

Article 1. APPLICATION

1.1. In these general conditions of purchase the terms of purchase will have the following meaning:

- **SOCIETE ANONYME BELGE DE CONSTRUCTIONS AERONAUTIQUES (SABCA), SA/NV**, a limited liability company incorporated under the laws of Belgium, whose registered office is located at Chaussée de Haecht, 1470, 1130 Brussels, Belgium, RPM/RPR Brussels VAT BE 0405770992 and with a branch office at BE-6040 Charleroi, Rue des Fusillés 11.
- **Supplier** : Natural or legal person receiving the Purchase Order.
- **Party/Parties** : SABCA and/or the Supplier.
- **Purchase Order** : Document, in any form, issued by SABCA and addressed to the Supplier, relating to the purchase or rental of a Supply, including in particular, the designation of the ordered Supply, the terms, the price and the reference to the present General Purchase Terms and Conditions.
- **Supply** : Products (including Software and Industrial Materials) and/or services (including Works), subject of the Purchase Order.

1.2. The purpose of these general conditions of purchase is to define SABCA's expectations concerning the conditions of purchase of products and/or services in the aeronautical sector. They constitute a contractual document when they are accepted by the Supplier whether as is, whether supplemented or modified by way of amendment signed by the Parties.

1.3. Unreserved acceptance arises from delivery or execution. All Purchase Orders placed by SABCA are governed by these general terms and conditions, to the exclusion of the terms and conditions of the Supplier. In the event of any contradiction, the following order of primacy is applied: first, the Purchase Order, then these general purchase terms and conditions, then the request for quotation and finally the offer.

1.4. The acceptance of the Purchase Order by the Supplier leads to acceptance of all SABCA's general and special terms and conditions, which take precedence over all others, including the General Terms and Conditions of Sale of the Supplier.

Article 2. CONTRACTUAL DOCUMENTS

2.1. All Purchase Orders not bearing two authorised signatures from SABCA must be considered as unwritten. The picking note is a Purchase Order only requiring one signature.

2.2. SABCA reserves the right to request modifications to models, plans and specifications; in this case, price adjustments and any term extension will be set by mutual agreement and formalised in a supplementary agreement.

Article 3. TERMS OF EXECUTION OF THE ORDER

3.1. The Purchase Order will be deemed to be accepted by the Supplier at the first occurrence of one of the two events:

- The Supplier sends an acknowledgment of receipt within fifteen (15) working days from the date of dispatch of the Purchase Order;

- In the absence of a written refusal within this period, the Purchase Order will be considered as accepted by the Supplier.

However, SABCA reserves the right to cancel the Purchase Order whose acknowledgment of receipt has not been received within the deadlines.

3.2. The Supplier is bound by a performance obligation with respect to the execution of the Purchase Order in accordance with the contractual documents and the standards in force.

3.3. The Supplier has an obligation to inform and advise SABCA in writing of all situations relating to him and which could alter the proper execution of the Purchase Order.

3.4. The Supplier undertakes to comply with the quality requirements defined in the procedures or other documents submitted by SABCA to the Supplier.

In addition, the Supplier undertakes to allow SABCA to have free access, subject to prior notice during business hours, to its premises and to any document for any controls. He will obtain from his potential subcontractors the same right.

Article 4. PRICE

4.1. The prices featured on the SABCA Purchase Orders are to be considered fixed and final, all taxes and duties included, excluding VAT, unless expressly stipulated by amendment.

The exemptions in terms of duties and VAT are detailed in the Purchase Order.

4.2. The packaging forms an integral part of the price proposed in the Purchase Order.

4.3. The Supplier certifies that the prices of its Supplies and conditions of sale are not less favourable to SABCA than those applied to another comparable market and to its other clients.

Article 5. PAYMENT

5.1. The final invoices will be sent exclusively by email, in PDF format, to billing@SABCA.be on the occasion of each expedition.

