

If products or services are not delivered or performed within the deadlines indicated on the order, the Supplier will be liable for late penalties from that date. Penalties are equal to 1.5% of the total order price for each calendar week of delay.

The Supplier must pay the late penalties at SELECTARC's request according to agreed terms. Payment of late penalties does not release the Supplier from paying the amounts due as compensation and indemnification.

If the delivery of products and/or the performance of services has not occurred within five (5) business days from the date agreed by both parties, SELECTARC reserves the right to terminate the order in accordance with Article 18 of these GCP.

For flow management reasons, SELECTARC may require delivery to be made within an agreed time slot.

17. ADVERTISING

The Supplier undertakes not to display the products in any form whatsoever the products according to the indications, drawings, plans, models, or technical specifications communicated by SELECTARC without its prior written authorization.

18. TERMINATION

If the Supplier fails to honor its contractual commitments resulting from the order, SELECTARC reserves the right to cancel or terminate its order in whole or in part, without prejudice to damages and after written notification.

SELECTARC cannot be held liable to the Supplier for direct and/or indirect damages or loss of profit resulting from the termination of the order in case of Supplier's fault or in connection with it.

In the event of termination or suspension of the order for non-performance, SELECTARC will be entitled to compensation for damages and losses suffered as a result of the termination or suspension of the order.

19. INCOMPATIBILITY

In the event that any of the above clauses conflicts with any of the clauses stated in the order, the clause stated in the order shall take precedence over those contained in these general terms and conditions.

20. FORCE MAJEURE

Events beyond the control of the parties, which they could not reasonably be expected to foresee, avoid, or overcome, to the extent

that their occurrence makes the performance of obligations totally impossible, are considered force majeure or fortuitous events.

In such a case, the Supplier will notify SELECTARC in writing or by email within forty-eight (48) working hours from the date of occurrence of such an event that the contract is suspended by operation of law, without compensation, from the date of occurrence of the event.

If the event lasts more than thirty (30) days from its occurrence, the contract concluded between the parties may be terminated in whole or in part by the most diligent party, without any claim for compensation or reparation. This termination will take effect on the date of the first presentation of the registered letter with acknowledgment of receipt denouncing the said contract.

21. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

The execution of an order does not entail any transfer of intellectual property rights held by SELECTARC to the Supplier, particularly no rights to the trademarks and patents of its products. Plans, drawings, and technical documentation provided to the Supplier remain the property of SELECTARC. These documents can only be used for the purpose of fulfilling the order.

The Supplier will be responsible for violations of intellectual and industrial property rights of the provided documents. The Supplier will also be responsible for any violations of rights related to the delivered products.

The Supplier will indemnify SELECTARC against any third-party claims resulting from the violation of these rights and will bear all resulting costs.

22. DATA PROTECTION

In accordance with the "Data Protection Act" of January 6, 1978, supplemented by the General Data Protection Regulation (GDPR), the Supplier has the right to access, rectify, and delete personal data concerning them, which they can exercise by contacting SELECTARC.

23. APPLICABLE LAW AND DISPUTES

These general terms and conditions of purchase are governed and interpreted in accordance with French law. Any dispute arising from the formation, interpretation, execution, and/or termination of these terms, for any reason whatsoever, will be subject to the exclusive jurisdiction of the commercial court of the registered office, notwithstanding any contrary contractual provision of the Supplier, which irrevocably acknowledges and accepts it.

24. AUDIT

SELECTARC may at any time conduct an audit related to the activities of the order, at its own expense or on behalf of its client, under agreed conditions. This audit may cover compliance with the contractual obligations of the order, quality, and resources allocated by the Supplier to the order's execution. If the audit reveals non-compliance with the Supplier's obligations, the Supplier undertakes to implement corrective measures at its own expense as soon as possible.