

### 1. General provisions - Acceptance

The acceptance of the Order by the Supplier (hereinafter referred to as the "S.") implies *ipso facto* acceptance of these General Terms of Procurement which are an integral part thereof and which govern the contractual relations between the parties, subject to the provisions of the specific terms of the Order, with the S. definitively waiving its own General Terms of Sale.

All the provisions of this Order shall be considered as having been definitively accepted by the S. ten (10) business days after its receipt, unless reservations are sent within this timeframe, in writing, to the Buyer managing the Order, whose contact details appear on the first page of the Order.

It is hereby specified that **SEMV's** procurement commitment (i.e. the validity of the Order placed with the S.) is dependent on the latter's acceptance of all the provisions of the Order.

### 2. Delivery - Acceptance of delivery

The contractual delivery date is understood as being when the goods have arrived and been unloaded at the delivery address specified in the Order. It is an imperative and fundamental term of the Order. The effective delivery date is the date stamped by the receiving agent of the goods on the receipt slip (*bon de prise en charge*) (or delivery slip), duly signed by one of its authorised representatives.

No early deliveries may be made without **SEMV's** prior and written agreement.

If an acceptance procedure is provided for under the specific terms of the Order expressly accepted by the parties, such procedure is the instrument by means of which, at the S.'s initiative, **SEMV** represents that it accepts (with or without reservations) the Supplies, works and/or services which are the subject matter of the Order (hereinafter referred to as the "Supply").

### 3. Lead-times - Liquidated Damages

In the event of delays in delivery or acceptance, which are not attributable to an event of force majeure or to **SEMV's** negligence, the S. shall owe penalties for delay calculated on the total amount of the Order at a rate of 1% per calendar week of delay up to a maximum of 5% of this amount. Over and above this maximum limit, **SEMV** reserves the right:

- to claim its actual loss from the S. and
- to unilaterally announce, at any time and as of right, total or partial termination of the Order for breach of the S. (without prejudice to any damages), with, in this case, the extent of the delay being considered purely and simply as a default of the S.

### 4. Modifications

At any time during performance, **SEMV** reserves the right to change the volumes and/or the nature of the Supply, without the S. being entitled to claim any indemnity on these grounds nor to change the unitary prices decided upon pursuant to the basic Order. The conditions under which such an addendum shall be considered as having been accepted are those set forth in Article 1 hereinabove. Where applicable, the addendum shall specify the new contractual delivery / acceptance dates.

### 5. Transfer of risks

Notwithstanding any verification work or acceptance procedure in the S.'s premises, the transfer of risks takes place upon delivery of the Supply. If an acceptance procedure is provided for, the S. nevertheless continues to bear the inherent risks affecting the Supply until **SEMV** issues an acceptance statement without reservations. In all cases, the Supply is transported at the S.'s risk.

### 6. Packaging and documentation

The Supply is delivered with the packaging required for its warehousing and due and proper preservation. Unless otherwise provided for, the packaging is not subject to a deposit but, if this were the case, it shall be returned at the S.'s expense. The Supply is delivered together with the documentation required for its use, maintenance and upkeep.

### 7. Verification

The S. is responsible for verifying and certifying, under its responsibility, the compliance of the Supply with the conditions applicable to it under **SEMV's** specifications, with which the S. hereby represents that it is perfectly familiar. Under no circumstances shall the verification work carried-out by **SEMV** prior to, during or subsequent to delivery / acceptance discharge the S. from this obligation.

### 8. Shipping

At the same time as any shipping of the Supply, the S. shall send to **SEMV**, by mail, a copy of the dispatch note mentioning the references and date of the Order, the number of parcels and an exact description of the shipped Supply. The original of this note shall accompany each shipment of parcels, together with the certificates of conformity and the verification reports.

### 9. Scrapping

**SEMV** may inform the S. of the scrapping of any Supply which is found to be non-compliant with the specifications of the Order. Any Supply having been scrapped shall be considered as not having been delivered / accepted and shall be taken-back by the S., at its expense, within the 48 business hours following receipt of the notice of scrapping. Otherwise, the Supply shall be sent back to the S. at its expense and risk. In case of scrapping, **SEMV** shall be entitled to request the S. to replace the Supply within the given time period or to unilaterally terminate the Order without prejudice to its rights accruing from the governing law

### 10. Invoicing

Any invoice shall be sent in only one copy to the invoicing address mentioned in the Order and shall imperatively contain **SEMV's** references and those of the corresponding Order.