5.2. Invoices must be established by the Supplier in accordance with the current regulations and must include the following:

- The Purchase Order reference as indicated on the Purchase Order;
- The detailed description of the Supply as described in the Purchase Order;
- The bank account details on which payment is to be made;
- The contact details (name, phone, email) of a correspondent;
- The date and the package tracking number of the delivery of the Purchase Order;
- One Purchase Order refers to one invoice;
- If applicable, any reference to the classification in accordance with export control laws and regulations (EU Dual-Use Goods Regulations, ITAR, EAR, etc.).

5.3. Non-compliant invoices will be returned to the Supplier. Moreover, SABCA cannot be held in any way liable and refuses to pay any compensation and late payment interests for any payment that is delayed as a result of missing information on the invoice of the Supplier, without prejudice to applicable penalties or compensation.

5.4. SABCA reserves the right to suspend any payment when there is any delay in the performance of Supplier's obligations, without prejudice to penalties or compensation applicable in accordance with the provisions contained in article 7 "TIME OF DELIVERY".

5.5. SABCA does not permit and does not pay any supplies in cash. Unless expressly specified, payments will be made by SABCA forty-five (45) calendar days from the end of the month in which delivery was made.

5.6. SABCA can at any time offset or merge different accounts open in the name of the same co-contracting party, even after concourse or seizure.

Article 6. DELIVERY

6.1. Any delivery of a Supply must be accompanied by a delivery note affixed outside the package, with a copy of the said note inside the package, including the following information:

- a. the brands, package numbers and tracking numbers;
- b. the Purchase Order numbers;
- c. the name, identification and serial numbers of the sent Supplies;
- d. the gross and net weight of each package, and the net weight for each order item;
- e. the item number on the Purchase Order;
- f. all customs documents or transport in the context of imports.

6.2. Unless otherwise specified on the Purchase Order, the Supplies shall be delivered to one of the SABCA sites: Brussels or Charleroi (Gosselies), according to the Incoterms 2010, DAP SABCA "SABCA site name".

6.3. The Supplier may be obliged to take back early and/or surplus deliveries, except specific written dispensation from SABCA.

6.4. As long as the products and services are not delivered, in accordance with Article 6.3. above, any risk due to loss or damage of any origin, is borne by the Supplier. The expenses and the control of the conservation of the products are Supplier's responsibility until the delivery DAP "site SABCA".

6.5. The packaging has to be in accordance with the contractual documents and the standards in force. Any returnable packaging must be explicitly stated on delivery.

6.6. Only the signature of a duly authorised person will valid a delivery without prejudice to the Purchase Order's acceptance conditions in accordance with the provisions of article 10, hereafter, "WARRANTIES".

Article 7. TIME OF DELIVERY

7.1. Adherence to the delivery times is imperative. The Supplier has the duty to immediately inform SABCA in writing

of any event likely to lead to a delay in the delivery and the measures taken to remediate.

SABCA cannot be obliged to accept a partial delivery, unless explicitly foreseen in the agreement.

7.2. For any Supply that is not delivered within the contractual terms and/or the agreed terms, SABCA reserves the right to:

- a. cancel all or part of the Purchase Order without compensation for the Supplier;
- b. charge the Supplier for any costs including price increases for replacement orders placed with other Suppliers without prejudice to article 5.3;
- c. charge the Supplier, by law and without notice, an irreducible flat penalty of delay of 1% per day with a maximum of 30% of the Purchase Order value (ex. VAT), without prejudice to the right to claim additional damages and interests.

Article 8. RECEPTION & ACCEPTANCE

8.1. No reception can be regarded as tacitly pronounced. Unless otherwise agreed between the Parties, receipt, acceptance or verification of the conformity of the products or services shall be made within fifteen (15) calendar days after delivery.

8.2. The signature of a delivery note or a similar document does not imply an acceptance or an approval concerning the state of the products or services. The signature does not imply in any way the acceptance of a hidden defect.

8.3. The non-conforming product or service refused by SABCA will be deemed undelivered and will give rise to the application of the penalties provided for in Article 7.2., without prejudice to the right of SABCA to claim damages for the damage suffered as a result of the non-compliance and/or to terminate the Purchase Order pursuant to Article 15 "TERMINATION".

