

FunCell specializes in the design and manufacture of biobased additives to improve certain properties of paper and cardboard.

These terms and conditions of purchase ("TCP") apply to all purchases by FUNCELL of hardware products ("Products") or orders for services ("Services").

In the event of any contradiction between the TCP and the terms and conditions of sale of the supplier ("the Supplier"), the Supplier shall inform FUNCELL so that the parties can negotiate a balanced agreement in good faith.

## 1. DEFINITIONS

For the purposes of these TCP, the terms below shall be defined as follows:

- ✓ Specifications: FUNCELL's functional requirements, as well as the technical and qualitative specifications of the Services ordered;
- ✓ Schedule: deadline for completion of the Services, expressed in days and/or weeks, or timetable for completion of the Services, exhibited with each Order;
- ✓ Order: purchase order drawn up by FUNCELL, on the basis of the Supplier's updated quotation specifying the technical and financial terms for performance of the Services;
- ✓ Documentation: product data sheet, describing the technical characteristics, conditions and precautions for use of the Product.
- ✓ FUNCELL: SAS FUNCELL, with share capital of 212,684 euros, registered with the Grenoble Trade and Companies Register under number 889464616, whose registered office is located at 601 rue de la Chimie 38610 GIERES.
- ✓ Deliverables: all results of the Service, in tangible or intangible form, to be provided by the Supplier, as listed in the Order. Deliverables include, but are not limited to: all studies, creations, patentable or unpatentable innovations, models, drawings, plans, processes, materials, test documents, samples, prototypes, software and computer developments; specifications, databases, printed circuit design elements, logos, whatever their nature, form or medium, produced within the scope of the Order.
- ✓ Source Files: all elements produced or used by the Supplier, in digital or physical form, to perform the Services and necessary for the reproduction of the Deliverables, by FUNCELL or another Supplier appointed by FUNCELL;
- ✓ Product: hardware product manufactured and/or sold by the Supplier, and which is the subject of the Order;
- ✓ Services: all Product development, design and prototyping services performed by the Supplier in execution of Orders placed by FUNCELL.

## 2. ORDERS

The Order is sent electronically to the Supplier in the form of a purchase order, specifying: the Product referred to and quantity ordered, the price excluding VAT and including VAT, and the expected delivery time.

If the purchase order refers to a quotation from the Supplier, with no change from the quotation, the Order is final.

Otherwise, all Orders must be accepted by the Supplier within seventy-two (72) working hours from the date of dispatch.

As long as the Supplier has not confirmed the Order, FUNCELL shall be entitled to cancel or amend it within the same period.

After this period, in the absence of any confirmation from the Supplier, the Order is deemed to have been refused by the Supplier.

However, if the Parties have a business relationship (i.e. from the 2e order placed with the Supplier on the basis of the same TCP), the absence of written reservations or confirmation from the Supplier during this period shall be deemed to constitute acceptance of the Order by the Supplier.

The Order shall also be deemed accepted whenever the Supplier starts performing the Order.

Acceptance of an Order implies full acceptance by the Supplier of these Terms and Conditions. In addition, these conditions are automatically enforceable against any Supplier who has already accepted them in a previous order.

By accepting an Order, the Supplier commits to fully comply with all these Terms and Conditions of Purchase, without any reservations; this commitment being an essential condition for FUNCELL.

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## 3. PRICES

Unless otherwise specified in the Order, the price is that indicated on the Order, flat and non reviewable, and includes in particular all fees, royalties, taxes, duties, contributions and other charges, as well as all packaging, storage, transport and insurance costs.

## 4. TERMS OF PAYMENT

Unless otherwise specified in the Order, invoices are payable by bank transfer, at thirty (30) days end of month, invoice date.

Any delay in payment may result in the payment of late payment penalties at a maximum rate equal to three times the legal interest rate, in addition to the payment of a fixed indemnity for collection costs of forty (40) euros.

## 5. DELIVERY - DEADLINES - PENALTIES

### 5.1 Delivery

Unless otherwise stipulated in the Order, the Products will be delivered at the dates, places and times indicated on the Order, in accordance with Incoterm DDP (ICC 2020).

The packaging of the Product must be appropriate to its nature in order to avoid any breaking or damage to the Product during normal loading, transport, unloading and storage operations.

### 5.2 Deadlines

FUNCELL reserves the right to refuse any early delivery.

Delivery dates are binding and may not be changed without FUNCELL's prior written consent.

Meeting deadlines is an essential obligation of the Supplier.

