

## General Terms of Purchase From France

2016/11/18

**1 - General provisions**: These general terms of purchase (the 'GTP') apply to business relationships between VEOLIA group companies located in France and their suppliers, lessees, service providers, etc. (the 'Contractor(s)'), subject to the order of precedence of the contractual documents set out below.

Orders are governed, in decreasing order of importance, by:

- 1. The terms of the frame contract or any other applicable contract,
- 2. The specific conditions of the current order,
- 3. If applicable, the general terms of the supplier,
- 4. The purchaser's terms and conditions of purchase, which are available on request by email to the supplier (shown in the order's header) and on VEOLIA's website at the following address http://veolia.com/fr/creation-devaleur-partagee [http://veolia.com/en/creation-of-value-shared], and which the supplier, by accepting the order, declares that he is fully aware.
- **2 Issuance or acceptance of orders:** VEOLIA will only be bound by orders written on its headed paper bearing the name, position and signature of its issuer, or, as applicable, by the issuance of a numbered electronic order form, the references of which shall— systematically be quoted by the Contractor in its correspondence with VEOLIA.

Each order must be confirmed or rejected by the Contractor at the address where it was issued within a period of 8 calendar days from the date when it was sent. Within this period, and failing confirmation or rejection of the order by the Contractor, VEOLIA may decide to cancel the order. In the absence of express confirmation or rejection of the order by the Contractor and if VEOLIA does not exercise this right to cancel the order before the expiry of this period, the Contractor is deemed to have tacitly accepted it, and is fully required to perform the obligations arising therefrom.

Any change to the order written on the Contractor's acknowledgment of receipt or other document shall be of no value whatsoever without VEOLIA'S express acceptance, which, if that is the case, will result in the issuance of a new order.

**3 - Prices/invoicing/payment and late payment penalties**: unless otherwise specified, the prices fixed at the time of the order indicating the currency, are exclusive of tax, firm, non revisable, and must show the applicable VAT. The invoice is made out to the person indicated in the order. It must mention the order number and be drawn up in compliance with current legal provisions and in particular with Article L.441-3 of the French Commercial Code. **Each order must be invoiced separately, unless otherwise requested or expressly agreed by VEOLIA. VEOLIA does not pay invoicing fees.** 

For all purchases, invoices are issued by the Contractor, after all the orders have been fully delivered. Payment is made by transfer to the account of the Contractor within forty-five (45) days of the end of the month unless mandatory statutory or regulatory provisions impose a shorter maximum payment period. In the latter case, the payment period agreed between the parties means the maximum period set by these provisions. In the event of late payment, late payment penalties of three times the current statutory rate of interest shall apply together with a fixed rate recovery fee of 40 euros.

## 4 - Warranty-Reception- Non-conformity:

When the purpose of the order form is the purchase of materials and/or equipment and/or products and/or provision of intellectual services: the materials and/or equipment and/or products must comply in all respects with the specifications given in VEOLIA's order, and with current laws and regulations. The Contractor also guarantees that: (i) the materials and/or equipment and/or products will, at the time of delivery, be free from material design or production defects, (ii) operate correctly, and (iii) that they observe the general obligation for product safety provided for in Articles L. 221-1 et seq. of the French Consumer Code.

All the materials and/or equipment and/or products ordered by VEOLIA are guaranteed by the Contractor pursuant to the conditions specified by law, unless the Contractor applies more favorable terms. In the event of the non-conformity of the items delivered with the specifications provided, VEOLIA shall inform the Contractor and enable it to ascertain the truth of the complaints made against it. VEOLIA may return non-compliant materials and/or equipment and/or products to the Contractor, who shall bear the costs and risks thereof. Any non-compliant materials and/or equipments and/or products shall be removed by the Contractor as soon as it receives the notice of non-compliance. The notice of non-compliance entails, at VEOLIA's convenience, either immediate replacement of the rejected materials and/or equipment and/or goods, or cancellation or termination of all or part of the order.

When the purpose of the order is the performance of maintenance and/or construction services, these services shall be subject to a formal acknowledgement of acceptance. In the event of works during the period of the completion guarantee, the Contractor shall at its own expense make good those works specified in Articles 1792-6 of the French Civil Code and is required, in respect of those works, to indemnify VEOLIA against all claims and actions pursued against the latter by virtue of Articles 1792, 1792-2, 1792-3 and 2270 of the French Civil Code.

