

1. GENERAL

- 1.1 All orders shall be placed in accordance with our General Purchasing Conditions. Where the term "supplier" is used below, this shall be deemed to include corporate and other contractors. The supplier who does accept our order expressly accepts the validity of these General Purchasing Conditions. Thus, terms and conditions used by suppliers that deviate from our General Purchasing Conditions shall not become part of the contract, even where we do not expressly exclude them.
- 1.2 Where our order differs from the supplier's offer, our order is deemed to be accepted by the supplier unless the supplier disputes this order within one week of the order date.
- 1.3 Only purchase orders are legally binding. Orders placed verbally, including by telephone, must be followed by the purchase order to become legally binding. Additional verbal agreements and amendments must be written to become legally binding. Orders, delivery calls and amendments and supplements to same may also be made by remote data transmission or by machine-readable media only in the case our purchase department is involved.
- 1.4 No remuneration is paid for the preparation, submission and presentation of offers or for bidding for tenders. The preparation of an offer does not create an entitlement to an order.
- 1.5 We may require changes to be made to the delivered items after signing the contract. In the event of such changes to the contract, their impact on the contractual partners shall be appropriately taken into account, especially with regard to cost over or under-runs and the delivery dates.

2. CONFIDENTIALITY

The supplier undertakes to use all sensitive commercial and business information, manufacturing processes and other commercial and business facts that came to its knowledge during activities carried out for us only for the purposes of the contract, and maintain their confidentiality after the conclusion of the contract. The supplier shall impose corresponding conditions on its staff and its own suppliers. The contract's existence shall also be treated as confidential. Disclosure of the commercial relationship with us requires our prior authorisation in writing.

3. PRICES, DISPATCH, PACKAGING

- 3.1 The agreed prices are final and exclude additional claims by the supplier. They must be shown in euros and shall attract statutory Value Added Tax.
- 3.2 Unless expressly agreed otherwise, the supplier shall deliver DDP, Nanterre, Incoterms 2010.
- 3.3 Our order number should be quoted on all the documentation (e.g. dispatch notifications, bills of freight, invoices and all correspondence).
- 3.4 We will only accept the quantities or number of items ordered by us. Over- or under-deliveries are only permissible after obtaining our prior approval in writing.
- 3.5 The goods must be so packed that damage in transit is avoided. Packaging materials should only be used in the quantity necessary to achieve this purpose. Only environmentally-friendly packaging materials should be used.

4. INVOICING AND PAYMENT

- 4.1 Invoices should be sent in duplicate once delivery has been made. They are to address directly to our accounting department by postal- or e-mail to comptabilite.fr@grunenthal.com with all mandatory documents and data (purchase order number, name of the Grünenthal operational interlocutor, including item number listed on the order where relevant and the prices related).
- 4.2 Payment shall be made using the normal commercial arrangements, within 45 days of the invoice date.
- 4.3 When invoicing by number of items or weight, the number or weight determined by us shall be deemed definitive.
- 4.4 If test certificates for materials have been agreed, they form an integral part of the delivery. They must be faxed to the agreed receiving site no later than in advance on the delivery date. If not, the payment period for invoices starts on receipt of the original of the agreed certificate.
- 4.5 In the event of defective delivery, we are entitled to withhold proportionate payment until correct delivery is made.
- 4.6 Claims arising from contracts entered into with us may only be assigned with our written consent.

5. DELIVERY DATES, DELAYS, FORCE MAJEURE

- 5.1 The agreed delivery dates are binding. The criterion for compliance with the delivery date or the delivery deadline is receipt of the goods at the receiving or usage site specified by us, or if taking delivery is agreed upon or provided for by statute, the timeliness of successfully taking delivery.
- 5.2 If it becomes known to the supplier that an agreed delivery date cannot be met for any reason, it must notify us of same immediately in writing and state the reasons and the expected delay.
- 5.3 If the supplier's delivery is late, then in addition to statutory remedies we shall be entitled to liquidated damages in the amount of 0,3% of the contractual amount per day of delay after the delivery date, up to a maximum of 5% of the contractual amount. Our acceptance of the late delivery or of the late performance of the contractually agreed services does not imply waiver of compensation claims.
- 5.4 The supplier can only rely on the absence of necessary documents that we must supply where it has demanded the documents in writing and has not received them within a reasonable time.
- 5.5 Force majeure releases the contractual partners from their performance obligations for the duration of the interference and to the extent of its impact. The contractual partners undertake, as far as is reasonable, to provide the required information immediately and to adapt their obligations to the changed circumstances in good faith. We shall be released in whole or in part from the obligation to accept the ordered delivery/service and in this regard entitled to revoke the contract, where the delivery/service can no longer be utilised due to the delay caused us by the force majeure or the industrial dispute, taking into account the financial aspects. The supplier and we agree that industrial disputes in the respective companies or in the subcontractors do not constitute a case of force majeure as explained in the previous article.
- 5.6 In the event of delivery earlier than agreed, we reserve the right to return it at the supplier's expense. Where an early deliver is not returned, the goods shall be stored by us until the agreed delivery date at the supplier's expense and risk. In the event of earlier delivery, we reserve the right to make payment only on the agreed due date.
- 5.7 We only accept part deliveries once this is expressly agreed. When making agreed part deliveries, the amount still outstanding should be clearly shown. Payment deadline is based on the complete delivery.

