

ABO SUPPLY, LLC
GENERAL CONDITIONS OF PURCHASE AND PROCUREMENT

ARTICLE 1 – DEFINITIONS

These General Conditions of Purchase and Procurement are hereinafter referred to as this “Agreement”. In this Agreement, the following terms are defined as follows:

- (a) "Purchaser": ABO Supply, a member of the ENTREPOSE Services Group, acting as a mandated purchaser of the Goods from Supplier
- (b) "Order": all contractual documents concerning Goods governing relations between Supplier and Purchaser, including in particular, in order of priority: (1) the Purchase Order; (2) the specific conditions and their appendices; (3) this Agreement; and (4) any documents required drafted by Supplier, which Purchaser agrees in writing to incorporate in the Order.
- (c) "Party" and "Parties" shall respectively mean either Purchaser or Supplier individually and Purchaser and Supplier collectively.
- (d) "Supplier": the natural person or legal entity selected by Purchaser to carry out the Order.
- (e) "Goods": any goods, products or equipment included in the Order between Purchaser and Supplier, including where applicable the associated documents and operations associated with installation.

ARTICLE 2 - CONTRACTUAL DOCUMENTS

These Agreement and any Orders shall reflect the complete agreement between Supplier and Purchaser with respect to the subject matter of the Order and, except in the case of fraud, such agreement supersedes all previous negotiations, representations, agreements, commitments and writing in respect thereof, including any general conditions of sale of Supplier. To the extent that there are any inconsistencies in the Order and this Agreement, the terms of the Order shall govern.

Supplier expressly recognizes that it has knowledge of this Agreement and that (i) by replying to the invitation to tender or quote the Goods, Supplier voluntarily elects to enter into and be bound by this Agreement and (ii) by starting to perform the Order Supplier is deemed to have accepted the Order and the terms of this Agreement.

All Orders must be agreed to in writing, which shall include documents signed or transmitted by .pdf or other electronic means to the email address set forth for the party on the Order. Modifications and departures from this Agreement shall only apply if they have been agreed in writing between the Parties and they shall only be valid for the Order in question. Supplier may not apply any modifications to other Orders. Verbal undertakings and agreements shall be of no effect unless and until they are confirmed by a written agreement between the Parties. Purchaser shall have no liability and shall not be responsible for verbal Orders or verbal modifications of existing Orders.

ARTICLE 3 - ACCEPTANCE OF THE ORDER - ABSENCE OF EXCLUSIVITY

Acceptance of the Order does not confer any exclusivity for Purchaser in favor of Supplier.

ARTICLE 4 - MODIFICATIONS OF THE GOODS

Purchaser may request in writing that Supplier make modifications to the Goods initially defined in the Order. Following receipt of such request, Supplier shall inform Purchaser as promptly as possible of its acceptance of the modifications and whether the modifications result in any changes to the delivery lead time, costs or any other item on the Order. The said modifications must be promptly confirmed in writing by an amendment to the Order signed by both Parties.

ARTICLE 5 - DELIVERY

5.1 – DELIVERY TERMS

All deliveries of Goods shall be made DDP (Delivery Duty Paid) Purchaser's warehouse in Houston, Texas unless otherwise provided for in the Order as defined in the INCOTERMS (2010), to the agreed address during business days and normal working hours defined in the Order.

5.2 – PACKING

Unless otherwise provided for in the Order, Supplier shall be responsible for packing, which must be appropriate for the means of transport used and for the transported Goods, in conformity with the applicable standards and codes of practice. In any event, the packing must prevent any damage likely to affect the Goods during transport. Supplier shall be responsible for all damage caused in transit. The packing materials must be taken back at Supplier's expense and must be processed in accordance with the applicable laws at the point of delivery.

5.3 – ADHERENCE TO DELIVERY LEAD TIMES - PENALTIES

Adherence to delivery lead times is an essential condition of the Order. If Supplier foresees a delay in the delivery lead time, Supplier must inform Purchaser immediately in writing of the extent of and reasons for the delay. Any delay in delivery on the part of Supplier and/or any third party under

Supplier's responsibility shall automatically and without notice incur the application of the penalties set forth in the Order. These penalties, which consist of certain fines and penalties, may be deducted or setoff as of right from any sums owed to Supplier. The penalties shall not affect Purchaser's right to claim damages from Supplier and/or to cancel the Order immediately as of right, by derogation from the provisions of Article 16.1 below.

