

TERMS AND CONDITIONS OF SALE

1) **ESTABLISHMENT AND STRENGTH OF CONTRACTUAL RELATIONS**

These terms and conditions of sale shall automatically apply to all sales conducted by the seller, to the exclusion of all other terms and conditions. Certain specific provisions may be applied in their place, on the condition that they have been made the subject of prior, written agreement between the seller and the purchaser.

2) **ORDER**

The purchaser shall provide, at the issuance of the order at the latest, all documents required by law and the regulations in force. Acknowledgement of receipt of orders from the seller constitutes acceptance of the order. Cancellation of all or part of an order is only possible with the consent of the seller and under the terms of Clause 17, Termination.

3) **PRICES**

Our prices are set according to the economic conditions of our offer and/or of our acknowledgement of receipt of the order. Unless otherwise stipulated, our prices exclude all taxes, whether unit-based or for quantities specified in the acknowledgement of receipt of the order, excluding transportation, specific packaging and insurance, they are Free Carrier Alongside (Incoterms 2020) and designated in Euro. All taxes, duties, fees and other costs payable pursuant to French regulations or those of an importing country or of a transit country shall be borne by the purchaser.

4) **INDUSTRIAL PROPERTY**

The seller retains full ownership of the technical means, know-how and all intellectual and industrial property rights developed and/or implemented in order to carry out the order. The seller reserves the right to file, in their name and at their own expense, any intellectual property title application resulting from the order.

Studies, plans, documents, prototypes, and, generally speaking, information of any kind provided by the seller within the framework of the order whatever the type, nature, form or medium, remain their exclusive property and may not be used for any purposes other than those of executing the order, without special, prior authorisation.

5) **BILLING AND PAYMENT**

The payment conditions for our bills are by bank transfer, thirty days net from billing. No discount is granted for early payment.

The terms of payment may not be delayed for any reason whatsoever even in the event of a dispute. The penalties for late payment are automatically due. The interest on late payments is calculated based on the ECB rate at its most recent refinancing operation +10 points. Without prejudice to any claims launched by the seller, failure to comply with the above payment terms authorises the latter to suspend or cancel the delivery of the orders in progress and/or suspend the execution of their obligations.

No compensation of claims between creditors is possible.

6) **RESERVATION OF OWNERSHIP**

The seller reserves ownership of the goods sold until payment in full. Throughout the duration of the reservation of ownership, the purchaser agrees not to offer the goods as security, or modify, sell or transfer them by way of guarantee. Failing settlement by the purchaser of any of the contractual instalments, the purchaser authorises the seller without restriction to recover the goods at the latter's first request, at the purchaser's expense and without prejudice to the damages that could be claimed. During this period, the purchaser undertakes to store the products in such a way as to enable their identification.

7) **CONFIDENTIALITY**

All know-how, documents, studies, results or information communicated by one party or brought to their attention during negotiations or during the execution of the contract or order are deemed confidential, and shall under no circumstances be communicated to persons other than the staff of the other party needing to be aware of them and who are informed of their duties and qualified therefor. Each party shall take the most appropriate measures in order to never allow any other individual access, in any manner whatsoever, to the elements covered by confidentiality.

The confidentiality obligation continues to apply for a duration of ten (10) years as of receipt of the information. It does not apply to information included in the prior art, and may be waived in whole or in part with the written agreement of the party having communicated it, or in response to any legal action. In the latter case, the party complained against promptly notifies the other party to enable them to organise the defence of its interests, including consultation with the purchaser.

8) **DELIVERY AND TRANSPORTATION - RISK TRANSFER**

Our products are approved and issued in accordance with Incoterm Free Carrier Alongside (Incoterms 2020). The transportation is conducted at the expense and risk of the purchaser. In the case of a service, the documentation is provided via the postal services by ordinary mail or by parcel post. Deliveries are not subject to specific additional insurance coverage.

9) **PACKAGING**

Our packaging is compliant with the regulations in force at the time of dispatch. Where, after billing, packagings have become the property of the purchaser, the latter is obliged to remove from the packagings any reference to the former owner, and guarantees the latter against any claim that may be made against them regarding the use of the said packaging.

10) DELIVERY DEADLINE

The delivery deadline is indicated in the offer or in the acknowledgement of receipt of the order. Any delay by the seller may only give rise to payment of lateness penalties insofar as they have been specifically agreed to in the order accepted by the seller and may in no case exceed 5% of the amount of the service or product concerned. All penalties shall, in all cases, amount to a discharge and be compensatory.

Where applicable, penalties shall be subject to specific billing and may in no case form the subject of deductions from bills issued by the seller.