Article 9. TRANSFER OF PROPERTY

9.1. In the absence of any indication to the contrary, the transfer of ownership is in favour of SABCA:

- upon the moment that the Supplies are accepted by SABCA in accordance with article 8 "RECEPTION & ACCEPTANCE".
- as and when they are carried out with regard to results and/or work.

9.2. The delivery of products and/or services cannot constitute any acceptance or acknowledgement of the condition of the products and/or services, nor can it constitute the acceptance of any hidden defects nor shall it impair SABCA's rights in any other way.

Article 10. WARRANTY

10.1. Warranty

The Supplier, as a professional in its specialist field, will be expected as appropriate to have knowledge of any fault affecting the Supplies and warranties that the Supplies delivered to SABCA will be:

- marketable and compliant with good professional practice;
- compliant with all legal and regulatory requirements in force;

- accompanied by all necessary information and instructions for use;
- suitable, under normal usage conditions as stipulated by the Supplier, for the uses and functions for which they are intended and offer the level of safety that can be legitimately expected;
- strictly compliant with plans, specifications and all definition documents for the product ordered; this compliance being formalized in an ad hoc certificate if requested by SABCA ;
- free from any faults affecting the design, materials or manufacturing.

The Supplier further warrants SABCA that the Products shall be free of all liens, encumbrances, and rights of third Parties (except those created by SABCA).

The Supplier also guarantees the proper performance of the Services in accordance with the contractual documents and in compliance with all applicable legal and regulatory requirements.

10.2. Duration of the warranty

Unless otherwise agreed between the Parties, the duration of the warranty is 2 years from the date of delivery of the Supply.

10.3. Effect of the warranty

The warranty will cover any repair or replacement of the products or any correction of the services by products and services that are similar and of the same type or the refund of the product or service.

The warranty includes, without being limitative, parts, labour, transportation and travel costs. It also includes dismantling, handling, customs and reassembly costs, and for the work, the cost of demolition and re-execution of the Works.

Any product replaced or repaired or any corrected service will be warranted under the same conditions as above.

In the event that the Supplier fails to perform its warranty obligation, SABCA reserves the right to execute or have performed the necessary work by a third party, at the expense of the Supplier.

This warranty clause is without prejudice to the right of SABCA to claim damages for the damage suffered as a result of the non-compliance of the Warranty clause and/or to terminate the Contract pursuant to Article 15 "TERMINATION".

Article 11. INTELLECTUAL PROPERTY

11.1. SABCA and the Supplier remain the sole owners of their own knowledge, under reserve of the rights of third parties. In addition, the models and plans communicated by each other remain the property of each and must be returned upon request.

11.2. The Supplier holds SABCA harmless against any claim by third parties founded on intellectual and/or industrial property relating to its Products or Services (patent, brand, copyright, trade name or secret, licence, etc).

The models and plans communicated to the Supplier remain the property of SABCA or its customers and must be returned on request or paid in case of loss.

11.3. At the Supplier's option, the Supplier may, at its expenses, either

- obtain the right to continue using its products or services to enable SABCA to continue to use the products or services, or;
- modify or replace the incriminated products or services so that the infringement ceases, all without prejudice to SABCA's right on compensation for the damage suffered.

Article 12. LOANED OR ENTRUSTED PROPERTY

12.1. Property and tools belonging to SABCA, including those manufactured or ordered by the Supplier shall only be used within the context of producing the products ordered by SABCA. These SABCA owned tools will be identified as such by permanent marking or a plate.

12.2. The Supplier will ensure the maintenance of the tools belonging to SABCA in order to maintain them in a good state of operation.

12.3. The Supplier shall return the tools in perfect working condition to SABCA as soon as requested. At the time of the return of the entrusted goods, SABCA and the Supplier will carry out a contradictory inventory.