ARTICLE 6 - ACCEPTANCE OF THE GOODS

Delivery of and/or payment for the Goods by Purchaser shall not constitute acceptance. The Goods shall be deemed "Accepted" only upon verification by Purchaser that it conforms to the Order and, where applicable, after receipt and acceptance by Purchaser or Purchaser's representative of the sales documents, in particular the material certificates, drawings and other documents set forth in the Order. Once the Goods are "Accepted" by Purchaser, Supplier shall also give Purchaser all information and documents relating to the safety and use of the Goods.

If the Goods are "Refused" by Purchaser, risk of loss to the Goods shall not transfer and the Goods shall be kept available at the point of delivery, at Supplier's risk and expense. In the event of "Refusal" of the Goods, unless Purchaser decides otherwise in writing, the Goods shall, at the choice of Purchaser, be repaired or replaced promptly without Supplier being entitled to raise any objection concerning in particular its production and/or delivery schedule.

ARTICLE 7 - TRANSFER OF OWNERSHIP AND OF RISKS

The transfer of ownership and risk of loss shall occur on "Acceptance" of delivery of the Goods by Purchaser or, if payments are made before delivery, in proportion to the accumulated installments paid by Purchaser. In the latter case, Supplier undertakes to identify and isolate in the name of Purchaser the Goods deliverable in execution of the Order as and when produced, in such a way that the said Goods cannot be confused or commingled with Supplier's own stocks or with any other items deliverable to other purchasers. Supplier hereby waives any right of recourse to any reservation of title clause not expressly agreed by Purchaser. Supplier undertakes to ensure that its chain of suppliers does likewise.

ARTICLE 8 - PRICES

Unless otherwise specified in the Order, the prices stated in the Order shall be fixed lump sums. The prices shall include all costs incurred in the production, packing, loading, transport, and unloading of the Goods and in the recovery and processing of the packing materials. The prices shall be fixed and non-negotiable. They are understood as being exclusive of VAT. Any and all federal, state, local, sales, use, excise or similar taxes imposed by any government, governmental unit or similar authority, on the sale or use of the Goods shall be borne by Supplier. Purchaser has the right to setoff such costs against payments owed from Purchaser to Supplier.

ARTICLE 9 - INVOICING AND PAYMENT TERMS

Invoices shall be drafted in duplicate by Supplier in Purchaser's name. The invoices shall be sent to the address appearing in the Order, quoting the Order number and references. The invoices shall be set forth in the currency specified in the Order.

Provided that the Goods are its conformity recognized and "Accepted" by Purchaser, invoices shall be paid, unless otherwise stipulated in the Order, within thirty (30) calendar days from the date of the invoice is sent. Unless otherwise provided for in the Order, invoices shall be paid by transfer to the bank account of Supplier as indicated in the Order. Payment of the invoice does not affect or constitute a waiver of Purchaser's right to dispute in writing any incorrect or questionable charges or fees set forth on any Supplier invoice.

ARTICLE 10 - GUARANTEES

10.1 - OBJECT

Supplier agrees that the warranties and representations that it provides under this Article 10 are for the benefit of Purchaser, its parents, affiliates and subsidiaries. It follows that the term "Purchaser" as used in this Article 10 shall include Purchaser and the company that has originally placed the Order on behalf of Purchaser.

Supplier represents and warrants that it has good and indefeasible title and ownership of the Goods included in the Order. Supplier further warrants and represents that the said Goods conform to the specifications stated in the Order and that the Goods are from all liens, encumbrances or preferential rights from any third-parties.

Supplier hereby represents and warrants that the Goods are in good working condition and free of defects. Supplier hereby represents and warrants that the Goods correspond to the objectives and purpose defined by Purchaser, and Supplier agrees that it cannot claim or assert that the Order is vague or ambiguous.

Supplier shall observe all laws, rules, provisions and industry standards applicable to the Goods, in particular with regard to production, manufacture, repair, price definition and delivery, in order to ensure that the said Goods may be legally bought, sold or transported.

10.2 – DURATION AND SCOPE

Supplier guarantees to Purchaser, for a minimum period of twenty-four (24) months from the date of the Goods being delivered and “Accepted” by Purchaser as being in conformity with requirements, that the said Goods will be free of any defect, fault, contamination and abnormal wear of whatsoever nature. Supplier shall bear all costs of any replacement and repair of the Goods, in particular traveling expenses and the costs of return to the factory, parts and labor. Any replacement or repair of the Goods under such warranty shall give rise to a new warranty for a minimum period of twelve (12) months from the date of delivery of the repaired or replaced Goods and “Accepted” by Purchaser as being in conformity with requirements

10.3 – AVAILABILITY OF SPARE PARTS

Supplier guarantees to Purchaser that all the spare or replacement parts necessary for the correct operation of the Goods will be available at no additional cost to Purchaser for a minimum period of five (5) years from the date of delivery, unless otherwise specified in the Order.