The purchaser may not, under any circumstances, invoke a delay in supply in order to cancel the order without the seller's agreement, or refuse to take delivery of the products ordered. The seller reserves the right to suspend execution of all or part of the order and to renegotiate its conditions in the event of a delay by the purchaser in providing entry data required in order to execute the order.

11) ACCEPTANCE AND USAGE OF THE PRODUCT

The product or service shall be accepted by the purchaser or an individual approved by the purchaser and the seller no later than eight (8) days as of the delivery date. Any alleged non-compliance of the product or the service with regard to the technical clauses of the order shall be reasoned and communicated to the seller within this time-frame. Beyond this time-frame the acceptance is deemed granted.

The usage of the product shall be in compliance with the regulations in force, and any recommendations by the seller, under the purchaser's sole responsibility.

12) WARRANTY

The following warranties are granted by the seller to the purchaser to the exclusion of any other written, implied, or oral warranty. In particular, there is no implied warranty as to the merchantability or suitability of the products or services for usage not intended by the seller.

Service warranty

The seller guarantees to the purchaser that the services are compliant with the technical clauses of the order accepted by them. The seller undertakes to execute the services pursuant to the order in accordance with trade practices, within two months of the delivery of the service. In case of error or omission, the seller undertakes to recover, at their expense, the service recognised as defective by both the seller and the purchaser. The seller's undertaking is strictly limited to the recovery of the said services, as stipulated above.

Product warranty

The seller guarantees to the purchaser that the products forming the subject of the orders are compliant with the order for a duration of six months as of the delivery date, unless stipulated otherwise.

The warranty applies under the following conditions:

The warranty applies only to the product, conditioned in its original packaging and unopened in the case of chemical products, non-processed and stored and handled under the conditions defined by the technical specifications and the corresponding safety data sheets drawn up by the seller.

The purchaser must inform the seller in writing of the alleged non-compliance of the product within eight (8) days of its discovery and claimed within six months of delivery.

Where the non-compliance can be demonstrated by both parties as proving to be solely due to the seller, the latter undertakes to replace or repair the product free of charge, at their discretion.

The seller may in no case be held liable, beyond simply replacing non-compliant products, and making them available again under the same conditions as the new product. This warranty excludes the payment of any compensation and the payment of any fees pursuant to the implementation of this warranty. Transportation, insurance, customs, assembly and/or disassembly costs shall be borne by the purchaser.

The amount of this warranty shall not exceed the price of the non-compliant goods. In the event that a pyrotechnic product is returned, the fees and risks are borne by the purchaser, who must ensure that they use the pyrotechnic product's original packaging and approved transportation for the pyrotechnic product concerned.

In the event of repair or replacement, the warranty time-frame is extended by a duration equal to that for which the goods were immobilised or unusable owing to the non-compliance.

The provisions of this clause represent the entirety of the seller's obligations and/or responsibilities pursuant to their warranty.

None of the above warranties shall be due in the event of normal wear-and-tear or the fault, carelessness or negligence of the purchaser or those under their orders (and in particular, for maintenance fault, poor installation, lack of vigilance, non-compliant usage or modification).

Moreover, it is not applicable where the seller has acted in accordance with the purchaser's specifications (whether with regard to the design, material or manufacture) or under their supervision.

The warranty shall not be applicable to visible defects not invoked by the purchaser during acceptance.

13) LIABILITY - INSURANCE

The seller solely repairs material damage directly caused by their proven fault, in proportion to their responsibility for the damage.

The seller may not in any way be held liable to repair any material damage or indirect losses suffered by the purchaser, those under their orders, their successors and copyright holders or any third party, regardless of the kind of damage (including, in particular, losses or lost profits). The purchaser and their insurers expressly waive all claims against the vendor and their insurers for any material damage or indirect losses.

Under no circumstances shall the seller be held liable where there is:

- fault, negligence, omission, failure or erroneous interpretation or implementation by the purchaser,
- fault by a third party over which the seller has no power of control or monitoring,
- force majeure.

All claims must obligatorily be addressed by letter to the seller no later than within eight days of the harmful event.

14) CAPPING OF DAMAGES, PENALTIES AND LIABILITIES

The purchaser waives all claims of an amount higher than the cap indicated below.

Even combined, the amount of damages, penalties and liabilities shall not exceed an amount greater than ten percent (10%) of the total contract.

15) IMPEDIMENT, FORCE MAJEURE AND SHORTAGE

Any case of force majeure suspends the total or partial execution of the contract or of the order and extends the delivery time-frame by the same amount, throughout its duration. The breakdown of machinery or tooling, manufacturing incidents and total or partial strikes are regarded as cases of force majeure on the same basis as any event that is unavoidable, unforeseeable and external to the parties, such as flooding, fire, an interruption in the supply sources of raw materials, energy and subcontracting. Transportation incidents or failures are equated with these cases.

