

**SPIRAX SARCO FRANCE GENERAL
TERMS AND CONDITIONS OF
PURCHASE**

1. ACCEPTANCE. This Purchase Order shall be accepted in writing by Seller, and Seller shall promptly execute and return the signed copy to Buyer; if, however, for any reason, Seller fails to sign and return to Buyer the signed copy, the commencement of any work or services by Seller hereunder shall constitute Seller's acceptance of this Purchase Order and all terms and conditions defined below. Acceptance of this Order Form is expressly limited herein to the terms and conditions set forth below. Any material variation on the part of the Seller is rejected. If the terms submitted by Seller have any material inconsistencies with those contained herein, such terms shall constitute a counter-proposal and Seller shall be deemed to have accepted Buyer's terms, unless Seller notifies Buyer to the contrary within five (5) days of receiving this document. The Buyer reserves the right to modify the design and production of its products under the conditions of Article 9 hereof. The supplier will be deemed to have accepted the said changes if it has not expressed its reservations within 5 days of receipt of the request for modification.

2. PRICE. The prices set forth in this Order Form apply to all shipments or services provided hereunder. Buyer shall have no obligation to pay invoices for goods or services at any increased price until such increase has been approved in writing by Buyer. Unless otherwise specified, the price shall cover the net weight of the order for items in accordance herewith, and no charges for cartoning, crating, handling or storage shall be permitted.

3. DELIVERY. Seller's obligation to meet the delivery dates, specifications, packaging requirements and quantities as set forth herein is one of the essential terms of this order. Deliveries shall be made in the quantities and dates stipulated herein, or, in the absence of such stipulations of quantities or dates, in accordance with the written instructions of the Buyer. If Seller's deliveries do not meet the scheduled schedule, Buyer may, without limiting its other rights or remedies, request expedited delivery, with any additional costs therefrom being debited from Seller's account. The Buyer may, in accordance with point 11 hereof, cancel all or part of this order if the Seller does not deliver the goods according to the schedule provided herein. Buyer shall not be liable for Seller's production commitments or arrangements that exceed quantities or impose shorter lead times than necessary to meet Buyer's delivery schedule. The Seller undertakes not to deliver the goods before the scheduled delivery date. Any delivery of goods prior to the scheduled date shall be at Seller's own risk and Buyer may, at its option, (a) return the goods at Seller's expense for delivery on the scheduled schedule, (b) suspend payment for the goods until their actual scheduled delivery date, or (c) require storage of the goods at Seller's expense until the delivery date stipulated herein.

Except as otherwise provided herein, title and risk of loss or damage to any goods supplied to Buyer hereunder shall pass to Buyer upon delivery of the supply or merchandise accepted by Buyer to the place of delivery set forth in the Purchase Order or to such other place as may be agreed by the parties.

4. OPEN PO FORMS. Where this Agreement relates to the purchase and sale of a defined quantity, Buyer shall have no obligation to purchase additional quantities. In the case of an open Purchase Order, (a) Seller agrees to satisfy Buyer's requests for goods or services covered by this Purchase Order to the extent and in accordance with the delivery schedule stipulated in such Purchase Order, or, in the absence of such a schedule, as directed in writing by Buyer; (b) Buyer shall have no obligation to honour any invoices for any goods or services manufactured, supplied or delivered other than in accordance with Buyer's delivery schedule or written instructions issued in accordance with condition (a) above, and (c) Buyer shall be entitled to make further purchases at its discretion in order to cover its production activities and to maintain reasonable alternative sources of supply.

5. PRICES AND TAXES. Unless otherwise stipulated, all prices quoted remain fixed for the duration of the order. Unless otherwise specified, the prices set forth in this Order Form do not include applicable taxes. All applicable taxes must be mentioned separately on the Seller's invoice. The prices set forth herein and Seller's invoices may not include any tax for which an exemption is provided or indicated by Buyer herein or otherwise, nor any other tax for which Buyer has provided Seller with a certificate of exemption. Seller agrees to pay all *ad valorem* taxes on the

personal property, any value-added, assessed or otherwise levied taxes on any property entrusted to Seller by Buyer for the purpose of satisfying this Purchase Order. If it is found that the payment of any tax whatsoever included in the prices stipulated herein is not required from the Seller, the Seller undertakes to notify the Buyer accordingly and to promptly file an application for a refund of such tax, and to take all necessary steps to obtain such refund and, upon receipt, to pay it back to the Buyer, including any interest.

