

General Purchasing Conditions DEJOND N.V.

1. SCOPE OF CONTENT OF THE AGREEMENT

1.1. Any supplier who supplies goods or services, or executes works in favor of DEJOND N.V. (hereinafter called "DEJOND"), shall accept the application of these conditions to the exclusion of his standard conditions. The supply or execution proves this acceptance without any reservation. Any deviation from this rule must be confirmed in writing by DEJOND.

1.2. In case of contradictions the following shall prevail successively: the order, these conditions of purchase, the request for a tender and the tender.

1.3. Conditions of purchase or valid at the moment

Dejond starts a demand for a tender at a supplier. The conditions are valid for all demands for tenders, orders and contracts. The supplier is supposed to understand the conditions of purchase and the customer requirements and to accept them when making a tender.

2. TENDERS

2.1. The tender shall be binding for the supplier only. It must be definite, detailed and complete and must contain everything which is required for the full supply, in working order, of the goods services or works offered.

2.2. The tender must be in conformity with all statutory and administrative provisions applicable in Belgium at that moment.

2.3. The tender is free of charge for DEJOND.

2.4. If the supplier has any questions or objections about the request for a tender from DEJOND, for example about the technology, the safety and the environment, the practicability, the cost price or the system of payment, then he shall so notify DEJOND, at the latest on the agreed date, together with an alternative tender.

3. ORDERS

3.1 Oral or telephone orders must always be confirmed by means of a signed order.

3.2 Should the supplier wish to implement changes relating to the size and/or scope of the agreed upon order for the provision of goods and services, such changes should be discussed with DEJOND in advance and the implementation of such changes will only be allowed if they have been confirmed in writing by DEJOND. Should DEJOND wish to introduce changes relating to the size and/or scope of the agreed upon order for the provision of goods or services, and if such changes (might) have an effect on the price and the period within which the order must be carried out, the supplier will be obliged to inform DEJOND in writing within 10 working days of receiving such notification of any changes in prices and/or terms, in default whereof the supplier will be fully obliged to apply the initially agreed price and observe the initially agreed term of delivery.

4. DELIVERY

4.1. The terms of delivery and execution must be applied strictly. If such terms are exceeded, DEJOND shall be free to either demand execution of the agreement, or declare the agreement dissolved immediately and ipso jure. In either case DEJOND shall be entitled to agreed damages of 1 percent of the total contract price for each commenced week by which the term has been exceeded, to a maximum of 10 percent, without prejudice to its right to claim compensation instead for all proven damage.

4.2. However, article 4.1. does not apply if the supplier proves that due to Force Majeure it was absolutely impossible for him to observe the agreed terms, and if, immediately after he had knowledge of the Force Majeure, he has notified DEJOND thereof in writing. In this case the terms will – after consultations be extended by an appropriate amount of time. If the extension is no longer useful for DEJOND, it shall ipso jure and without reminder be entitled to declare the mutual obligations partly or completely dissolved. Supplied materials and paid advantages shall immediately be collected respectively paid back by the supplier.

4.3. DEJOND has the right to suspend the terms.

4.4. The transfer of risk takes place at the moment of delivery. The delivery takes place at DEJOND, unless otherwise agreed in writing.

4.5. Ownership is transferred at the time of delivery of the materials/goods. Any clause which postpones the transfer of ownership or entails any reservation regarding this transfer cannot be raised against DEJOND. The unilateral inclusion of a reservation of title clause in the general terms or any other document of the supplier (or contractor) is not opposable to DEJOND, and may be opposed to it only after securing DEJOND's written consent.

4.6. The supplier will inform DEJOND in case of non-compliant products and/or services (whether or not delivered). The supplier shall deliver non-conform products and/or services only after the receipt of a written derogation from DEJOND. The demand needs to be done by the supplier by means of a clear, unambiguous description of the non-conformity. The derogation is valid for the non-conformity described in the derogation only. In case there are several non-conformities, each of them needs to be

described and derogated separately. The derogation is valid for 1 delivery only, unless explicitly described differently in the derogation.

4.7. The supplier will inform DEJOND in case of modifications to the product, process, raw material and production location and will ask DEJOND for a permission before implementing the change.

4.8. The supplier must always give permission to DEJOND's employees, DEJOND's customers and to certification-institutions to visit the supplier's company and have access to all the documents and zones related to DEJOND's orders.

5. QUALITY SYSTEMS AND INSPECTIONS

5.1. At the request of DEJOND the supplier shall observe a quality system in conformity with the applicable norms. DEJOND shall then be entitled to audit this quality system itself or with the help of a third party or third parties, to inspect the compliance with the system and to demand possible post audits. The supplier shall bear all costs for the obtaining of these quality system certificates.

5.2. Documents and quality records of delivered products/services not meant to be used in aerospace have to be stored for a period of minimal 5 years plus the actual year.

5.3. For products/services where in the order is mentioned that they will be used in aerospace, the norm EN 9130 has to be applied.

5.4. For the application of a special processes (example heat treatment, coating, welding) on products where in the order is mentioned that they will be used for aerospace, the processes need to be certified according EN 9100 and NADCAP. In case these processes are or will be outsourced, the permission of DEJOND will be needed.

5.5. Employees at the supplier need to be authorized for the activities linked to the delivered products/services and need to be aware of their contribution to the conformity of the delivery, their impact on product safety and their interest in ethical behavior.

5.6. For items made available by DEJOND to the supplier (by example documents, tools, products, material, intellectual property), the supplier shall identify them correctly, verify them, protect and secure them against theft and abuse. Data can under no condition be given to a third party without written approval from DEJOND.