Where the execution of obligations is delayed by more than six (6) months owing to a force majeure, one or other party may request the termination of all or part of the contract or order struck by a delay.

The seller shall not be held liable in the event of partial or entire non-execution of the contract, due to a case of force majeure.

16) SAFEGUARD CLAUSE

The parties are obliged to fulfil their obligations, even in the event that they have become more expensive to perform, subject to the following provisions relating to the safeguard.

The safeguard clause applies when circumstances substantially alter the balance of the commercial relationship between the parties pursuant to the order, so as to render the execution detrimental to either party.

Such events should not be known or reasonably foreseeable at the conclusion and are outside the control the aggrieved party. Where they occur, the aggrieved party may initiate negotiations, without the request or negotiation suspending the execution of the obligations.

Should the parties fail to reach an agreement within a reasonable time-frame, the matter may be referred to the competent jurisdiction. Where it accepts the application of the clause, the jurisdiction may terminate the contract within the time-frames and under the conditions that it sets, or adapt the contract with a view to restoring the balance of the services.

17) TERMINATION

Partial or total termination of an order is possible through the negotiated establishment of a termination settlement, covering the past or future expenses incurred to this end by the seller.

In addition to the payments made, which continue to be owned by the seller, the purchaser shall pay flat-fee compensation equal to at least ten percent (10%) of the amount of the order or the terminated share. The flat-fee compensation shall not be due in the event of cancellation or termination owing to a cause for exemption demonstrated by the purchaser (force majeure, unforeseen circumstances or third-party action).

The seller is granted automatic termination of the contract simply by sending a registered letter with acknowledgement of receipt, where there is an established risk of the transfer of technology or protected know-how into the hands of an existing or potential competitor, and in particular in the event of a planned acquisition, an equity participation, a change in capital or industrial and commercial difficulties experienced by the purchaser (in observance of the legal provisions in force for the latter case).

Where the purchaser is aware of such a transfer risk, they shall inform the seller immediately.

Automatic termination is granted under the same conditions in the event of the violation, even partial, of a substantial obligation of the contract or order, with the confidentiality obligation and industrial protection aimed at in particular.

Any violation of the obligations linked to the stipulations relating to confidentiality or intellectual property shall entitle the seller to the payment, due immediately, of a sum equalling twice the amount of the contract in question, notwithstanding the maintenance of the obligations borne by the purchaser.

18) ASSIGNMENT - TRANSFER

The sales contract, the order and the conventions may under no circumstances be subject to a transfer, total or partial assignment, against payment or free of charge, due to the purchaser, without the seller's prior written agreement. The seller reserves the right to transfer the benefit of the contract or orders to any legal entity, which will assume all of the obligations in question vis-à-vis the purchaser.

19) RULES AND REGULATIONS

The acquisition by French Buyers of explosive powders, substances or products defined in French Defense Code, is subject to prior authorizations granted by French local and/or regional government authorities (R2352-74 of Defense Code). When submitting a purchase order, the French Buyer shall provide PYROALLIANCE evidence of the validity of its permits. The Safety Data Sheet prescribed by REACH Regulation (N° 1907/2006) and provided to the Buyer, details the necessary measures to be taken for the use, storage and eventual destruction of said explosive powders, substances or products.

In any case, the purchaser is responsible of its compliance to local laws and regulations. Pyroalliance can support compliance demonstration related to delivered products upon purchaser's request.

20) ETHICS

The purchaser solemnly declares that :

- It has not infringed any anti-corruption laws or regulations,
- It has not been subject to any civil or criminal sanctions, in France or abroad, for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against it,
- To the best of its knowledge, no executive or manager of its company has been subject to any civil or criminal sanctions, in France or abroad, for infringement of anti-corruption laws or regulations and that no investigation or proceedings which could lead to such sanctions have been brought against such persons.

The purchaser warrants that :

- It complies and shall comply with the legal provisions against corruption in accordance with the OECD Convention of 1997 and the United Nations Convention Against Corruption of 2003 (UNCAC),
- It has not granted and shall not grant, directly or indirectly, any gift, present, payment, remuneration or benefit whatsoever (trip, etc.) to anyone with a view to or in exchange for the conclusion of an Order.

The purchaser shall notify the seller of any gift, present, payment, remuneration or benefit whatsoever that it might grant either directly or indirectly to any employee, officer or representative of the seller or of any Safran Group Company or to anyone that might influence their decision within the framework of the performance of an order.

In the event of failure to comply with this clause, the seller shall automatically have the right to terminate the orders in progress with immediate effect and without compensation, and without prejudice to any remedies the seller may take against the purchaser.

21) EXPORT CONTROL

For products or services subject to export control, the purchaser commits to complying with the applicable regulations and, in particular, to controlling the final destination for war materials, and to applying the suitable procedures. They shall assume the consequences of non-observance of the said regulations.