ARTICLE 11 – QUALITY

11.1 – QUALITY CONTROL

Subject to providing three (3) calendar days notice in advance to Supplier, Purchaser or Purchaser’s representative shall be entitled to carry out quality controls at Supplier’s production sites before or during execution of the Order. The quality control carried out by Purchaser shall not reduce

Supplier’s contractual liability or warranty in any way whatsoever, notably concerning the extent of Supplier’s own controls and it shall not affect Purchaser’s right to refuse all or part of the Goods upon delivery.

11.2 – TRACEABILITY

Supplier undertakes, at the written request of Purchaser, to communicate to the latter all information which will enable it to identify the origin, place and date of manufacture of the Goods, or any other information regarding traceability reasonably requested by Purchaser, in addition to the serial or batch numbers, if required. Purchaser undertakes to use the information provided by Supplier only to withdraw or correct, if necessary, the Goods involved.

ARTICLE 12 - HEALTH, SAFETY AND THE ENVIRONMENT

Should in connection with the Goods Supplier be at premises occupied by Purchaser, Supplier shall observe and shall require all of its employees and subcontractors or representatives to observe, all rules in force at Purchaser’s site regarding health, safety, working conditions and the environment and all legislation and regulations applicable to this subject.

ARTICLE 13 - LIABILITY AND INSURANCE

13.1 – LIABILITY

SUPPLIER SHALL BE FULLY AND SOLELY LIABLE FOR THE PERFORMANCE OF THE ORDER. PURCHASER SHALL NOT BE RESPONSIBLE FOR AND SUPPLIER HEREBY AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS PURCHASER AND ITS INSURERS FROM AND AGAINST ALL CLAIMS, LOSSES, EXPENSES AND OTHER DAMAGES ARISING OUT OF OR IN CONNECTION WITH DAMAGE TO OR LOSS OR DESTRUCTION OF PROPERTY OF OR THE PERSONAL INJURY, ILLNESS OR DEATH OF ANY MEMBER OF PURCHASER OR ITS SUBCONTRACTORS, AGENTS, REPRESENTATIVES OR INVITEES OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION WITH THE GOODS PROVIDED HEREUNDER.

SUPPLIER SHALL BE LIABLE FOR ALL INDIRECT, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGE FOR THIRD PARTY CHARGES AND COSTS HOWSOEVER ARISING, LOSS OF OR ANTICIPATED LOSS OF CONTRACT, LOSS OF PRODUCTION, LOSS OF PROFIT OR REVENUE, BUSINESS INTERRUPTION OR LOSS OF USE, WHETHER OR NOT FORESEEABLE AT THE EFFECTIVE DATE OF THE ORDER, ARISING FROM THE DEFAULT OF SUPPLIER UNDER THIS AGREEMENT OR THE ORDER REGARDLESS OF THE SOLE, JOINT OR CONCURRENT, ACTIVE, PASS OR NEGLIGENCE OR OTHER FAULT OF PURCHASER.

13.2 – INSURANCE

Supplier and Supplier's subcontractors must have taken out the following insurance policies, at their own expense, and must maintain the validity of the said policies for the period of execution of the Order, including any extension:

- a "General Public Liability" and a "Product Liability", for a minimum amount of \$5,000,000 (USD) in each case and combined single limit per occurrence;
- a third party automobile insurance policy for automobiles and automotive equipment used to execute the Order, in conformity with the applicable law;
- an insurance policy covering damage caused to its personnel, when Supplier is located in a country in which there is no legal system of social security insurance;
- in addition, any other insurance to comply with the applicable laws and regulations.

Before commencing execution of the Order, Supplier must provide Purchaser with one or more insurance certificates from its insurers, certifying the existence, conformity, duration and renewal of the policy or policies, in conformity with the specimen certificate annexed to the Order, naming Purchaser as an additional insured.

ARTICLE 14 - FORCE MAJEURE

Neither of the Parties shall be deemed in default of their contractual obligations to the extent that their non-performance is due to a case of "Force Majeure". Force Majeure shall include governmental acts or requirements, labor disputes, strikes, epidemic, war or war-like actions, acts of terror, civil disturbances or riots, weather, fire, acts of God or any other causes beyond the reasonable control of the Parties. Force Majeure shall only release the affected Party from its contractual obligations to the extent and for the period that the said Party is prevented from performing the said obligations. Each Party shall bear all the expenses for which it is responsible and resulting from occurrence of the case of Force Majeure.

