**General Sales Conditions of SMW-AUTOBLOK SARL, April 2024 Edition**

**1. General Conditions**

1.1. The contractual relationships between the seller (SMW-AUTOBLOK SARL) and the buyer are governed exclusively by these General Contract Conditions. Any amendments or integrations shall be valid only if made in writing. The buyer acknowledges the supremacy of these Conditions even if not expressly mentioned in the individual contract and waives the application of other general conditions.

1.2. Products are thoroughly documented in SMW-Autoblok and Tobler catalogs; the technical dimensional characteristics are indicative and may undergo significant changes depending on the evolution of products and technology. For specific applications, we recommend confirming with our technical office.

**2. Orders**

2.1. Supply contracts (order and acceptance) and supply programs (if any), as well as their amendments and integrations, are valid only if in writing.

2.2. The seller reserves the right not to accept orders even in the case of a previous offer. Additionally, the customer commits not to place orders that the seller will not accept for use in sales, export, or re-export directly or indirectly to

the Russian Federation or for the Russian Federation of any goods supplied under or related to this agreement that fall within the scope of Council Regulation (EU) No. 833/2014 and its amendments.

The seller is obligated to supply the buyer only to the extent that the supply and/or use of the object of the contract does not violate EU and US export control laws. In case of export control law violations, the seller will terminate all ongoing orders with immediate effect without incurring any liability and/or damage claims and/or penalties. The buyer irrevocably commits to observing Regulation (EU) 2021/821 of May 20, 2021 (EU Regulation on dual-use items) as a mandatory rule. The buyer acknowledges that the seller must immediately cease any negotiations if the subject involves dual-use products under the above Regulation. In such cases, the seller cannot be considered in breach of good faith in negotiations, even pre-contractual ones.

If the seller intends to accept the order, it shall only do it by sending its order confirmation containing all conditions of delivery and within three weeks of receipt. Otherwise, the order shall be deemed not to have been accepted.

2.3. If the supply object is intended for use in other facilities or by other parties, the buyer must promptly notify the seller in writing of any changes regarding the buyer and the destination. In such cases, the buyer will communicate these contract conditions to the recipient of the goods, which will govern the mentioned relationships. If payments are to be made by third-party recipients, the buyer remains jointly liable to the seller for unpaid amounts.

2.4. The buyer has the right to request reasonable changes in the design and execution of the supply object. The resulting consequences, particularly regarding cost increases or decreases and delivery dates, must be adequately agreed upon in writing.

**3. Payments**

3.1. Payments are made according to the conditions agreed upon in the orders and the order confirmation. The seller reserves the right to change prices in the event of significant changes in production or material costs. Prices, unless otherwise specified, are understood to be ex-works or ex-carrier Chassieu France. All invoices must comply with legal and tax requirements.

3.2. Packaging costs for cylinders and self-centering chucks up to a diameter of 400mm are usually included in the pricelist or quotation; packaging for chucks with a diameter greater than 400mm, normally wooden crates, are not included and are quoted separately if necessary.

3.3. Payment must be made according to the agreed terms and methods indicated on the invoice. In case of payment delays, a debit note for late payment interest under Legislative Decree 231/02 will be issued. For payment delays the seller, under art.1460 c.c., may suspend all subsequent shipments until pending amounts are settled and reserves the right to request advance payment for each subsequent supply. The seller can suspend performance if the buyer's financial condition endangers payment, unless adequate security is provided.

3.4. The buyer accepts that the seller may assign its claims against the buyer to third parties or have them collected by third parties. In the case of deferred payment, goods are sold with retention of title and, under art.11 comma 3 of Legislative Decree 231/02, are enforceable against the buyer's creditors if confirmed in individual invoices of subsequent supplies with a certain date prior to the seizure and duly recorded in accounting records.

**4. Notification of Defects/Returns**

4.1. The buyer, after the inspection in point 10.1., must notify the seller of any defects within 15 days of discovery. If defects are identified later, notification must be made before the deadline set in art. 11 no. 3. If the buyer complies with this provision, the seller waives the right to contest the lateness of the defect notification.

4.2. In case of merchandise return due to incorrect ordering or other reasons, a "Restocking charge" penalty of 15% of the merchandise value, with a minimum of 60 euros, will be applied. If restoring the products to "new in stock" condition requires rectification, assembly, re-packaging, and/or adding missing equipment, all these costs will be deducted in addition to the 15% penalty from the credit note.

**5. Confidentiality**

5.1. The contracting parties undertake to treat as trade secrets all commercial and technical details not generally known, which they have learned during their contractual relationship.

5.2. It is prohibited to make available or accessible to unauthorized third parties any drawings, models, molds, samples, and similar objects. Reproduction of such items is allowed only within the scope of company needs and copyright laws.

**6. Delivery Dates and Deadlines/Shipping Terms**

6.1. The delivery date is specified for each product in the order confirmation.

The agreed dates and deadlines are indicative unless otherwise agreed by the parties and may change significantly due to production problems or lack of instructions and/or confirmations from the buyer.