22) REFERENCES

The seller reserves the right to include the purchaser's name in a list of references, unless specified to the contrary by the latter. Under no circumstances may this reference jeopardise the confidentiality commitments taken with respect to the purchaser.

23) ASSIGNMENT OF JURISDICTION

By express agreement between the parties, these Terms and Conditions of Sale and the resulting purchasing and sales operations are governed by French law. They are drafted in French. Where they are translated into one or more languages, the French text alone shall prevail in cases of dispute.

Should a dispute arise in the interpretation or execution of the contract or order, the parties agree to meet within one month of receipt of written notice presented by either party.

If, after a period of two months as of the first meeting, the parties should fail to agree on an amicable solution, the dispute may then be referred to the competent court in accordance with the provisions below.

The seller elects domicile at their head office. Any disagreement or dispute not having been resolved in accordance with the above provisions shall be settled:

- for sales in France: by the Commercial Court of Paris;
- for export sales: by arbitration, final in nature, conducted in Paris, in accordance with the Arbitration Regulations of the International Chamber of Commerce, to the exclusion of any other jurisdiction, even in the event of the introduction of third parties or a plurality of defendants

24) COVID CLAUSE

The present Acknowledgement is based on the following information available to Pyroalliance regarding the situation of the Covid-19 outbreak as of the date of issuance of this document:

- Reported cases of infection of its employees by the Covid-19;
- Current governmental measures already in force;
- Official notifications from its subcontractors and suppliers.

Consequently:

- If there is an evolution of the Covid-19 outbreak situation affecting Pyroalliance and/or its subcontractors and suppliers and if such evolution impact the Work contemplated to be performed in this document, including impacts caused by changes to the legal, business and/or economic environment in which Pyroalliance operates, Pyroalliance reserves the right to review the Contractual terms and conditions, in particular on price and/or delivery.
- Pyroalliance reserves the right to modify the affected terms and conditions and/or to request modifications to the resulting Contract/Rider/ATP so as to ensure as far as practically possible that justified detrimental effects by reason of the direct consequences of Covid-19 outbreak be reflected and taken into account, such that economic equilibrium of a resulting Contract/Rider/ATP between the Parties remains fair and acceptable. Should the Parties do not find an agreement in a reasonable time, then either Party may decide to terminate the Contract/Rider/ATP on a non-fault basis of the Contractor.

25) UKRAINE-RUSSIA CLAUSE

At the time of issuance of this Offer, the consequences of the invasion of Ukraine by Russia, including the resulting decisions taken or to be taken by the various governmental and administrative authorities, (the "Event") on the works covered under this Offer are still unknown and therefore have neither been considered nor quoted. Should the work be significantly impacted by the Event, Pyroalliance will discuss in good faith with the Customer the adaptations to the terms and conditions of the Offer and may adapt it, notwithstanding the right for the Customer to request an updated proposal.

26) PERSONAL DATA PROTECTION

Pyroalliance has to collect, process and use the personal data of its collaborators and partners to carry out its operational and commercial activities. Within this framework, we are required by law to comply with all our obligations regarding the collection, processing and use of personal data. We respect and protect the privacy of our collaborators, customers, suppliers and partners. Such personal data will be stored for the duration of the contract and archived according to the regulatory period.

By accepting these general terms and conditions of sale, you consent to our collecting and using this personal data for the execution of this contract. In accordance with the French law on the protection of personal data and the Regulation (EU) 2016/679 of 27 April 2016 regarding the protection of personal data, you have the right to access and rectify any data about you. You may exercise this right by writing to the following email address Dpo@pyroalliance.com. You may also object to the processing of your personal data for legitimate reasons. *[The right of objection does not apply if the processing results from a legal or regulatory obligation].*

27) RUSSIAN EXPORT RESTRICTION

- (1) The Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall under the scope of Article 12g of Council Regulation (EU) N° 833/2014;
- (2) The Customer shall undertake its best efforts to ensure that the purpose of paragraph (1) is not frustrated by any third parties further down the commercial chain, including by possible resellers;
- (3) The Customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of paragraph (1);
- (4) Any violation of the above provisions shall constitute a material breach of an essential element of the Agreement and Pyroalliance shall be

entitled to seek appropriate remedies, including, but not limited to (i) termination of this Agreement; and (ii) a penalty of 30% of the total value of this Agreement or price of the goods exported, whichever is higher;

(5) The Customer shall immediately inform Pyroalliance about any problems in applying paragraphs (1), (2) or (3), including any relevant activities by third parties that could frustrate the purpose of paragraph (1). The Customer shall make available to Pyroalliance information concerning compliance with the obligations under paragraph (1), (2) and (3) within two weeks of the simple request of such information.