It follows that neither Party shall be entitled to invoke the occurrence of a Force Majeure event where that Party is already in default of those of its obligations under the Order, the performance of which is being prevented. The Party affected by a case of Force Majeure shall immediately notify the other Party of the situation in writing and all necessary documentary evidence. The other Party reserves the right to check and verify the reality of the claimed facts. The Party claiming a case of Force Majeure must make every effort to reduce as far as possible any adverse effects arising from this situation.

In any event, strikes by employees of Supplier or employees of any of Supplier's subcontractors or suppliers shall not release Supplier from liability for delay or impeded delivery. If the event or circumstance giving rise to the case of Force Majeure continues for longer than eight (8) consecutive calendar days, Purchaser shall be entitled to terminate the Order and this Agreement without any indemnity to Supplier.

ARTICLE 15 - TRANSFER OF ORDER – SUBCONTRACTING

15.1 – TRANSFER

The Order is personal to Supplier and Supplier may not assign or transfer the Order or this Agreement in any manner whatsoever to third parties, even in part, without the prior written consent of Purchaser. In the event of transfer to a company not controlled by Supplier, or merger with a company not belonging to the same group as Supplier, or in the event of a change of control, Supplier must immediately inform Purchaser thereof. Within eight (8) calendar days following Purchaser receipt from Supplier of this information, Purchaser shall be entitled to cancel the Order without penalty compensation being owed to Supplier. In all cases where the benefit of the Order is transferred to third parties, all of Purchaser's rights resulting from this Order, including the right to claim damages, shall be enforceable against the said third parties regardless of whether such claim arose prior to or subsequent to the effective date of the transfer of the Order.

15.2 – SUBCONTRACTING

The Goods manufactured in accordance with the specifications of Purchaser and the operations associated with the execution of the Order cannot be subcontracted or delegated by Supplier to third parties without the prior written consent of Purchaser and may only be so subcontracted insofar as Supplier observes all applicable legal provisions and agrees to be bound by this Agreement. In any event, Supplier shall remain solely liable for proper execution of the Order. Supplier shall fully indemnify, defend and hold Purchaser harmless against any claims by Supplier's subcontractors or personnel of the said subcontractors.

ARTICLE 16 - CANCELLATION

16.1 – CANCELLATION FOR NON-PERFORMANCE

Each Party has the right to cancel the Order in the event of non-performance of an obligation of the other Party, after having issued a notice to this effect to the other Party that remains without effect for a period of eight (8) calendar days. In particular, Purchaser may cancel the Order in the event of default or deficiency relating to the quality, characteristics, manufacture or performance of the Goods. In the event of cancellation of the Order by Purchaser under this clause, all payments already made and concerning an undelivered portion of the Goods shall be immediately refunded by Supplier to Purchaser.

16.2 – CANCELLATION AT THE INITIATIVE OF PURCHASER

Purchaser may cancel the Order at any time, subject to issuing ten (10) calendar days' written notice to Supplier. In this case, and on notification, Supplier shall immediately cease further execution of the Order. In the event of cancellation as provided for under this clause, the Parties agree that the maximum amount of indemnity payable by Purchaser to Supplier cannot exceed fifteen percent (15%) of the amount of the cancelled Order.

16.3 – CANCELLATION IN THE EVENT OF BANKRUPTCY

Unless otherwise decreed by applicable laws, Purchaser has the right to cancel the Order without warning and without notice in the event of liquidation or bankruptcy of Supplier, or in the event of the latter being put into receivership.

16.4 – POSSIBLE RETURN OF THE GOODS

Purchaser reserves the possibility during the ten (10) calendar days following delivery of the Goods to return carriage forward to Supplier any Goods that was not in fact ordered or transported without an order from Purchaser or identified upon its arrival as not being in conformity with the Order or at the convenience of Purchaser, and thereafter to exercise such rights as it sees fit. In any of the instances mentioned in this clause, Supplier shall send to Purchaser a credited amount corresponding to the invoice issued by Supplier in respect of any returned Goods.