Each invoice relates to only a single Order and shall include the description of the Supply invoiced, and the unitary prices and volumes delivered.

**SEMV** reserves the right to suspend payment of any invoice which fails to comply with regulatory provisions and/or those of this article. Any disagreement by **SEMV** as regards the volume or quality of the delivered Supply or the invoiced price, shall lead to the issuing of either a debit note or an invoice of **SEMV** to the S. The S. shall have fifteen (15) days as from the issuing of the debit note during which to challenge the latter.

### 11. Prices and terms of payment

Unless otherwise provided in the Order, the prices mentioned in the Order are firm and non-revisable and are understood as being carriage paid and inclusive of packaging expenses.

In the absence of provisions to the contrary in the Order, payments are made by Bank Transfer at ninety (90) days net from the end of the month

of delivery / acceptance, on the 10<sup>th</sup> of the following month. Debit notes issued by **SEMV** shall be automatically deducted from payments subject to **SEMV** having received the corresponding invoice.

At **SEMV's** choice, the S. may be paid either by **SEMV**, or by Boissière Finance, the company responsible for centralised management of the cash of the Schneider Electric Group, to which **SEMV** has granted a mandate to pay its suppliers.

Under no circumstances may payments made by Boissière Finance cause it to assume the rights and obligations of **SEMV** vis-à-vis the S. pursuant to the Order; as a result, the S. may not validly make any claim nor institute any proceedings against Boissière Finance concerning the Order, its performance or the resulting consequences.

### 12. Assignment or subrogation of the receivables, rights and/or obligations under the Order

The S. undertakes not to assign or transfer the whole or part of its receivable under the Order without having duly informed **SEMV's** Supplier Accounts Department in writing at least fifteen (15) days beforehand. This prior information procedure also applies to any agreement (its termination, expiry date, changes, etc.) relating to a factoring operation.

The S. also undertakes not to assign / transfer the whole or part of the rights and/or obligations under the Order without **SEMV's** prior and written authorisation.

Should the S. have signed a factoring contract and have duly notified **SEMV** thereof, all its invoices shall be paid to the factoring company with which it concluded the contract.

### 13. Moulds, tools, test resources (hereinafter referred to as the "Equipment")

Any Equipment manufactured specifically in the context of performing the Order becomes the exclusive property of **SEMV** as soon as it is created and may only be used by the S. in order to meet Orders placed by **SEMV**. If it is deposited in the S.'s premises, this Equipment shall have an ownership plate in **SEMV's** name affixed to it, and it shall be immediately returned to the latter, in good working order, at its first written request. The S. is responsible for maintenance and routine repair work to the Equipment at its expense. It shall be the custodian of the Equipment, at its risk, and ensure that it is sufficiently covered by its own insurance policies.

In the event of an incident, the S. shall repair the Equipment at its expense in the best allowable time or, if it is considered as being irreparable, it shall indemnify **SEMV** up to the limit of its replacement value and in any case as a minimum for an amount equals to 25% of its replacement value.

### 14. Contractual warranty

#### 14.1 Operational warranty

The S. undertakes to warranty **SEMV** against any design, manufacturing and/or material defect affecting the Supply for twenty-four (24) months as from delivery or acceptance, if an acceptance procedure is provided for. As a result, were **SEMV** or its own customer to notice a defect / malfunctioning affecting the Supply, the S. undertakes to rectify, repair or replace the Supply in its environment at its expense (including any staff travel, dismantling / reassembly expenses) so that the latter operates in full compliance with the provisions of the Order and the use for which it is intended.

Should the S. be called upon to honour its warranty, but fails to effectively do so within fifteen (15) calendar days, **SEMV** reserves the right to intervene or to have any third party intervene instead of the S. at the latter's expense.