6. INSPECTION. The goods and all parts, materials and workmanship necessary for the performance of this Purchase Order may, at any time and location, during or after manufacture, be subject to inspection, testing and accounting by Buyer at Buyer's discretion. If any goods are found to be defective in material or workmanship or are otherwise found to be inconsistent with the obligations of this Purchase Order, Buyer may, in addition to its other rights, refuse the goods on full credit, or promptly request that the goods be rectified or replaced at Seller's expense, including transportation costs. Nothing herein shall relieve Seller of its obligation to conduct complete and adequate testing and inspection of goods sold pursuant to the Purchase Order. If the Buyer declares to the Seller a defect in the goods, regardless of its nature, the Seller undertakes to carry out a root *cause analysis* (RCA) of the quality problems identified and to communicate the results within four weeks of the declaration of defect. In addition, upon receipt of the declaration of defect, the Seller undertakes to immediately take the necessary measures to ensure the containment of the identified quality problems and to prevent any further shipment of defective goods to the Buyer, and to confirm to the Buyer the adoption of these measures within 24 hours of the declaration of defect. If this Purchase Order covers the acquisition of capital goods or related goods and services, Buyer reserves the right to carry out final inspection and acceptance thereof at the final installation location designated on the reverse side of this Order. Final payment for such equipment or related goods and services, in full or in part if expressly provided for in these terms, may only be made upon completion of the final inspection and acceptance by the Buyer. Buyer reserves the right to conduct periodic and reasonable audits of Seller's premises, books, records and other documents, as required, to confirm Seller's compliance with the terms of this Agreement.

7. WARRANTY. Seller warrants that all goods or services ordered or supplied hereunder are free from any claims, liens and security interests, conform in all respects to specifications, drawings, samples or quality checks or any other procedure or description, whether provided by Seller or Buyer, and are of merchantability and free from defects in material, design and workmanship; Seller further warrants that, if Seller has provided any applicable specifications, any item purchased hereunder is manufactured in accordance with Seller's specifications. The Seller warrants that, if it is the designer itself, such goods are fit for purpose and sufficient for the purposes for which they are intended. Seller agrees that the foregoing warranty shall survive acceptance and payment of the items and agrees to indemnify Buyer against any loss, damage or expense whatsoever which Buyer may suffer as a result of any breach of such warranties. These warranties shall survive delivery and inspection of all or part of the goods or services. All warranties provided pursuant to this Purchase Order are valid for 36 months from the date of delivery with respect to the contractual warranty. If Seller makes repairs or supplies substitute goods, the warranties set forth in the Purchase Order shall apply and remain valid for 36 months from the date of such repairs or supply of such substitute goods. Breaches of the legal obligations of delivery and the legal guarantee against latent defects remain subject to their own regime.

8. PAYMENTS.

(a) All payments are subject to Buyer's acceptance of the goods requested in accordance with this Purchase Order and no retention of title is admitted by Buyer.

(b) If new items, tools or goods have been identified for production by Seller to satisfy Buyer's purchase, Buyer shall have a lien on payments made under the terms of the Purchase Order until such goods are delivered and approved by Buyer's inspection department.

(c) Invoices for tools, where tooling is expressly covered by this Purchase Order, may not be honored until the production parts are approved by Buyer's inspection department.

(d) Any discount period, if any, shall commence on the date of receipt of the invoice or items by Buyer, whichever is later.

9. ORDER CHANGES. The Buyer may at any time, by written order, and with the agreement of the Seller, make changes within the general limits of this order to one or more of the following:

- (a) applicable drawings, designs or specifications;
- (b) shipping method or type of packaging;
- (c) delivery location;
- (d) material, means or method of production, or finished product.