6.2. Compliance with these delivery dates or deadlines must be assessed regarding the shipment of goods from the seller's warehouses.

6.3. Goods will be shipped at the client's risk (EXW). In the absence of instructions from the seller regarding the method of transport and the courier, shipments will be made by the means and courier deemed most suitable by the seller.

**7. Delivery Delay**

7.1. Delivery delays can never cause order cancellation or damage claims unless clearly agreed in the supply contracts.

7.2. If the delivery has been agreed upon with a peremptory term, the seller will compensate the buyer for damages caused by the delivery delay, excluding lost profits and damages due to production interruption. The compensation for delivery delay damages cannot exceed 1% of the total supply price.

7.3. In case of slight negligence, damage compensation is limited only to additional shipping costs and component repositioning costs.

**8. Force Majeure**

8.1. Should an event of force majeure prevent or delay the total or partial performance of the obligations contained in the contracts governed by these Terms and Conditions, the party claiming force majeure shall be obliged to inform the other party thereof in writing, by a means guaranteeing certainty of information, within 7 days of such event both at the beginning and at the end of the respective force majeure. Partial non-performance due to any such force majeure will not terminate the contracts.

8.2. Force majeure refers to any event beyond the parties' control, not foreseen or, if foreseen, not preventable, occurring after this agreement's effective date, preventing or delaying the full or partial performance of obligations here declared, such as natural disasters, pandemics, wars, accidents, strikes, or other labor interruptions.

8.3. If the force majeure continues or is likely to continue for more than one year, this agreement will be terminated or modified to adapt to the changed circumstances as agreed by the parties.

8.4. In case of force majeure, the delivery terms for the period of delay caused by the force majeure will be automatically extended.

**9. Quality and Documentation**

9.1. For supply execution, the seller must receive detailed information regarding the quantity and type of products. Any modifications to the supply object, communicated to the seller within a reasonable time after offer acceptance, require the seller's prior written acceptance.

There is no obligation on the seller to perform product testing before shipping to the buyer unless specifically agreed upon and approved by both parties.

9.2. If the seller and buyer have bindingly agreed on the type and extent of quality as well as on the means and methods of the inspections, the Buyer declares itself willing, at the Seller's request and within the scope of its knowledge, experience and possibilities, to discuss the inspections with the Seller in order to identify the state of the art required in the case at hand with

regard to the inspection technique. Furthermore, the buyer will inform the seller of applicable safety standards.

**10. Verification Obligation**

10.1. The buyer acknowledges that upon receipt of the goods, they must inspect the packaging and raise any reservations on the transport documents. Otherwise, they cannot claim apparent defects.

10.2. The buyer will perform a sample verification of the supply products within 7 days of receipt.

**11. Warranty/Product Defects Liability**

11.1. The product warranty is 12 months from shipment for use in one 8-hour work shift. The warranty applies in case of recognized material, workmanship, and assembly defects, excluding parts subject to wear. The warranty does not apply in case of impacts and accidents, misuse, and non-compliance with the use and maintenance manuals. Particularly for self-centering chucks, motorized, vises, robot grippers, and standard products, the warranty lapses if non-SMW-AUTOBLOK TOBLER clamping jaws are used. To determine warranty applicability, the product must be returned to the seller carriage paid. Warranty conditions are limited to restoring product functionality and do not include:

• Replacement of self-centering chuck, vise, or gripper

• Charges for technical interventions at customer sites

• Charges for downtime or production failure

• charges for damages to property or persons

• charges for non-conformity of the manufactured products.

11.2. In the event of the delivery of defective materials, which have been detected by appropriate inspection according to Clause 10.1 , the purchaser, if the requirements of the law as well as of these general terms and conditions are fulfilled and if the parties have not agreed otherwise, has the following rights:

a) Prior to the commencement of production (processing or assembly) the purchaser shall grant to the seller, within 21 days, to select the defective products and to remedy the damage or to replace a non-defective product, unless this cannot reasonably be required of the purchaser. If the seller is unable to exercise this remedy or if it fails to do so immediately, the purchaser shall be

entitled to rescind the contract with respect to the defective deliveries without further notice and to return the materials to the seller at the seller's risk. In urgent cases, the Buyer shall be entitled, in agreement with the Seller, to have the defect repaired itself or by a third party. It is hereby agreed that in the case of repair of the defect by a third party, the Buyer and the Seller shall agree in

advance on the choice of the third party. However, it is understood that the costs shall be borne by the seller. If the same material is repeatedly supplied defective, the buyer shall also be entitled to rescind the contract with regard to deliveries not yet made, if, after written warning, defective material is supplied again.

b) If the defect is only discovered after the commencement of production, notwithstanding the purchaser's fulfilment of its obligations under para. 4 (notification of defects), the purchaser shall have the following rights:

- demand performance again from the seller, at his option, i.e. removal of the defect or supply of non-defective material, and

- demand compensation for the necessary expenses in connection with the performance of the aforementioned subsequent remedies for transport (without removal costs) as well as for installation and dismantling (labour costs; material costs only if agreed), or

- reduce the purchase price.