## 5 - Expediting - Delivery:

When to the purpose of the order form is the purchase of materials and/or equipment and/or products, deliveries are deemed to be post-paid and free of packaging costs, and shall in all respects conform to the specifications of the order. No partial delivery may be made without the prior written approval of VEOLIA. Every delivery must necessarily be made to the unloading dock of the location indicated on the order form, and shall be confirmed by a delivery note. The materials and/or equipment and/or products shall be dispatched and delivered under the liability of the Contractor. Transport, loading and unloading must be carried out in accordance with current regulations.

When the purpose of the order is the performance of intellectual services, the deliverables shall in all respects comply with the specifications given in VEOLIA's order. VEOLIA has a period of 15 business days to confirm the compliance of the deliverables. Should VEOLIA have reservations, the Contractor shall use its best efforts to submit, within a maximum period of 5 business days, deliverables that take account of the reservations, or to reject them, giving reasons for the rejection. The deliverables shall then be subject to a new process of acceptance by VEOLIA, in accordance with the same terms and conditions and delivery period.

Unless stated otherwise, the delivery period is the one which is indicated on the order form. Any delay will give rise to the right to apply penalties for delay equal to 2% of the price of the deliverable excluding taxes for each business day of delay, the penalties being capped at 50% of the total value of the deliverable, as soon as the Contractor will have been able to ascertain the truth of the complaint and to submit its comments. The delivery

date given in the order is the date of arrival of the products at the place of delivery or full completion pursuant to the orderWhere this concerns the delivery of a work or service, the time limit means the recognition by VEOLIA of flawless progress (respect for time schedules), and/or of completion thereof. Except for cases of duly justified force majeure, the Contractor shall remain fully liable in case of late delivery.

**6 - Liability/ Risks transfer:** the Contractor is solely and entirely liable to VEOLIA for the direct or consequential indirect damages and likely to be caused to it at the time of the order.

When the purpose of the order is the purchase of materials and/or equipment and/or products, ownership of the materials and/or equipment and/or products delivered shall, in the absence of express written agreement to the contrary, be transferred as of right to VEOLIA from the date of their effective delivery to VEOLIA. Despite, the transfer of ownership is independent of the transfer of risks, the transfer of risks remain the responsibility of the Contractor until the delivery pursuant to the order, and in respect of which the Contractor acknowledges that it is insured.

- **7 Force majeure**: Neither of the Parties shall be held liable for delay, for non-performance or for any other failure to perform its obligations provided for under the order where such failure results from an event of force majeure within the meaning of Article 1218 of the French Civil Code as interpreted by the latest case law from the French Supreme Court. In the event of force majeure, the obligations of the Parties shall be suspended for the duration of the event of force majeure, and will resume after the latter has ceased. Where force majeure arises for a duration of equal to or more than fifteen (15) days, VEOLIA may notify the Contractor by registered letter with acknowledgment of receipt, immediate cancellation of the order without any compensation being required.
- **8 Termination:**(i) Without any fault of the Contractor: when an order is part of a subcontracting relationship with the Contractor which is a subcontractor of VEOLIA, if the main contract reached between VEOLIA and its contractor is terminated, any order may, at any time, be partially or wholly terminated by VEOLIA, without compensation to the Contractor, by notification from VEOLIA stating the effective date of the termination and the part to which it applies.
- (ii) Due to default by one party: if one of the parties fails to fulfill its contractual obligations, the other party may put the former under formal notice by registered letter with acknowledgment of receipt to perform them within 30 days of the date when it was sent. If the defaulting party has not remedied the situation, the non-defaulting party may by operation of law terminate the order. In the event of termination of the order because of default by the Contractor, VEOLIA may have the order fulfilled by a third party at the Contractor's expense. Furthermore, all expenses, including recovery expenses and extra costs and penalties sustained by VEOLIA because of default by the Contractor, shall be deducted from or charged to the Contractor without prejudice of any other rights and remedies provided by law
- **9 Insurance:** the Contractor must take out and keep valid, throughout the period of fulfillment of its obligations, at its own expense, the insurance policies required to cover the risks and liabilities incurred that arise out of or in connection with the order.
- **10 Confidentiality Intellectual property:** all the information about which the Contractor may become aware under the order must remain strictly confidential. Prices and discounts, in particular, are confidential and shall not be disclosed to any third parties. It is expressly agreed that the methods and know-how developed by VEOLIA are and shall remain the exclusive property of VEOLIA. The Contractor expressly undertakes not to disclose all or part of this know-how to any third party whatsoever, including the knowledge acquired from this know-how.