Any service furnished and/or any item replaced / rectified / repaired under this warranty are themselves guaranteed for twenty-four (24) months under the abovementioned conditions. Only the items / services with a normal lifecycle of less than twenty-four (24) consecutive months are excluded from the scope of this operational warranty.

#### 14.2 Supply of spare parts

The S. shall deliver all spare parts for ten (10) years as from delivery / acceptance of the Supply.

### 15. Intellectual property

Any study (its results and its various constituent elements such as the drawing, diagram, model, prototype, etc.) carried-out by or for the S. pursuant to meeting the Order is the exclusive property of **SEMV**.

Consequently, the S. undertakes not to use / exploit (or allow a third party to do so) said study results / items for purposes other than meeting the Order.

If specific software is supplied under the Order, its acceptance implies *ipso facto* the S.'s assignment to **SEMV** of the exclusive rights of use / exploitation / commercialisation of said software. The S. also undertakes to provide **SEMV**, at its 1<sup>st</sup> request, with the source and object code of said software as well as the associated documentation. The S. holds **SEMV** totally harmless in respect of any action or lawsuit instituted by third parties based on a claim relating to the intellectual property rights covering the Supply delivered under the Order. Pursuant to such proceedings, and independently of any other penalty, all the procedural expenses (included lawyers' fees) and damages which **SEMV** may be ordered to pay, shall be fully assumed by the S.

### 16. Confidentiality - Publicity

Any information, regardless of its nature (technical or commercial) or its support medium, exchanged between the Parties, or to which either party may have access in the context of the Order, shall be considered by the recipient party as being strictly confidential and exclusively reserved for the purpose of performing the Order, to the exclusion of any and all other use.

Moreover, and unless it has **SEMV's** express and prior agreement, the S. undertakes not to mention its business relationship with **SEMV** to third parties, nor to exhibit the whole of or part of the Supply manufactured from technical documents or specifications owned by **SEMV**.

### 17. Insurance

At **SEMV's** first request, and in any case within ten (10) days as from acceptance of the Order, the S. undertakes to provide it with a copy of its insurance policies and/or any certificate to be issued by its insurance companies, and to take-out with the latter, at S.'s expense, any additional insurance cover which **SEMV** may consider to be reasonably necessary in light of the risks relating to performance of the Order.

### 18. Termination

**SEMV** may unilaterally and automatically terminate the Order without the S. being entitled to claim any indemnity whatsoever in this respect, in the following cases:

- Fifteen (15) days after sending a formal notice left unremedied that the S. breached any of its obligations under the Order.
- with immediate effect in the event of:
  - Court-ordered, or out-of-court dissolution or liquidation,
  - An event of force majeure, the consequences of which last for more than six (6) weeks,
  - The contractual delivery times being overrun, if such cause the maximum amount of penalties to be reached,
  - Scrapping in accordance with the provisions of article 9 hereinabove.

### 19. Disputes - Governing law

The Order between **SEMV** and the S. is governed by the laws of Viet Nam to the exclusion of the provisions of the Vienna Convention of April 11<sup>th</sup>, 1980 on the International Sale of Goods.

Any dispute arising from this Order which cannot be settled amicably shall be referred to The People's Court of Ho Chi Minh City to the exclusion of any other jurisdiction, even in the event of emergency proceedings, multiple defendants or third party proceedings.

### 20. Sustainable development

20.1. The S. undertakes to adhere to and to apply the principles and guidelines of ISO26000 international standard "Guidance on social responsibility". Basic principles of ISO26000 can be found on [http://www.iso.org/iso/discovering\\_iso\\_26000.pdf](http://www.iso.org/iso/discovering_iso_26000.pdf)

- The S. undertakes to comply with the rules defined in the ISO 14001 standard.

- Furthermore, the S. is informed that energy performance of the Supply has been considered as part of the selection criteria used by **SE** (ISO 50001 Standard).

20.2. In order to enable use of the Supply in total safety, the S.:

- undertakes to comply with all the national legislation and regulations applicable at the delivery address specified in the Order.

- further undertakes to ensure that none of its Supply contains one or more of the hazardous substances referred to in the European Directive 2011/65/EU of 8 June 2011 in its annex II .