The seller is entitled to reject the remedy chosen by the purchaser if

1. the expense required for the performance of that remedy is grossly disproportionate when compared with the buyer's interest in obtaining performance

2. or if the seller is obliged to perform that remedy himself and it is not reasonably required of the seller in the light of a balancing of the obstacles to performance against the buyer's interest in obtaining performance; or

3. if such subsequent performance can only be effected at disproportionate cost. In this context, particular consideration must be given to the value of the non-defective material, the seriousness of the defect and whether the purchaser could have chosen the other method of subsequent performance without serious disadvantages for the purchaser.

If, on the basis of the foregoing, the seller has lawfully refused the type of remedy chosen by the purchaser, the purchaser may demand only the other type of remedy; the seller's right to refuse this other type of remedy under the same conditions remains unaffected.

c) In the event of a culpable breach of contract by the seller resulting from the delivery of defective goods (e.g. breach of an obligation to inform, advise or investigate), the buyer is entitled to claim damages in accordance with para. 12.

In addition to any consequential damages within the limits set out in Section 12.

1. consequential damage shall mean damage which the purchaser has suffered as a consequence of the delivery of defective goods other than the defective goods themselves

Further claims for costs and damages (such as, for example, transport costs or the seller's own services) shall only exist for the seller if contractually agreed. In connection with new contractual agreements to be concluded, reference shall

be made to Section 15, No. 1.

11.3. Claims arising from liability for defects shall not exist if the defect can be traced back to a violation of the rules of use, maintenance and assembly, improper use, faulty or negligent handling, normal wear and tear or interventions by the buyer himself or by third parties.

**12. Responsibility**

12.1. Notwithstanding different liability regulations provided for elsewhere in these General Terms and Conditions, the seller shall only be liable in accordance with the following provisions for the compensation of damage that has been caused to the buyer, indirectly or directly, as a consequence of the delivery of defective goods. Compensation for damage caused, even in the case of

consequential damage, as a consequence of the delivery of defective goods, shall in any case not exceed 10% of the total price of the delivery.

12.2. Damages are, in essence, only due where the seller is at fault for the harm caused by the seller. The seller may never be held fully liable for the damage incurred in cases where there is contributory negligence on the part of the buyer or where the buyer fails to prevent or mitigate the damage, where feasible. The provisions of this Section 12 no. 2 shall also apply in the event of direct execution by the seller.

12.3. The obligation to indemnify is excluded insofar as the purchaser has not validly limited its liability toward its buyer. The purchaser shall thus also endeavor to agree limitations of liability, to the extent permitted by law, in favour of the seller.

12.4. If the buyer wishes to assert its rights against the seller under the foregoing provisions, it shall inform and consult the seller promptly and comprehensively. The purchaser shall give the seller the opportunity to investigate the damage that has occurred. The parties shall agree on the measures to be taken, in particular in connection with settlement agreements.

**13. Industrial Property Rights**

13.1. If the purchaser provides the vendor with drawings of parts, he shall assume all specific liability regarding the ownership thereof and the need to have obtained the prescribed authorizations from the legitimate owners, declaring himself as of now to be willing to indemnify and hold harmless the vendor from any claims by third parties regarding the rights claimed.

13.2. The parties undertake to inform each other promptly of any risk of infringement and asserted infringement of patent rights and to give each other the opportunity to take concerted action in connection with such actions.

**14. Retention of title**

14.1. The vendor shall retain ownership of all goods delivered by him until full payment for them has been made; to this end, all deliveries shall be considered as a single contractual supply relationship and pursuant to Art. 11, para. 3 of Legislative Decree no. 231/02, this reservation shall be confirmed in the individual sales invoices and duly recorded in the books, for the purpose of

opposing the reservation to third-party purchasers.

**15. General provisions**

15.1. Any special agreements amending or supplementing these terms and conditions in favour of the purchaser shall be set out in a written document accepted and signed by both parties.

15.2. When determining the amount of damages to be paid by the Vendor in accordance with Sections 7, 11, 12 and 13, the economic circumstances of the Vendor, the type, extent and duration of the contractual relationship, any contributions of the Buyer in connection with the determination of liability in accordance with the principles of contributory negligence and any particularly

unfavorable assembly position of the delivered component shall be appropriately assessed in favor of the Vendor. In particular, the compensation, costs and expenses to be borne by the seller shall be proportionate to the value of the delivery.

15.3. If one party discontinues its payments, or bankruptcy or composition proceedings are opened against it, the other party may withdraw from the agreement for the part not yet performed.

15.4. If a provision of these Terms and Conditions and further agreed agreements is or becomes ineffective, the validity and effectiveness of the contract as a whole shall remain unaffected. The parties undertake to replace the ineffective provision with another provision having, as far as possible, a similar economic effect.

15.5. Place of performance of this contract is the seat of the seller. For delivery purposes, the parties may agree on a place other than the seat of the purchaser.

15.6. These General Terms and Conditions of Sale and the contractual relationships arising therefrom are subject to French law.

15.7. Any dispute shall be referred exclusively to the Court of Lyon.