The reproduction or use of material by the Contractor for purposes other than fulfillment of the order, transmitted by VEOLIA (data, files, documents or information of any kind) is prohibited without VEOLIA's prior written approval. The Contractor is not entitled to use or reproduce in its communications the figurative brand marks or trademarks of VEOLIA or its subsidiaries.

When an order relates to the performance of an intellectual service, VEOLIA becomes the sole owner of the deliverables. For this purpose, the Contractor shall transfer exclusively to VEOLIA, in accordance with Article L131-3 of the French Code of Intellectual Property, all the intellectual property rights relating to the deliverables, as and when each one is created, for the duration of the protection of intellectual property rights, worldwide, and for any purpose or use to which VEOLIA may put them for the requirements of its group and its business activities. The rights include in particular the right to use, the right to reproduce, the right to adapt, the right of representation and the right of commercialization.

The Contractor guarantees VEOLIA against any action to establish title brought by third parties on the grounds that the material made, used or sold by the Contractor constitute an infringement of the pre-existing intellectual property rights claimed by third parties. If as a result of any proceedings or legal action VEOLIA is deprived of the right to use the deliverables and/or the other intellectual property transferred, the Contractor undertakes: (i) to supply non-infringing material to VEOLIA; or (ii) to obtain for VEOLIA the right to continue to use the transferred deliverables and/or other intellectual property.

- **11 Subcontracting:** The Contractor shall not assign or subcontract wholly or in part the performance of the order without the express prior written consent of VEOLIA. Subcontracting can never result in changes to the terms of the order, for which the Contractor remains solely liable with regard to VEOLIA.
- **12 Commitment of the contractor:** the Contractor declares that it is fully compliant with social welfare and tax legislation. It undertakes to provide, upon request, the certificate(s) provided for this purpose.

The Contractor undertakes not to offer purchasers or any VEOLIA employee any direct or indirect remuneration, benefit or financial advantage in their personal capacity. VEOLIA's employees may not use VEOLIA's property or information for their benefit, nor may they use their position in the company to obtain benefits or personal gain; nor may they, in the exercise of their professional duties, accept gifts or invitations other than those that conform to customary usage and to VEOLIA's Ethics Guide, i.e. non-monetary, of low value and can only be interpreted as an expression of courtesy.

- 13 Environment Sustainable Development Ethics Equal opportunities: VEOLIA shall make available to the Contractor its Purchase Charter, its Ethics Guide with all its appendixes, its Sustainable Development Charter and its Diversity Action Plan. The Contractor will make its comparable internal documents available to VEOLIA. The Contractor will adhere to VEOLIA's commitments on sustainable development, the environment, ethics, equal opportunities, social equality (respect for the International Labor Organization conventions, the prohibition of forced labor or child labor, etc.), equal opportunities and freedom of association.
- **14 Applicable law and jurisdiction**: Except otherwise provided, the contractual relations between the parties in relation to orders are governed by French Law. The Parties expressly agree that the Vienna Convention on the International Sale of Goods signed on April 11, 1980 does not apply to the order. Unless otherwise agreed and notwithstanding anything to the contrary contained in the supplier's general terms, the courts of the district in which the registered office of the buyer is situated, shall have exclusive jurisdiction in respect of any dispute arising from the validity, interpretation or performance of the order.
- **15-Election of domicile**: the Parties elect the address appearing on the order form as their address for service.
- **16 Miscellaneous:** the Contractor acknowledges that it has read these terms of purchase and accepts them without amendment or reservation. The Contractor agrees to initial and return these terms of purchase to VEOLIA as soon as possible.