ARTICLE 17 - INTELLECTUAL PROPERTY RIGHTS - INFRINGEMENT THEREOF

17.1 – TRANSFER OF INTELLECTUAL PROPERTY RIGHTS

In connection with the Order and for the consideration of the price indicated thereon, Supplier agrees to transfer to Purchaser the material and intellectual property rights of all elements, particularly the plans, studies and documents prepared by Supplier and/or any other third party called upon within the context of the Order. Consequently, Supplier transfers to Purchaser all rights of use, reproduction, representation, modification, marketing and utilization of these elements for all countries, languages and media and for the duration of (ownership of) intellectual property (rights). This transfer of ownership shall occur as production of these elements progresses.

17.2 – INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

Supplier shall defend, indemnify and hold Purchaser harmless against any claims or legal action by third parties due to an infringement of intellectual property rights concerning the Goods. Supplier shall compensate Purchaser for all consequences of such action, in particular if Purchaser is obliged to withdraw the Goods. If a prohibition of use is pronounced against the Goods, Supplier must, at its own cost and at the choice of Purchaser, either replace or modify the Goods in such a way that the infringement no longer occurs. These solutions must be implemented within timeframe compatible with the needs of Purchaser to use the Goods. Failing this, Supplier undertakes to refund Purchaser the price of the Goods. These provisions do not affect the right of Purchaser to claim all relevant damages with interest from Supplier.

18 - STANDARDS ON THE PROTECTION OF HUMAN HEALTH, SAFETY AND ENVIRONMENT

Caring for the environment and respecting health and safety in the work environment are part of Purchaser's Code of Conduct. Supplier undertakes to meet all applicable standards regarding chemicals sold to Purchaser, regardless of whether these substances are supplied to be used on their own, in preparations, or in articles. In the event that all or part of the substances supplied to Purchaser are subject to authorization or requirements, Supplier undertakes:

- with regard to substances subject to authorization, to Goods only those substances duly authorized for the uses Purchaser intends to make of these substances,
- with regard to substances subject to certain requirements, to Goods only those substances which comply with such requirements,
- to notify Purchaser of any change in regulation applicable to these substances (especially in the case of a ban on their uses) and of any substitution feasibility for such substances.

Supplier shall deliver the substances, whether supplied to be used on their own, or included in preparations, or articles, in compliance with applicable law. Whenever required by the regulations in force, Supplier shall provide Purchaser with the corresponding material safety data sheets (MSDS). The MSDS should comply with the applicable regulations and be identical, irrespective of their linguistic version and/or of the country of delivery of the substances. Supplier will have to update MSDS on a regular basis and will have to communicate these updates to Purchaser. Supplier shall defend, indemnify and hold Purchaser harmless from any and all damages incurred as a result of failure to comply with the obligations set forth in this Article 18.

ARTICLE 19 – ETHICS - PURCHASER’S CODE OF CONDUCT

Supplier shall comply with the ethical principles and all the laws and regulations to which reference is made in the Code of Conduct of Purchaser and/or the ENTREPOSE Services Group, a copy of which is available on request or at Purchaser’s Web Site, www.abosupply.com. Supplier shall also ensure that any of its subcontractors comply with the same. Supplier shall defend, indemnify and hold Purchaser harmless from any financial consequences or other losses and damages incurred by Purchaser as a result of failure to comply with these obligations.

ARTICLE 20 - CONFIDENTIALITY

All documents or information exchanged between the Parties or to which Supplier has access shall be treated as strictly confidential. Each Party undertakes to observe this obligation of confidentiality and to ensure that their personnel and any other third parties do likewise. Unless otherwise specified in the Order, this obligation of confidentiality shall expire ten (10) years after the date that the Goods are “Accepted” by Purchaser.

ARTICLE 21 - REFERENCE TO PURCHASER’S BRANDS AND TRADE NAMES

Supplier shall not be entitled to refer to the company names or brands of Purchaser or the ENTREPOSE Services Group, for any purpose whatsoever, without the prior, express, written permission of Purchaser.

ARTICLE 22 - APPLICABLE LAW – SETTLEMENT OF DISPUTES

22.1 APPLICABLE LAW

The Parties have agreed that regardless of where any action may be brought, the Order and this Agreement shall in all respects be governed, construed and interpreted in accordance with the applicable laws of the State of Texas, USA.

22.2 SETTLEMENT OF DISPUTES

The sole and exclusive jurisdiction and venue for any disputes which arise between the Parties shall be a state or federal court located in Harris County, Texas.

22.3 MISCELLANEOUS

If any term of this Agreement is found to be unenforceable or invalid for any reason, the remaining terms shall continue in full force and effect and the Parties agree that any unenforceable or invalid term shall be amended by the court to the minimum extent required to make the term enforceable and valid.

END OF GENERAL PURCHASE AND PROCUREMENT CONDITIONS