In the event of an Order change, if such change results in an increase or decrease in the cost or time required to fulfill this Order, an equitable adjustment shall be applied to the price or delivery schedule of the Order, or both, and the Order shall be amended accordingly in writing. Any claim by Seller requesting an adjustment hereunder shall be confirmed within 20 days from the date of Seller's receipt of notice of the change, provided, however, that such period may be extended with Buyer's written consent. However, nothing mentioned in this provision shall relieve Seller of the order as invoiced or modified.

10. SUBSTITUTIONS; SUPPLEMENTS. No substitution of items or accessories may be made without the written consent of the Buyer. It is forbidden to charge fees for surcharges unless they have been ordered in writing by the Buyer.

11. TERMINATION.

(a) The Buyer may, without incurring any liability to the Seller, terminate all or part of this order by means of a written notice of default, which has remained unavailed for more than 8 days in the event of a breach by the Seller of its obligations as stipulated under this order, or in the absence of adequate performance guarantees by the Seller.

(b) In the event of any failure or manifest inability of the Seller to perform this order, the Seller undertakes, at the request of the Buyer, to deliver to the Buyer the raw materials and work-in-process parts acquired for the execution of this order, and the Buyer may then complete the work by deducting from the price the cost of their completion, or pay to Seller the reasonable cost of such raw materials and parts in process.

12. FORCE MAJEURE. Failure to perform these terms arising out of causes or events beyond the reasonable control of Buyer or Seller and as defined by applicable law and therefore not involving any fault or negligence on their part shall not be deemed a breach hereunder, and neither Buyer nor Seller shall be liable for it. Such causes or events include, but are not limited to, failure of a public service or transportation network, epidemic or pandemic, war, riot, terrorism, civil unrest, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, failure of plant or machinery, fire, flood, storm. Seller agrees that in circumstances that may give rise to possible delays in the performance of this Purchase Order, Buyer shall have the option, exercisable by written notice, to transfer its ownership interest in the tools, finished parts, raw materials, or work-in-process parts, and Seller undertakes, at Buyer's request, to: to deliver to Seller, at any location outside of Seller's factory, any tooling as defined in Section 23 hereof, any finished parts, raw materials or work-in-process parts related to the Purchase Order and for which Buyer agrees to make fair payment to Seller.

13. INSOLVENCY, LOSS OF PROFITS, DAMAGES. Insolvency, declaration of bankruptcy, the filing of a voluntary petition in bankruptcy or the wholesale transfer of its assets to a creditor by either party constitutes a material breach of these Terms. In no such case shall Seller be entitled to any anticipated profits or special or consequential damages.

14. SUBCONTRACTING. Seller agrees not to enter into any subcontracting agreement with any third party to supply the items, spare parts or work agreed hereunder, whether completed or substantially completed, without Buyer's prior written consent.

15. PATENTS, ROYALTIES AND CHARGES. The goods and services provided shall be free from any royalty liability, infringement of intellectual property rights, mechanic's liens or other charges, and Seller hereby waives all present or future privileges as a supplier or supplier, that may accrue to it or to its subcontractors, as well as to any

other charge on goods and services provided hereunder. Seller warrants that the goods set forth in this Purchase Order and their sale or use, alone or jointly, in accordance with Seller's specifications or recommendations, if any, are not likely to infringe any domestic or foreign patents, copyrights or trademarks. Seller agrees to indemnify and hold harmless Buyer and any person selling or using any of Buyer's products from and against any judgments, decrees, costs and expenses arising out of any alleged infringement as aforesaid, and Seller further undertakes, at Buyer's request and at Seller's expense, to defend or assist in the defense of any Buyer product necessitated by such alleged infringement, or to obtain permission to use such product on terms acceptable to Buyer.