Article 13. TRANSFER AND SUB-CONTRACTING

13.1. As SABCA has chosen the Supplier in consideration of the person and the specific skills of the latter, the Supplier undertakes not to transfer or assign all or part of the Purchase Order to a third party without the prior written consent of SABCA, including in case of sale, transfer, merger, consolidation or any other disposition of all or substantially all of its assets or business. In case of authorization, the assignee will be considered as a Supplier in its own right and will have to comply with all the conditions stipulated in the contractual documents.

13.2. The Supplier is prohibited from subcontracting the entire Purchase Order. In addition, the Supplier undertakes not to subcontract any part of the Purchase Order to any third party without the prior written consent of SABCA. If the Supplier is authorized to subcontract, he undertakes to pass on the obligations contained in the contractual documents to its subcontractors. Notwithstanding SABCA's authorization for subcontracting, the Supplier shall remain solely liable to SABCA for the performance of the Subcontracted Supply, and may not invoke any failures of its subcontractors to limit its liability.

Article 14. LIABILITIES

14.1. The Supplier is responsible for the correct and timely performance of its obligations as stipulated in the Purchase Order and the General Terms and Conditions. The Supplier is obliged to compensate SABCA for all the direct damages suffered as a result of any non-performance or poor execution of the Purchase Order, whether caused by himself, by one of the persons he has hired, by one of its agents or by one of the persons hired by the latter.

14.2. The Supplier warrants to SABCA the consequences of any legal proceedings brought by third parties as a result

of the damage caused by the product or service following a defect of the product or service sold by the Supplier to SABCA.

14.3. Without prejudice to its liabilities and obligations under articles 14.1 and 14.2 above, the Supplier shall subscribe and maintain, at its own cost and with insurers of recognized reputation and security, the insurance policies needed for the coverage of its liabilities set forth above, including third party, contractual and product liability insurance.

The subscription to these insurance policies does not constitute a limit of liability of the Supplier.

The Supplier undertakes to submit all certificates of insurance policies contracted and the payment of premiums upon SABCA's first request.

Article 15. TERMINATION

15.1. Each Party may automatically terminate the Purchase Order by sending the other Party a registered letter with acknowledgment of receipt in the following cases:

- in the event of non-performance by the other Party of any of its contractual obligations thirty (30) days after formal notice by registered letter with acknowledgment of receipt remained ineffective;
- in the event of non-performance by the other Party of its obligations as a result of the occurrence of a force majeure event whose duration exceeds one (1) month from its notification to the other Party.

15.2. In addition, SABCA may automatically terminate the Purchase Order by sending the Supplier a registered letter with acknowledgment of receipt in the following cases:

- at its sole discretion, for any reason, at any time, in which case SABCA shall be liable to pay Supplier the direct costs related to this termination;
- the Supplier becomes insolvent or bankrupt, is going into administration, receivership or liquidation or enters into any voluntary arrangement with its creditors;
- the Supplier has not submitted to SABCA the insurance certificates as requested for in Article 14.3;
- the Supplier's capital is taken over by a SABCA competitor or another Group Company;
- in the event of a significant change in the Supplier's industrial organization that may be prejudicial to the proper performance of the Purchase Order (such as a transfer of production).

15.3. In the event of the termination of the Purchase Order by SABCA for fault of the Supplier, SABCA reserves the right to execute by itself or by a third party all or part of the Purchase Order at the expense of the Supplier. In this respect, the Supplier undertakes, at the request of SABCA, to communicate to SABCA or to any third party designated by SABCA all the elements necessary for the realization of the Supply.

15.4. At the expiration of the Purchase Order, or following its termination for any reason whatsoever, the Supplier shall return to SABCA at his own expenses within eight (8) days

all the goods entrusted and documentation that has not yet been handed over.

15.5. In all cases of termination for any reason, each Party remains obligated to fulfil its contractual obligations up to the effective date of termination, without prejudice to any damages that the complaining Party may obtain as a result of the damages suffered as a result of the failure of the defaulting party to fulfil its obligations contained in the contractual documents.