### 5.3 Penalties

The Supplier shall be fully liable for any delay in delivery, and shall bear all direct or indirect consequences thereof, without prejudice to FUNCELL's right, if the delay exceeds a period of two (2) working days, to automatically apply, without prior notice, late delivery fees to the Supplier in an amount equal to 0.5% of the total amount of the Order per each calendar day of delay, capped at 10% of the total amount of the Order, and this without prejudice to any other damages FUNCELL may claim.

FUNCELL may also, in such a case, suspend any outstanding payments, whether in respect of the delayed Order or any other outstanding Order.

FUNCELL may finally, after a formal notice has remained without effect for a period of fifteen (15) days:

- terminate the Order at the Supplier's expense, or
- apply a proportional reduction in the price of the Products.

## 6. TRANSFER OF OWNERSHIP - TRANSFER OF RISKS

Unless otherwise specified in the Order, ownership of the Products shall pass upon payment by FUNCELL of all or part of the purchase price or upon delivery, whichever occurs first.

## 7. COMPLIANCE - PRODUCT QUALITY

### 7.1 Compliance

The Products delivered must comply in all respects with the legal and regulatory requirements in force.

Where applicable, Products will be supplied with all the information and documents required by current regulations (in particular safety data sheets, CE certificates).

The compliance of the Products delivered also relates to the quantities ordered, which may be subject to reservations.

## 7.2 Product Quality

The Supplier commits to make its best efforts to implement and follow an internal quality management plan, in order to ensure traceability and optimal quality of the performance of the Services. If such a plan exists, the Supplier shall send it to FUNCELL prior to the Order or at the latest within 8 days of the Order, and agrees to take into account any remarks FUNCELL may have regarding its suitability for the Services.

As a general rule, the Services must be carried out with the greatest care and in accordance with state of the art, and allow FUNCELL to constantly monitor the progress of the project.

The Supplier agrees that FUNCELL may implement, up to a maximum of once a year, an external audit on the Supplier, carried out by FUNCELL or an independent body, aimed at verifying the correct application of the quality management plan referred to in this article. Any substantial failure to apply the quality standard shall constitute grounds for termination of the Order.

## 7.3 Liability

The Supplier shall be deemed to be fully liable to FUNCELL for any and all consequences of any non compliance or poor quality of the Products delivered, in terms of both quality and quantity, and therefore shall fully indemnify FUNCELL for any and all damages that may result therefrom.

## 8. ACCEPTANCE - COMMISSIONNING

### 8.1 Acceptance

FUNCELL may refuse delivery of the Products, in whole or in part, in the event of a visible defect or non-compliance of the Product. This non-compliance or visible defect shall be notified to the Supplier in writing by e-mail or fax, confirmed by registered letter with acknowledgement of receipt within a maximum of three (3) days from delivery of the Products, in accordance with Article L.133-3 of the French Commercial Code.

FUNCELL shall be entitled to suspend any payments due to the Supplier until the relevant Product has been replaced.

If the Supplier is unable to replace the Product within ten (10) working days of written notification of the non-compliance or defect, FUNCELL may, without prejudice to its other remedies, terminate the Order or proportionally reduce the price.

Where applicable, the Supplier shall refund FUNCELL for any sums due to FUNCELL within thirty (30) days of FUNCELL's notification of the termination of the Order or the reduction in price.

Ownership of rejected Products shall automatically be transferred back to the Supplier.

The Supplier shall recover the rejected Products within a maximum of 15 days at its own expense and risk.

### 8.2 Commissionning

For any Product requiring commissioning (in particular any industrial equipment), the commissioning phase will take place within a maximum of thirty (30) days from delivery of the Product. The purpose of the commissioning phase is to assess the compliance of the delivered Product with the Documentation, and with the applicable regulations, if any.

From the start of the commissioning phase, FUNCELL shall have a period of thirty days to assess the Product's compliance with the Documentation, and to test its proper performance under actual conditions of use.

In the event of a non-compliance notified by FUNCELL, the Supplier commits to make all necessary modifications to the Product within a reasonable period of time as defined between the Parties, depending on the complexity of the Service and the nature of the non-compliance identified; this period may not exceed 30 days. Such modifications or corrections will be made without additional cost for FUNCELL. Final acceptance of the Product will be acknowledged in a final commissioning report signed by both Parties.

## 9. WARRANTIES

### 9.1 Warranty on Products and Deliverables

The Supplier warrants, for a period of at least 12 months from delivery, that all Products are free from defects in design, materials and workmanship. This warranty shall also cover the Deliverables delivered in performance of the Services, which the Supplier guarantees may be used in accordance with their intended purpose, for a period of 12 months from the acceptance of the Services, performed in accordance with Article 11.3.