16. LICENSE. Seller, by way of partial set-off to this Purchase Order and at no further cost to Buyer, hereby grants and agrees to grant Buyer an irrevocable, non-exclusive, royalty-free right and license to use, sell, manufacture and cause to be manufactured products incorporating all inventions and discoveries made, designed or actually put into practice in connection with the performance of this Purchase Order, and Seller hereby grants to Buyer permission to repair, rebuild or relocate and cause to be repaired, rebuilt or moved the goods purchased by Buyer under this Purchase Order.

17. PROTECTION OF BUYER IN THE EVENT OF WORK PERFORMED ON ITS OWN PREMISES OR ON THE PREMISES OF A CUSTOMER OF BUYER. If the this Purchase Order provides for the performance of services by Seller, including, but not limited to, delivery, temporary work and subcontracting services performed at Buyer's premises or at those of a customer of Buyer or otherwise, Seller agrees that such services shall be performed by Seller as an independent contract; and Seller agrees to indemnify and hold harmless Buyer or applicable customer, as applicable, from and against any liabilities and expenses (including other expenses related to litigation or settlements) for any claims whatsoever for the indemnity civil consequences of death and personal injury, loss of property or damage arising out of Seller's defective performance of this Purchase Order, its employees, agents or contractors, or attributable to such performance. If Buyer's or any such customer's Buyer's tooling and/or equipment is used by Seller in the performance of the work requested by this Purchase Order, such tooling and/or equipment shall be deemed to be performance of the work requested by this Purchase Order, and such tooling and/or equipment shall be deemed to be in Seller's sole custody and control during the period of such use by Seller, and if any person or persons employed by Buyer or such customer are called upon to use such tooling and/or equipment during the period of such use, such person(s) shall be deemed to be an employee or employees of Seller during such period of operation. At the request of Buyer or such customer, Seller agrees to furnish Buyer or such customer with all loyalty bonds and performance bonds that may reasonably be expected from Buyer or such customer, proof that Seller has adequate property liability and property damage insurance for amounts and companies acceptable to Buyer or customer, and evidence that Seller has taken adequate steps to comply with the employment and employment laws and regulations of any jurisdiction that established them.

18. COMPLIANCE WITH LAW. The Seller warrants that no law, rule, regulation or decree emanating from the purchase, France or the directly applicable one emanating from Community law (EEC) or any other governmental authority, whatsoever, has been infringed in the manufacture or sale of the items or the performance of the services covered by this order, and agrees to indemnify and hold Buyer harmless from any loss, expense or damage resulting from any such breach. Notwithstanding the submission of this Agreement to French law, the Seller shall comply with the requirements of the UK Bribery Act 2010 (the "Act") and shall not engage in any activity, practice or conduct which would constitute a breach of sections 1, 2 or 6 of the Act if such activity, practice or conduct has been carried out in the United Kingdom. In addition, the seller must comply, and must ensure the compliance of any party with whom it subcontracts, with the requirements of the UK Modern Slavery Act (2015), including ensuring that all forms of forced labour are eliminated from its business.

19. SAFETY AND HEALTH REGULATIONS. The Seller declares and certifies to Buyer that all services performed and goods delivered under this Purchase Order comply with the requirements of all applicable health or safety laws and regulations issued by any competent governmental or regulatory body at the place from or to

in which such items are to be shipped or in which such work is to be performed in accordance with this Purchase Order. Seller agrees to indemnify and hold Buyer harmless from and against any and all claims, losses, damages, fines, penalties, costs and expenses that may be estimated against or suffered by Buyer as a result of Seller's failure to comply with any such laws or regulations, or any rules, standards or decrees promulgated thereunder, and in the event of any failure to comply with such standards by any goods or services provided under this Purchase Order.