Article 16. FORCE MAJEURE

16.1. "Force Majeure" means any unforeseeable and/or exceptional situation or any event beyond the reasonable control of one of the Parties which prevents that Party from performing its obligation(s) under the Agreement, for as long as such event was not due to error or negligent act(s) or omission(s) on the part of that Party and could not have been avoided by the exercise of due diligence.

Without this list being exhaustive event of Force Majeure can be: governmental decision, war, hostilities, insurrection, act of terrorism, sabotage, fire, flood, explosion, epidemics, quarantine restriction, embargo, storm, earthquake.

Defects in equipment or material or delays in making it available, labour disputes, strikes or financial problems cannot be invoked as a force majeure unless they stem from a genuine case of force majeure.

16.2. The injured party must notify the other party within five (5) calendar days of the occurrence of a Force Majeure event making it impossible to deliver or deliver in due time.

16.3. The occurrence of a Force Majeure event will automatically suspend the execution of the Purchase Order and the delivery terms thereof will be staggered for a minimum period equivalent to the duration of the Force Majeure event, without prejudice to the application of article 14.1.

Article 17. TRADE COMPLIANCE

17.

17.1. The Supplier undertakes to comply with any laws and regulations regarding (re-)export or (re-)transfer that would be applicable to the products or services (including its components) as well as the software, technical data and products delivered in the context of the Purchase Order.

17.2. Before each Purchase Order the Supplier undertakes to inform SABCA about the export classification with respect to the above items.

17.3. The Supplier undertakes to obtain prior to each delivery all authorizations required to duly (re-)export or (re-)transfer the Supplies. In that frame the Supplier will provide SABCA with copies of such authorizations. In case copies have not been transmitted at the time of the delivery, the acceptance of the Supplies will be suspended until reception of said copies.

17.4. If any change in the applicability of an (re-)export or (re-)transfer authorization of a Supply already delivered (or about to be delivered) to SABCA by the Supplier or if a Supply already delivered to SABCA sees its export classification category updated (included but not limited to its applicable Trade Compliance constraints), the Supplier undertakes to immediately provide SABCA in writing with all relevant information required to re-assess these new

restrictions and constraints in order to determine the consequences on the Purchase Order.

17.5. The Supplier undertakes to pass the set of its obligations on to its own suppliers (subcontractors included).

Article 18. CONFIDENTIALITY AND PUBLICITY

18.1. All information communicated by SABCA is confidential and is subject to the confidentiality agreement signed between the Parties and/or any subsequent confidentiality agreement amending that agreement.

18.2. The Supplier undertakes to take all necessary measures to ensure that none of the information transmitted by SABCA or to which it will have access in the context of the performance of the Purchase Order(s), as well as the realisation or results which are a product thereof is not communicated to third parties, either by the Supplier or by its employees, agents or sub-contractors.

18.3. Under no circumstances and in no way can orders placed by SABCA give rise to direct or indirect publicity unless prior specific written agreement from SABCA.

Article 19. ETHICS

19.1. The Supplier declares that (i) it will comply with the laws and regulations relating to the fight against corruption, (ii) it will not engage in any activity, practice or conduct that would violate these laws and regulations, (iii) will not commit, directly or by omission, any act that would cause SABCA to violate these laws and regulations; and (iv) promptly report to SABCA any claim for financial benefit or any other benefit of any other nature received by the Supplier in the performance of this agreement. Furthermore, the Supplier shall observe SABCA's [Code of Conduct](#) as presented on the <http://www.sabca.be> homepage in the "Quicklinks" section and shall integrate these principles into its own supply chain.

19.2. In the event of non-compliance by the Supplier of this clause, SABCA shall be entitled to terminate for fault the Purchase Orders in process with immediate effect, without prejudice to the damages and interests incurred by SABCA because of such a violation.

Article 20. APPLICABLE LAW - JURISDICTION

20.1. Belgian law is the only applicable law. The Vienna Convention on Contracts for the International Sale of Goods is not applicable.

20.2. In case of dispute, only the Courts of Brussels shall have jurisdiction.