The Supplier shall replace or refund, at FUNCELL's option, any non-conforming or defective Product within three (3) working days. Any

replaced or repaired Product or Deliverable will be guaranteed, under the same conditions as above, until the expiry of the initial warranty period and at least for a period of six (6) months from the date of intervention, whichever is the later.

### 9.2 Supply commitment

The Supplier shall inform FUNCELL with a minimum twelve (12) months notice of the end of production or withdrawal from its catalog of a Product already ordered by FUNCELL. **The Supplier shall secure, for a minimum period of five (5) years from the last delivery of the said Product, the supply of all spare parts, components and other elements necessary for the use of the Product.**

## 10. SPECIFIC CONDITIONS FOR SERVICES

### 10.1 Supplier's obligations

The Supplier shall perform the Services in accordance with the best practices of its profession relating to the techniques and methods used. The Supplier shall exercise all due care and diligence in the performance of the Services.

The Supplier declares that it has owns all the necessary expertise required to perform the Services.

To this end, the Supplier will assign to the performance of the Services members of its staff with the required level of expertise.

The Supplier agrees to inform FUNCELL as soon as possible of any difficulties, whether actual or foreseeable, encountered in the performance of the Services ordered, so that they can be remedied as soon as possible in the interests of the Parties.

The parties undertake to cooperate with each other in good faith. Each party agrees to cooperate with the other to the extent necessary to enable the latter to fulfil its obligations and commits to avoid any conduct which would impede the fulfilment of said obligations.

### 10.2 Deadlines

Any Order for Services shall specify the deadlines for performance of the Services agreed between the Parties.

The Supplier commits to deliver the Deliverables as well as the Source Files to FUNCELL, in digital form, within the deadlines set out in the Schedule or, at FUNCELL's request, as and when they are completed.

The penalties provided for in article 5.3 apply to Service Orders.

### 10.3 Acceptance

All Services (in particular the development of a new Product or the improvement of an existing Product) shall be subject to an acceptance phase, aimed at assessing the compliance of the Deliverables with the Specifications and with applicable regulations, where applicable.

As part of this acceptance phase, FUNCELL will have a period of thirty days (from receipt of the last Deliverable) to assess the compliance of the Deliverables with the Specifications, and to test the delivered product under conditions of use.

In the event of non-compliance notified by FUNCELL, the Supplier shall make the necessary changes to the Deliverables, within a reasonable period of time defined between the Parties, depending on the complexity of the Service and the nature of the non-compliance identified, which may not exceed 30 days. Such modifications or corrections will be made without additional cost for FUNCELL. Final acceptance of each Deliverable will be acknowledged in a final acceptance report signed by both Parties.

## 11. ORDER TERMINATION

### 11.1 Termination for cause

Any breach by either party of any of its obligations under these terms and conditions, which has not been remedied within thirty (30) days of a written notice by the other party, shall entitle the latter to terminate the relevant Order, without prejudice to any other course of action. In the event of termination by FUNCELL, FUNCELL reserves the right to terminate all current Orders with the Supplier.

### 11.2 Termination for convenience

For reasons specific to FUNCELL, left to its sole discretion, and in particular in the case where the Supplier were hired as a subcontractor by FUNCELL, FUNCELL may request at any time that the Services, which are the subject of the Order, be terminated before full completion. Where applicable, the provisions of article 11.3 shall apply.

### 11.3 Consequences of termination

In the event of termination of the Order, for whatever reason, the Supplier undertakes to hand over to FUNCELL, as of the effective date of termination, all Deliverables and Source Files, both tangible and intangible, achieved under the current Order, and which have not yet been delivered to FUNCELL. The Supplier also commits to hand over to FUNCELL all documents, data and components enabling FUNCELL to continue or have continued by a third party of its choice the Services unfinished by the Supplier.

In the event of termination of the Order, except in the event of termination for breach due to non-performance or defective performance of the Services, FUNCELL shall pay the Supplier for the Services performed, on the basis of a mutually agreed valuation taking into account the progress of the Order in relation to its overall price, less any late delivery penalties due under these Terms and Conditions.

The provisions of the articles "Industrial and Intellectual Property" and "Confidentiality" shall continue to apply after termination of the Order.

### 12. LIABILITY - INSURENCE

The Supplier shall bear all direct financial consequences resulting from damage of any kind caused to FUNCELL and/or its customers, as well as any measures of withdrawal, repossession, destruction and, more generally, any sum whose payment has been caused by the defectiveness or non-compliance of the Products.