6. RETURN OF DOCUMENTS

The supplier shall properly keep all the documents placed at its disposal for the purpose of providing the contractually agreed deliveries/services, in particular layouts, drawings and films, and ensure that third parties do not have access to them. These documents shall be returned to us at our request during the contractual relationship, otherwise on conclusion of the contractual relationship, or shall be properly destroyed at our request. In the latter case, the supplier shall confirm proper destruction in writing.

7. WARRANTY, GUARANTEES

7.1 The supplier warrants that all deliveries/services conform to state of the art technology, to the relevant legal provisions and to the regulations and guidelines of official authorities, trade and professional associations for use in France.

If departures from these regulations are necessary in specific cases, the supplier must obtain our written consent to same. The supplier's obligation to guarantee the deliveries/services is not abridged as a result of such consent. If the supplier has reservations concerning the type of implementation requested by us, it must notify these to us immediately in writing. The supplier's contractual and/or statutory duties with regard to the delivered item are neither abridged nor voided as a result of our approval of drawings, calculations and other technical documents. This also applies to suggestions and recommendations made by us, except where expressly agreed otherwise.

7.2 The supplier undertakes to use environmentally-friendly products and processes in its deliveries/services insofar as is financially and technically feasible, including in subcontracted supplies or ancillary services provided by third parties. The supplier undertakes to provide us with the required safety data sheets at first delivery. In later deliveries this is only required if their content or the delivered products have been modified. The supplier shall indemnify us against all claims by third parties in the event that the supplier fails to provide us with the safety data sheets or does so belatedly. The same applies to all later amendments.

7.3 The guarantee period shall be two years, except where expressly agreed otherwise. It starts with the supply of the delivered item to us or to third parties nominated by us at the receiving or usage site specified by us. For devices, machines and installations, the guarantee period begins on the acceptance date stated in our written acceptance declaration. In all other matters, the statutory claims under guarantee shall apply without restriction.

7.4 For supplied parts that cannot remain in operation during a defect investigation and/or defect rectification, the current guarantee period shall be extended by the duration of the suspended operation. For repaired or new supplied parts, the guarantee period restarts with the completion of the repair or, where taking delivery is agreed upon, on taking delivery. Where relevant, taking delivery should be requested from us in writing.

7.5 Where we suffer loss as a result of defective deliveries or services then, in addition to the statutory remedies we shall be entitled to global compensation in the amount of 15% of the contractual amount.

8. INTELLECTUAL PROPERTY

8.1 The supplier warrants that all deliveries and services do not breach the intellectual property rights of third parties and in particular that patents, licences or other third party intellectual property rights are not breached by the supply and use of the delivered items.

8.2 The supplier shall indemnify us and our contractual partners against all claims by third parties arising from breach of intellectual property rights and shall bear all costs arising in this connection.

8.3 We may but are not obliged to obtain from authorised parties at the supplier's expense permits to use the relevant delivered items and services.

9. RESPECT FOR THE APPLICABLE LAW

9.1 The supplier declares and warrants that all activities performed in our name do respect the law, the ethical code, and all regulations in force on the French territory.

9.2 The supplier declares and warrants he is duly authorized, registered or qualified according to the situation, in the eyes of the law and the applicable regulations, to carry out his activity and, still according to the law and the applicable regulations, declares and warrants he managed all relevant procedures to perform the entrusted provisions as stated in the order.

9.3 The supplier declares and warrants he never directly or indirectly proposed or authorized a bribe or any other advantage aiming at unduly influence a civil servant and will not do so at any time.

9.4 The supplier undertakes to allow us to take any reasonable steps to make us sure the money paid for the provisions is properly used.

9.5 The supplier declares on his word that he submitted all the tax returns and in the case he would have hired employees, this has been done in accordance with articles L1221-10 to 12 of the French Code du Travail.

9.6 The supplier declares, for future reference,

- He is in good standing with all legal, regulatory or administrative requirements governing his activity;
- He is validly and without any restrictions able and authorized to accomplish the entrusted missions and he takes full responsibility regarding any administrative authorizations which may prove necessary;
- He is neither in a state of insolvency nor subject of any collective proceedings.

10 MISCELLANEOUS

10.1 Should individual clauses of these general purchasing conditions be ineffective, this does not prejudice the effectiveness of the other provisions. In such event, the parties shall endeavour to replace the provision that has been cancelled with a valid provision that is in keeping with the spirit and purpose of the contract.

10.2 The supplier may not, without our prior consent in writing, transfer and/or assign its contractual obligations or rights in whole or in part to third parties.

10.3 The place of performance for the delivery is agreed in the purchase order.

10.4 If the supplier suspends payments, a temporary administrator is appointed, insolvency proceedings against its assets are initiated or its bills of exchange or cheques have been protested, we may revoke the contract in whole or in part without thereby creating cause for any claims against us.

10.5 Exclusive jurisdiction rests with the courts of Nanterre. However, we reserve the right to assert our claims before any other court of appropriate jurisdiction.

10.6 These terms and conditions shall be interpreted according to French law. The United Nations Convention on Contracts for the International Sale of Goods of 11.04.1980 is excluded.

10.7 In case of any dispute, the French version of the General Procurement Conditions named "Conditions Générales d'Achats" will prevail over the English version.