- also undertakes to comply with all the obligations concerning substances which are restricted and/or banned in the European Union and, in particular, those listed in the REACH Regulation (EC 1907/2006) and in the texts of its resulting amendments, the annex XIV and XVII, - and, generally, finally undertakes to systematically comply with the legislation and regulations relating to the ban on, or restriction of, the use of certain products or substances which are effective when the Order is placed, both in the European Union and in other countries, if such is specified in the Order and/or the specifications, or which may become applicable up to the delivery date of the Supply.

Within fifteen-five (45) days of receipt of a request from **SEMV**, which may be accompanied by a list which **SEMV** may have sent to it and, otherwise, on the basis of the effective lists of restricted substances, the S. shall advise **SEMV** of the presence of such substances in its Supply. At **SEMV's** first request, the S. shall provide it with all supporting documents required during the legal timeframe for conserving documents.

20.3. The S. shall compensate **SEMV** for all costs, damages and losses borne by **SEMV** and/or for which it is found liable under third-party claims, owing to the S.'s failure to comply with any of the provisions of this Article 20.

20.4. Moreover, should the S. decide to change the composition of the Supply, it shall advise **SE** thereof at least nine (9) months prior to the date when such change becomes effective.

20.5. The S. will use its best efforts to report to **SEF** the presence and country of origin of any and all conflict minerals in the Supplies in accordance with the requirements of the US Dodd-Frank Act of 2010, and any similar law arising under any other jurisdiction

### 21. Management of Product / Process changes

The S. shall inform **SEI** in writing of any decision to stop marketing the Supply or any major changes made to the Supply or to its manufacturing process and, in particular, any changes affecting the processes, including any material changes in its or its sub-contractors' IT Processes, the procurement of critical components, the Supply's design, the location of the plant(s), provided such changes impact or may impact on the Supply's technical specifications, compliance with standards, lifecycle, reliability or quality. The S. shall inform **SEMV** in writing nine (9) months prior to the marketing end date or the date scheduled for the implementation of any major change. **SEMV** reserves the right to refuse any major change. All major changes remain under the full responsibility of the S. The S. shall repay to **SEMV** all the costs borne by the latter during, or in the context of, the reclassification of the Supply and/or component affected by the major change.

### 22. The import - export requirements

This clause only applies to **SEMV** overseas suppliers. **SEMV** local suppliers shall ignore this clause.

#### 22.1 Provision of Preferential Certificate of Origin

"The Supplier shall provide a valid preferential certificate of origin upon request by the Buyer which the Buyer shall receive the preferential certificate of origin at least 2 days before the arrival of the goods and if not received, the supplier will be responsible for any consequent expenses.

If applicable, Supplier agrees to support Buyer on any duty drawback claims or enquires from Customs Authorities in providing Buyer or its approved agents, upon request, with the documentation required to support proof of claiming preferential tariff treatment."

#### 22.2 Global Export Control Clause for Purchasing and Supplier Contract & T&Cs

"The Supplier acknowledges that it is fully aware of, and knowledgeable about, the export and re-export controls regulations, ordinances and laws in the jurisdiction from which the Products are exported or the Services are provided and agrees to obtain all necessary export and re-export permits or licenses at the Supplier's expense to ensure that the Purchaser enjoys the full benefit under the relevant Purchase Order and these T&C. Further, the Supplier shall supply the Purchaser with the information regarding any applicable export controls rules and required permits or licenses for the Products or Works to be shipped, in writing within three (3) working days from the receipt of Purchase Order. The Supplier shall also notify the Purchaser in writing of any changes to such export and re-export controls regulations and/or permit or licensing requirements which may affect the Purchaser's benefits under the Agreement. The Supplier undertakes to comply with all export and re-export controls regulations or rules in relation to the delivery of the Products, the Works and the provision of the Services and shall indemnify Purchaser against all liability, losses, damages, and expenses (including reasonable attorney's fees) resulting from the Supplier's non-compliance or violations of such export and re-export controls regulations."

#### 22.3 HS Classification

"The Supplier must at all times use the HS Tariff codes determined by the Buyer and is not allowed to amend the HS Tariff codes for customs declaration without first obtaining written consent from the Buyer."