FUNCELL will not accept any exclusion or limitation of warranty, and rejects in particular any exclusion or limitation of liability that may be contained in the Supplier's terms and conditions or in any other document.

It is the Supplier's responsibility to take out, at its own expense, the necessary insurance to cover the Products until their full delivery, as well as the liabilities incurred as a result of the performance of the Orders for all bodily injury, property damage and consequential loss, caused to FUNCELL as well as to third parties under the Order.

### 13. INTELLECTUAL PROPERTY

#### 13.1 Assignment of IP rights in result

In accordance with this article, the term "Results" refers to Deliverables and Source Files.

The Supplier assigns to FUNCELL, irrevocably, exclusively, definitively and for the entire world without payment of additional compensation, all intellectual property rights in the Results resulting from the Services ordered by FUNCELL.

Insofar as necessary, in the event that the Results are protected in whole or in part by copyright, it is specified, in order to meet the requirements of article L. 131-3 of the French Intellectual Property Code, that the assigned rights include in particular:

- the right to reproduce or cause to be reproduced the Results and, in the case of software and databases, their development and updates, without limitation as to number, in whole or in part, by all means and processes, on all media and materials, both current and future, known or unknown, and in particular on paper or derived, plastic, digital, magnetic, electronic or computer media, by download, videogram, CD-Rom, CD-I, DVD, disk, floppy disk, network;
- the right to represent or have represented the Results and, for software and databases, their evolutions and updates, by any current or future means of distribution and communication, known or unknown, in particular by any on line telecommunication network, such as internet, intranet, digital television network, transmission by hertzian way, by satellite, by cable, interactive telematic system, by downloading, teletransmission, wired or wireless telephone networks;
- the right to adapt, modify, transform, develop, in whole or in part, the Results, the right to correct the software, to develop it, to create new versions or new developments, to maintain it, to decompile it, to mix it, to modify it, to assemble it, to transcribe it, to arrange it, to digitize it, to port it to any configuration, to interface it with any software, database, computer product, use the algorithms for any purpose, transcribe it in whole or in part, in any form, modified, amputated, condensed, extended, integrate it in whole or in part to or into existing or future works, and this on any paper or magnetic or optical medium and in particular Internet, disk, floppy disk, tape, CD-Rom, listing;
- the right to translate or have translated the Results, in whole or in part, in any language and, for software, in any programming language, and to reproduce the resulting Results on any medium, paper, magnetic, optical or electronic, and in particular on the Internet, disk, floppy disk, tape, CD-Rom, listing;
- the right to market, distribute, commercialize and disseminate the Results by any means, including rental and lending, whether free of charge or against payment;

- the right to make any use and exploit the Results, for the needs of its own activities or for the benefit of third parties, in any capacity whatsoever;
- the right to assign all or part of the assigned rights, and in particular to grant to any third party any agreement for reproduction, distribution, broadcasting, marketing or manufacturing, in any form, on any medium and by any means whatsoever, whether in return for payment or free of charge;
- the right to authorize or prohibit any substantial reuse and/or extraction of database content.

**For Results that may be patented**, the Supplier expressly assigns to FUNCELL, and without any compensation other than that provided for the performance of the Services, the right to file worldwide any patent application, as well as any extension based on this application or the resulting patent, and this in the name and at the expense of FUNCELL. The Supplier hereby commits to provide FUNCELL, at FUNCELL's request, with any documents or signatures necessary for FUNCELL to be able to fully enjoy its rights to the Result, which is the subject of the patent application. As a general rule, FUNCELL shall have the exclusive right to file on its behalf any industrial property title likely to protect the Results, and in particular any application for a patent, utility certificate, supplementary protection certificate, plant variety certificate, semiconductor product topography, any application for registration of a design or model, trademark or domain name, whether French, European or international applications. The Supplier warrants to FUNCELL that it has not and will not proceed with any registration of the Results.

All ideas, improvements and inventions conceived, developed or put into practice for the first time in connection with the performance of the Services and Deliverables shall be the exclusive property of FUNCELL. All ideas, information, data communicated by the Supplier to FUNCELL, as well as all ideas and developments arising therefrom shall be disclosed in full to FUNCELL, shall be the exclusive property of FUNCELL and may be used as such by FUNCELL, without payment other than that specified above.

#### 13.2 Freedom to operate

The Supplier warrants that the Products and Deliverables are not subject to any claim based on an intellectual property right (patents, trademarks, designs) nor do they infringe any patent, copyright, trade secret, trademark or other intellectual or industrial property right of any third party.