20. ETHICS. Seller warrants that its directors, employees, agents and other representatives have never directly or indirectly offered, promised, given, accepted or agreed to receive any bribe, bribery payment or item of financial value, and undertake to refrain from doing so in the future, whether for the benefit of any government official, Buyer, its employees or agents or any other person. Seller agrees to immediately report to Buyer any breach or attempted breach of this provision by any employee or agent of Buyer, and any act of acceptance of such solicitation shall constitute a material breach of any contract between Buyer and Seller. Seller agrees to act in accordance with the requirements of the *UK Modern Slavery Act* in ensuring that (i) all forms of illegal, forced or compulsory labour, slavery and servitude are eliminated; (ii) no individual is induced by force, threat or deception to provide services or benefits of any kind in order to enable another to acquire any benefits; and (iii) no individual or group is involved in trafficking in human beings. "Trafficking" means the recruitment, transportation, transfer, harbouring, receiving, transferring or exchanging control, or any other organization or facilitation of the movement of any individuals travelling for the purpose of exploitation under any type of forced or compulsory labour, slavery or servitude.

21. NON-DISCLOSURE OF CONFIDENTIAL DATA. Purchased items hereunder based on Buyer's specifications or drawings may not be quoted for sale to third parties without Buyer's prior written permission. Any specifications, drawings, samples or any other such data provided by Buyer or any other information obtained by Seller in connection with this Purchase Order shall be treated by Seller as confidential information, remain the property of Buyer and be returned to Buyer upon request.

22. ASSIGNMENT. No right or obligation under this Purchase Order, including the right to receive any amounts due and due hereunder, may be assigned even in the event of a merger by Seller without the prior written consent of Buyer if such assignment has the effect of modifying or impairing Buyer's rights to assert a claim of set-off against the assignee, and any purported assignment without such agreement shall be deemed null and void.

23. TOOLS. Unless otherwise agreed in writing, all materials, drawings, tools, dies, jigs, gauges, accessories, models, molds, testing devices, tooling and equipment, and any other manufacturing aids (collectively referred to as "Tooling"), used in the manufacture of the items, materials, supplies, facilities, or services ordered hereunder shall be provided by Seller. In the event of the supply of tooling (including, where applicable, tooling purchased hereunder) by Buyer at its own expense, or by Seller with reimbursement of the cost by Buyer, such tooling is and remains the exclusive property of Buyer, is intended for use only by Buyer and is subject to withdrawal at any time at the option of Buyer who holds the order (Spirax Sarco and subsidiaries). The Seller undertakes, at its own expense, to maintain all the tools belonging to the Buyer referred to in this point 23 in a commercially usable condition and in good order, to identify the brand of them in an appropriate manner where necessary, to store them, to preserve them, not to encumber, pledge or encumber them, and, if mutually agreed to by Buyer and Seller, to store the same for any period following the performance or termination of this Purchase Order. All items of tooling owned exclusively by Buyer may be subject to inspection and examination by Buyer at any reasonable time. Seller may not substitute any goods for Buyer's goods and agrees not to use such goods other than to satisfy Buyer's Purchase Orders. Such property, when in the custody or control of Seller, shall be held at Seller's risk and risk and shall be insured by Seller at its own expense, in an amount equal to its replacement value with loss payable to Buyer, and may be withdrawn upon written request by Buyer, in which case Seller undertakes to properly prepare such goods for shipment and to deliver them to Buyer in accordance with the shipping instructions contained in the Purchase Order or in such other manner as may be determined by

the parts, in the condition in which they were originally received by the Seller, except for normal wear and tear.

24. NOTICE IN THE EVENT OF A SOCIAL CONFLICT. In the event of an actual or potential industrial dispute delaying or likely to delay the execution of this order within the stipulated deadlines, the Seller undertakes to immediately notify the Buyer and to provide him with any useful details. Seller agrees to include in each subcontract entered into hereunder a provision identical to that set forth above and to forward it to Buyer upon receipt of such notice.

25. GOVERNING LAW. The law applicable to this order is French law. The parties agree to exclude the Vienna Convention (1980).

26. ATTRIBUTION OF JURISDICTION. All disputes relating to the formation, interpretation, execution and termination of this order shall be under the exclusive jurisdiction of the Courts of Versailles.

Accepted and signed by a duly authorized representative of Seller:

Signature:

Date:

Seller's Name: