

SOLYSTIC GENERAL TERMS AND CONDITIONS OF SALE SPARE PARTS AND REPAIRS

1. Application of the general terms of sale

These general terms and conditions of sale (hereinafter the "General Terms and Conditions") shall apply to all sales of goods and/or software systems and/or all services provided by SOLYSTIC (hereinafter the "Vendor") to each of its clients (hereinafter the "Client"); they shall be complemented or modified by "special terms and conditions" of sale which shall be appended to any offer made by the Vendor. The Vendor and the Client shall hereinafter be referred to individually as a "Party" and collectively as the "Parties".

The goods sold by the Vendor to the Client are spare parts for postal sorting equipment and for related systems (hereinafter the "Goods"). The services provided by the Vendor to the Client are normally associated with the Goods sold and comprise services such as repairs of sold Goods, technical information notes, etc. (hereinafter the "Services" or the "Service").

In order to enable the Client to prepare its order, these General Terms and Conditions shall be systematically provided to the Client or sent out at the same time as the "special terms and conditions of sale" appended to any offer originating from the Vendor. These General Terms and Conditions are also attached to the order acknowledgment and, where applicable, to the Vendor's Catalogue ("Catalogue" refers to the Vendor's list of parts, which details the price of new parts, packaging in units, the minimum quantity of units per order, and the standard delivery period applicable to each category of parts from the date of receipt of the order by the Vendor).

Therefore, any written order placed by the Client shall imply on its part full and unrestricted adherence with the General Terms and Conditions of the Vendor as set out below and, where applicable, with the "special terms and conditions of sale" agreed at the time when the Vendor shall have submitted its offer. No addition, deletion or alteration of any of these General Terms and Conditions shall be binding upon the Vendor, except with Vendor's prior written consent in respect of any such modifications.

Any stipulation or general conditions of purchase appearing on the Client's order which could contravene these General Terms and Conditions of Sale, would be considered null and void.

Any information featuring in the Vendor's documentation concerning the Goods sold is only intended for information purposes and is in no way binding upon the Vendor; it can therefore be modified by the Vendor at any time without prior notice to the Client.

2. Contract and order

The contract shall be formed when signed by the duly authorized representatives of the Client and the Vendor, and/or when the order received by the Vendor is confirmed to the Client by the sending of an acknowledgement of receipt of the order.

Any modification made by the Vendor in the acknowledgement of receipt of the order shall be considered as accepted by the Client, unless the latter notifies its refusal of these modifications in writing to the Vendor within five (5) days following the date shown on the acknowledgement of receipt of the order.

Should any modification by the Client of an acknowledgement of receipt of an order (description, quantity, etc.) be accepted in writing by the Vendor, the terms of sale agreed by the Vendor and the Client for this specific order may not be extended to other orders from the Client without the prior written consent of the Vendor.

3. Transportation and delivery

3.1. Terms

Unless otherwise agreed, the Goods shall be delivered to the Client ex-works ("EXW", ICC Incoterms 2010). They shall be packaged at the expense of the Vendor.

It is up to the Client to check the nature, number and state of the Goods upon their arrival, to formulate any remark in writing on the delivery note (the mere statement "with remarks" is not enough) and to confirm this by means of a letter sent by recorded delivery within three (3) working days following the receipt of the Goods (a copy of which should be sent to the Vendor) bringing, where applicable, any claims against the carrier. No claim shall be accepted by the Vendor in case of non-compliance with these formalities.

Save in case of an express remark formulated upon receipt of the Goods, delivery equals acceptance of the Goods sold. The Client cannot refuse to receive the Goods in case of partial delivery or apparent defect without serious consequence.

The Client shall be solely responsible for ensuring access to and availability of the site on which any heavy and bulky Goods must be delivered.

In any case, no action in non-conformity, formulated by registered letter with acknowledgment of receipt, can be brought by the Client more than eight (8) working days after the delivery of the Goods.

3.2. Timescales

The delivery dates or timescales shall relate to the provision of the Goods to the Client in the warehouses of the Vendor, even when the Vendor is in charge of their transportation.

If, for any reason, technical modifications requested specifically by the Client become necessary after confirmation of the order, then should the Vendor accept these modifications, the delivery timescales, even if they have been stated as firm, shall be incremented by an additional timescale which shall depend on the extent of the modifications to be made.

In general, as long as the Client does not perform any of its obligations, the terms and deadlines, even if they have been stipulated firm, are automatically extended without prejudice to any damages, to the Vendor's profit and without possible recourse for the Client. This is the case of late payments.

In the event of a significant delay in the acknowledgment of receipt resulting from a case of force majeure or, more generally, from any event or act beyond its control, such as strike, lock-out, fire, difficulty of supply, delay of a subcontractor, administrative measure... having the effect of delaying or preventing the manufacture, shipment, routing or introduction into France of the Goods, or more generally the execution of the order if this cannot be reasonably controlled or avoided, the deadlines are automatically extended for the duration of the delay and the Vendor has the option to cancel all or part of the order without the Client being able to claim compensation or refuse the partial execution.

If the deadline indicated in the acknowledgment of receipt is exceeded for reasons other than those referred to above, the Parties shall agree on new deadlines and, in the absence of agreement, the sale shall be terminated without one of the Parties may claim any compensation.

Furthermore, SOS deliveries can be made on D+1 provided that the order has been received by the Vendor before 2:30pm at the latest. In this case, this service will be provided by the Vendor and invoiced to the Client at the agreed rate.

4. Return of Goods

No Goods may be returned without first securing the prior written consent of the Vendor and in any event, they may only be returned to the Vendor provided that they have neither been processed nor modified, in packaging that is suited to their nature.

Any expenses incurred in returning the goods and in storing them where needed shall be borne by the Client.

5. Prices

The prices of the Goods sold and/or of the Services provided by the Vendor to the Client shall be those agreed in the Vendor's offer in force at the time of the order's issuance by the Client. The period of validity of an offer is ninety (90) calendar days from the date of issue.

Unless otherwise agreed, the prices shall be quoted ex-works, VAT and taxes excluded based on the rates disclosed to the Client. Any customs duty, any tax or other charge due under France's laws governing exports or under the laws of any country of importation or transit country shall be borne by the Client. VAT will be invoiced at the rate in effect on the date of the generating event.

Prices are expressed in euros (EUR/€), which will be the currency of account, billing and payment.

6. Invoicing

The Vendor shall draw up an invoice for each delivery of Goods and shall enclose it with the delivery of Goods and/or hand it over upon completion of the Service provided to the Client. If necessary, a summary invoice referring to all delivery notes can be drawn up periodically.

7. Payment

7.1. Terms

Unless the Vendor and the Client agree otherwise in the "special terms and conditions of sale", payment shall be due thirty (30) calendar days after the date of issuance of the invoice by the Vendor for the Goods and/or Services, without compensation nor deduction.

Payment must be made within the requisite timescales, in cash, by bank check or giro or by bank transfer or postal order, or by automated bank transfer from a bank or postal account or using bills of exchange in euros.

In case of deferred payment or payment in arrears, in light of the provisions of this Clause, payment shall not be deemed to have been made by the mere provision of a bill of exchange or a check, but by their effective cashing on the agreed date.

7.2. Late payment or failure to pay

The respect of payment dates and deadlines is an essential condition of the contract and/or order.

Any delay in payment will engage the responsibility of the Client who will be required to pay, in accordance with article L.441-6 of the French Commercial Code, without prior notice, default interests calculated between the due date of payment and the date of actual payment, at the interest rate applied by the European Central Bank to its most recent refinancing operation plus ten percent (10%). The Vendor will also be entitled to:

- suspend the performance of the contract and/or the order, including withholding future deliveries, until the defaulting payments are made on the understanding that the Client will indemnify and reimburse the Vendor for any and all storage charges increased by any additional insurance and/or double handling charges;
- send only on a cash or advance basis, regardless of the method of payment provided, even after the default has been remedied;
- carry out any precautionary measure to secure payment of its invoice;
- terminate the contract or order as of right and without judicial formalities;
- at the Vendor's discretion, combine all rights and compensations as permitted by law.

The foregoing provisions are without prejudice to any other rights and remedies provided for in the General Terms and Conditions, including those referred to in the termination Clause 12.

In case of payment by bills of exchange, any failure to endorse the bill of exchange shall be considered as a refusal to accept to pay it, which shall be considered as a failure to pay.

8. Risk transfer

The risk transfer over the Goods shall take place when the Goods are dispatched from the warehouses of the Vendor (see Clause 3.1).

9. Retention of title

The Goods shall remain the Vendor's property until the Client has paid the entire price of the Goods, regardless of the acceptance of any negotiable payment instrument.

10. Liability

The Vendor shall not be liable to the Client, its agents, employees, successors and assigns for any indirect, immaterial (consequential or non-consecutive) or incidental damages of any kind, including and without limitation, any loss, cost, damage, loss of income or profit, incurred or suffered by the Client or any third party resulting from or in connection with a loss of use of any or all of the Goods or any failure of Vendor in the performance of its contractual obligations.

The Vendor's overall liability, whether on a contractual or tortious basis, in or in connection with the contract and/or the order, for any reason whatsoever, shall in no case exceed fifty percent (50%) of the contract or order amount. The Client waives any claim, legal claim or remedy and will preserve the Vendor and its insurers against any claim, legal claim or remedy beyond this amount.

The foregoing stipulations shall not affect the Client's right to claim from the Vendor compensation for direct damages that the Client may suffer as a result of the Vendor's gross or intentional negligence. "Gross negligence" means an action or omission involving an extremely serious and obvious precautionary fault of the Vendor, considering the severity of the consequences that a skilled person would have anticipated, or an action or omission leading to the presumption of a deliberate refusal to take into consideration these consequences and not just any defect of precaution or any clumsiness.

11. Warranty

11.1. Unless otherwise agreed, the warranty provided by the Vendor to the Client against any defect in the materials or manufacturing of the Goods shall last for twelve (12) months following the delivery date indicated on the invoice and shall only apply to Goods that are effectively delivered. Any technical checks performed under the warranty shall not extend its duration.

It is specified that for repair services, the warranty applicable to the repaired Goods is three (3) months from the date of delivery indicated on the invoice.

All correspondence related to repair services shall be addressed to: Solystic SAS - S2R Service, 15 rue Roland Moreno, CS10160 Alixan, 26958 Valence Cedex 9, France, by registered letter with acknowledgment of receipt.

Throughout the duration of the warranty, the Vendor pledges to repair or to replace free of charge any element or any spare part forming part of the Goods which is recognized as defective (after inspection by the Vendor).

In case of a conformity defect, the Vendor shall give the Client a choice between having the Goods repaired or replaced, excluding damages for any reason whatsoever.

However, the Vendor may decide not to proceed according to the Client's choice if this gives rise to costs that are clearly disproportionate relative to the alternative option, in view of the value of the element involved or the importance of the defect. Under no circumstance may an exchange performed under the warranty extend the period of warranty over the remaining Goods sold and delivered to the Client.

The warranty shall not cover the replacement or the repair:

- of any elements which experience normal wear and tear
- of consumables
- of elements that fail pursuant:
 - to non-compliance with the manufacturer's recommendations (logistical documentation, technical data sheet, retrofit document) and the highest standards of the profession
 - to negligence, mishandling or abnormal use of any equipment
 - to events or supplies related to the equipment: postal files, networks, etc.
 - to anomalies generated by a usage, storage or transportation environment that does not comply with the specifications or recommendations of the Vendor: temperature, humidity, electrical power, isolation, etc.
 - to a defect arising from a cause that is external to the Vendor's supplies and services.
- of equipment other than those supplied by the Vendor
- of elements that can only be repaired by the Vendor but that have been repaired by parties other than the Vendor
- of items that fail pursuant to normal wear and tear of one or more of their components or whose tamper-proof seals (varnish, strip, etc.) have been broken or whose serial numbers have been altered or removed
- of items which are damaged during transportation towards the Vendor pursuant to the use of unsuitable packaging.

No other form of warranty shall be provided. The Vendor does not guarantee the suitability of the Goods for the use which the Client intends to put them to even if the Vendor is informed about this.

11.2. The Vendor shall not be bound by the public declarations of the manufacturer or of its representatives if it is determined that it was not aware of them and was genuinely not in a position to know about them.

The Goods shall be covered by the statutory warranty against hidden defects as per the meaning of this term in article 1641 of the French Civil Code. A design default shall not be deemed to constitute a hidden defect and the Client shall be deemed to have received all the technical data concerning the Goods.

Any reporting of hidden defects must be formulated by the Client by means of a letter sent by recorded delivery with acknowledgement of receipt within eight (8) working days following the date on which the Client shall have discovered the hidden defect, failing which it shall be inadmissible. It is up to the Client to prove the date of this discovery.

12. Termination

The contract and/or the order may be terminated by one of the Parties, by right, partially or totally but only for the future with regard to the unfinished part of it, by registered letter with acknowledgment of receipt, in the only following cases:

- (a) the other Party's serious breach of one of its substantive obligations under the contract and/or the order, where such breach is not remedied within three (3) months after written notice to correct the default by the non-defaulting party; or
- (b) without prior notice in the event of declared bankruptcy or insolvency of the other Party, or filing a petition in bankruptcy or insolvency of that other Party, or any other financial incapacity of the other Party to perform its contractual obligations; or
- (c) without prior notice in case of force majeure lasting for a continuous period exceeding three (3) months.

Termination shall not prevent or delay payment of any amount required or due.

13. Confidentiality

Each Party hereby acknowledges the confidential nature of all the information that is provided by the other Party as part of their relationship in any capacity and in any form whatsoever. Therefore, each Party pledges to take the requisite measures such as in relation to its personnel and its subcontractors to ensure that this information is kept confidential and not to transmit same to third parties, whether directly or indirectly, free of charge or not, without first securing the prior written approval of the other Party.

These obligations shall not apply to information which is or shall be in the public domain or which, on the date of its disclosure, is legitimately held by the Party which receives it, provided that the Party which invokes this provision is able to bring useful evidence of this.

These obligations shall last for five (5) years following the expiry of the contract and/or the order, whatever the cause thereof.

Should these commitments not be honored, each Party shall be entitled to bring legal proceedings and claim damages against the offending Party and all its accomplices and aiders.

14. Industrial and Intellectual property rights

The intellectual and industrial property rights of the Vendor consist in particular of (i) all the intellectual property rights relating to the software systems or applications of the Vendor, including the source code, the object code, the listings and the documentation and (ii) all the patents, trademarks and models owned by the Vendor.

Sales under the General Terms and Conditions shall not lead to the transfer or concession of any rights whatsoever over all or part of the intellectual and industrial property rights of the Vendor to the Client, which pledges not to challenge their validity both during and after the performance of the contract and/or the order.

If any tools, methods, software or know-how that are the property of the Vendor are used, even partly, as part of the provision of the services, they shall remain the exclusive property of the Vendor, the Client having no particular user rights. The Client's use of any tools, methods, know-how or other elements belonging to the Vendor is strictly prohibited.

15. Patents

The Vendor shall defend the Client against any claim or proceeding that it has been guilty of patent infringement or that it has infringed copyright or any other intellectual or industrial property rights.

The Vendor shall be liable, within the limitations of liability Clause 10, for payments of compensation, costs or expenses resulting from the aforementioned claim, which are charged to the Client in a proceeding based on such a claim, provided that the Vendor exercises control of the defense and settlement negotiations, and that the Client has notified the Vendor, as soon as it becomes aware, of any claim or action in this Clause and has communicated within a period compatible with the procedure in progress the information relating to it in its possession.

In the event that the use of any of these elements could constitute a patent infringement, the Vendor may by its own election and at its own expense, replace the element in question by any fully substitutable element, modify this element so that its use is no longer subject to such action, or remove those elements and grant credit corresponding to the infringing element.

The Vendor shall not be responsible for any compromise or settlement made without its consent.

The Vendor's liability shall also not be engaged for any claim relating to anything that the Client provides and which is incorporated in an item, the modification by the Client of an item, the combination, the implementation or the use of the item with items not supplied by the Vendor, an item developed in accordance with the models or technical instructions given by the Client, if the alleged infringement relates to that item.

16. Import/Export

The Client acknowledges that the Vendor is required to comply with the Export Control Regulations relating to the sale, export, import, transfer, assignment, disposition and use of the Goods, including any requirements related to import/export licenses.

The Client warrants that the Goods will not be, at any time, directly or indirectly used, exported, imported, sold, transferred, assigned or otherwise disposed of in a manner that would result in non-compliance with applicable import laws, guidelines and regulations for the export of parts, components and technical data. The Vendor's compliance hereunder is conditioned by the permanent compliance with these import/export laws and regulations.

17. Compliance with Human Rights and Labour legislation - Anti-human trafficking policy

Vendor undertakes to comply with Human Rights, Labour Law, regulations prohibiting human trafficking and the use of child labour in the context of its operations in any country. It does not employ clandestine workers nor does it commission illicit work.

Furthermore, Vendor is committed to providing equal employment opportunities (especially gender equality), and exercises care to prevent any form of potential discrimination and/or physical, psychological or verbal harassment in the workplace.

Vendor prohibits its employees, agents, subcontractors, suppliers and contract labour from engaging in activities that support or promote trafficking in persons.

Vendor represents and warrants that it abides by and complies with the requirements of this Clause and any relevant applicable laws or regulations. Further, Vendor shall require its employees, agents, contract labour, subcontractors and suppliers to abide by and comply with the requirements of this Clause.

18. Anti-Corruption Compliance

Vendor represents, warrants and covenants that:

18.1. It has not and will not, directly or indirectly, pay, promise, offer, or authorize the payment of any money or anything of value to:

- (a) an officer, employee, agent or representative of any government, including any department, agency, or instrumentality thereof or any person acting in an official capacity thereof,

- (b) a candidate for political office, any political party or any official of a political party, or
- (c) any other person or entity,

while knowing or having reason to know that all or any portion of such payment or thing of value will be offered, given or promised, directly or indirectly, to any person or entity for the purpose of assisting the Client in obtaining or retaining business or an improper business advantage. Without limiting the generality of the foregoing, the Vendor shall not directly or indirectly pay, promise, offer, or authorize the payment of any facilitation payment intended to expedite or secure performance of a routine governmental action, such as, customs clearance on behalf of the Client.

18.2. No gratuities such as but not limited to: gifts, travel expenses, business courtesies, hospitalities or entertainment of any nature have been or will be accepted or made in connection with the order where the intent of it was, or is, to unlawfully influence the recipient of the gratuity. The Vendor also represents that any gratuities offered or provided shall meet the following conditions:

- (a) be permitted under the UK Bribery Act and U.S. Foreign Corrupt Practices Act (FCPA) and the laws and regulations of the country in which the order will be performed;
- (b) be consistent with applicable social and ethical standards and accepted business practices;
- (c) be of such limited value as not to be deemed a bribe, or any other form of improper inducement or payment; and
- (d) be of such nature that its disclosure will not cause embarrassment for the Client.

19. Environment, health and safety

The Vendor warrants it has and maintains environmental, health and safety management systems as appropriate to ensure compliance with applicable laws. The Vendor further agrees to continuously promote a safe and healthy workplace and a sustainable environment related to water and air quality, water and energy conservation, greenhouse gas emission reductions, solid and hazardous waste reductions.

Where applicable, the Client warrants compliance with all applicable laws and regulations regarding environment, health and safety at the workplace, including any site where the Goods are installed and/or Services are rendered.

20. Prohibited Activity

Unless specifically authorized in writing by the Client, the Vendor warrants not to engage in any of the following activities on behalf of the Client: acting as an agent of the Client; marketing or sales promotion, lobbying, freight forwarding, consulting services, performing offset (industrial participation) consulting or brokering services.

21. Data protection

The Vendor warrants it complies with all applicable laws and regulations relating to the EU General Data Protection Regulations.

22. Standards of business conduct

The Vendor shall comply with Northrop Grumman's Standards of Business Conduct available at the address below:

https://www.solystic.com/data/medias/487/style/default/NG_Ethics_BusinessConduct_Complete_2016_US.pdf.

23. Applicable law and settlement of disputes

These General Terms and Conditions shall be governed and interpreted according to French law, to the exclusion of any other law. The Vendor and the Client agree to bring any dispute arising from the content or the fulfilment of the contract and/or the order exclusively before the Commercial Court of Paris. The Parties may previously seek an amicable settlement or appeal to a mediation agreement.