The Supplier shall indemnify FUNCELL against any claims by third parties resulting from infringement of intellectual property rights relating to the Products or Deliverables and shall compensate FUNCELL for any damages resulting therefrom.

### 14. ASSIGNMENT - SUBCONTRACTING

The Supplier may not assign or subcontract all or part of the Order to a third party, without FUNCELL's prior written consent, and subject to the conclusion of a confidentiality agreement as set out in article Confidentiality.

In all cases, the Supplier shall remain solely responsible to FUNCELL for the proper performance of its contractual obligations.

### 15. CONFIDENTIALITY

Information of any kind and in any form whatsoever relating to or belonging to FUNCELL and of which the Supplier may become aware in connection with the performance of the Order shall be considered strictly confidential.

The Supplier commits to use such information solely for the purpose of fulfilling the order and not to disclose it to anyone in any form whatsoever, except to those of its employees or subcontractors approved by FUNCELL who need to know it for the purpose of fulfilling the order, and to return it immediately to FUNCELL or destroy it at the end of the order, at FUNCELL's request. The confidential nature of the information shall be systematically communicated to the relevant employees, which the Supplier ensure to FUNCELL their compliance with such non disclosure obligations. Similarly, the Supplier undertakes to execute with any subcontractor, subject to FUNCELL's approval under the conditions set out in Article 13 a confidentiality agreement, which provides for commitments at least equivalent to those set out in this article, in order to guarantee adequate protection of Confidential Information. At FUNCELL's request, this agreement may precisely limit the nature of the Confidential Information that may be disclosed to the subcontractor, as well as the authorized recipients. The Supplier undertakes to send FUNCELL a copy of the agreement executed with the subcontractor concerned, or of the draft agreement before it is signed. Without limiting the general principle set forth above, the party receiving Confidential Information shall take the same degree of care (and in any event a reasonable degree of care) to prevent its unauthorized use,

disclosure or publication as it takes to protect its own confidential information of a similar nature.

Notwithstanding anything to the contrary, the provisions of this section shall not apply to any information which :

- is legitimately known, prior to its disclosure, by the party receiving it; or
- is legitimately obtained from a third party without an obligation of confidentiality, by the party receiving it; or
- is made public by the party to which it belongs, without restriction; or
- is disclosed by the party who received it with the prior written consent of the party to whom it belongs.

In the event that a non disclosure agreement has been executed with the Supplier, such agreement shall take precedence over the provisions of the present article, for its own duration.

Furthermore, the Supplier may quote FUNCELL as a commercial reference, in its commercial communications, nor disclose the existence of a contractual relationship, without FUNCELL's prior written consent.

#### 16. NO HARDSHIP

In consideration of the negotiations prior to the Order, and notwithstanding the economic and financial risks associated with their economic activities, each of the Parties expressly waives all their rights to request a renegotiation of the Order, under article 1195 of the French Civil Code.

#### 17. APPLICABLE LAW - JURISDICTION

The interpretation and performance of these terms and conditions of purchase and FUNCELL's orders shall be governed solely by French law, to the express exclusion of the Vienna Convention on the International Sale of Goods.

The Parties agree to make their best efforts to settle amicably all disputes arising from the conclusion, interpretation, performance or termination of an Order, whatever the cause thereof. As soon as a dispute arises, the Parties shall meet within one month of notification of the dispute by one of the Parties to the other Party by registered letter with acknowledgement of receipt. The settlement meeting must be attended by at least one representative of each Party. In the absence of an amicable agreement within one month of the settlement meeting, each Party will recover its full and complete freedom of action.

**IN THE ABSENCE OF ANY SETTLEMENT AGREEMENT UNDER THE CONDITIONS SET OUT IN THE PRECEDING PARAGRAPH, ANY DISPUTE BETWEEN THE PARTIES RELATING TO THE CONCLUSION, INTERPRETATION, EXECUTION OR TERMINATION OF AN ORDER SUBJECT TO THESE TERMS AND CONDITIONS, FOR WHATEVER REASON, AS WELL AS ANY CONSEQUENCES WHICH MAY RESULT THEREFROM, SHALL BE SUBMITTED TO THE EXCLUSIVE JURISDICTION OF THE COMMERCIAL COURT OF GRENOBLE, NOTWITHSTANDING THE INTRODUCTION OF THIRD PARTIES OR THE PLURALITY OF DEFENDANTS, INCLUDING IN THE CASE OF EMERGENCY OR CONSERVATORY PROCEEDINGS, OR ON APPEAL.**