5.7. The supplier will apply the same requirements towards his sub-suppliers.

5.8. For work equipment, the supplier needs deliver with the goods a certificate that the goods comply with following requirements:

- The current Belgian legislation regarding wellbeing and others
- Conditions regarding health and safety, not necessarily obliged by laws and regulations, but necessary to obtain the objectif.

5.9. DEJOND shall at all times be entitled to inspect the soundness and the conformity of the goods at the supplier's premises. Both parties shall bear their own costs in this. If new inspections are necessary, as a result of defects or because inspection could not be carried out, the supplier shall bear all the costs of these new inspections, including the personnel costs of DEJOND.

5.10. Certificates are to be sent by E-mail at the latest at the moment of delivery.

5.11. The guarantee obligation (including the guarantee for visible defects) of the supplier shall not be influenced by the provisions of this clause.

5.12. The supplier guarantees that the goods meet the agreed specifications and qualities and that they are accompanied upon delivery by all required documents (e.g. shipping documents, etc.). Where necessary, the supplier shall complete these documents, fulfill the related formalities and send them back to DEJOND (or to the third party of parties involved) as quickly as possible. If the delivered goods do not meet the specifications and/or quality, or in case the supplier in either late in fulfilling or fails to fulfill his obligations concerning (shipping) documents, DEJOND reserves the right to cover its administrative costs by deducting an amount, as specified in the order, on the invoice at issue, or on any other invoices which the supplier shall submit, without prejudice to its right to claim compensation for all proven costs.

5.13. The supplier guarantees that products delivered are original products, made off original products. In both cases coming from original, approved suppliers. Counterfeit or low quality parts are never allowed. Second hand or 'refurbished' products are accepted only after explicit approval from DEJOND.

5.14. Products always need to comply to Belgian and European laws, also on environmental rules like Reach, RoHS etc. If there is a chance that a product would not be compliant, an agreement need te asked to DEJOND in advance.

6. GUARANTEE

6.1. The supplier guarantees that the supplied good or services, the works executed, and the materials used, are free from all visible and hidden defects, that they are in conformity with the stipulations of the agreement, with the state of the technology, with all statutory and administrative provisions, and with the normal requirements of usefulness, reliability and life span. DEJOND shall not be obliged to conduct immediate examinations.

6.2. Unless otherwise agreed in writing, the supplier shall provide a guarantee of 8,000 hours after a good has come into service. For the

executed works the supplier shall provide a guarantee of 1 year after completion. This guarantee period will be suspended and extended by the suspended time, as long as the supplied goods or services or the executed works are defective.

6.3. During the guarantee period the supplier shall guarantee the immediate and completely free repair of the supplied goods or services, except if he proves that the defect to the goods or services are exclusively caused by DEJOND. He shall bear all costs of assembly, disassembly and transport. In urgent cases or in case of delay, DEJOND may repair or procure the repair of those defects itself and can recover the costs from the supplier, on condition that DEJOND has notified the supplier of this intention.

6.4. In case of a serious defect DEJOND may however also choose to demand a price-adjustment or may decide that the agreement will be dissolved ipso jure, without prior notice being necessary.

6.5. In addition, DEJOND shall in all cases be entitled to compensation for all damages caused by the defect, and the supplier shall hold harmless and indemnify DEJOND from any claim for damages lodged by third parties.

6.6. For parts and repairs which are replaced respectively carried out within the guarantee period, a new guarantee period of 1 year shall apply.

6.7. Defective goods or parts shall remain at the disposal of DEJOND until they have been faultlessly replaced.

6.8. The supplier is obliged to inquire about the use which DEJOND will make of the sold goods and guarantees that the sold goods are suited for this use.

7. DISCONTINUATION OR CHANGE OF MANUFACTURE

7.1. In case the supplier plans the discontinuation of manufacture of goods supplied by him, or a change of the dimensions, characteristics or specifications of those goods, he shall at least 12 months in advance inform DEJOND about this in writing.

7.2. At the same time the supplier shall inform and advice DEJOND regarding new products and possibilities for replacement of these products.

7.3. Modifications in the composition of the sold good and/or in the production process of the supplier, which (might) have or has an impact on the use which DEJOND wishes to make of these goods, may be implemented by the supplier only after securing prior approval from DEJOND.

8. PERFORMANCE OF WORKS AND SERVICES – EXIT CONTROL

8.1. The supplier who performs works or services shall comply with the regulations for safety and environment applicable on the relevant site of DEJOND, as well as with all applicable statutory and administrative regulations.

8.2. The supplier shall guarantee the surveillance of the installation parts to be assembled until the assembly has been fully completed.

8.3. DEJOND has an accredited internal security service, authorized to perform exit controls within the framework of the Act of 10 April 1990 on private and personal safety. The supplier consents to be subject to such exit controls on the DEJOND-site at 2610 Wilrijk Terbekehofdreef 55-59, and guarantees that every person acting in its name or on its behalf in connection with the performance of works on the mentioned DEJOND-site, has consented to being subject to these exit controls.

9. LIABILITY

9.1. The supplier shall compensate for each damage caused by himself or by persons appointed by him, or by his execution agents or by persons appointed by them, as a result or on the occasion of the execution of the order.

9.2. The supplier shall hold harmless and indemnify DEJOND from claims of third parties, for example but not exclusive, for damage caused by the end product which was produced with the sold goods but which is due to a defect in the goods sold by the supplier to DEJOND.

9.3. DEJOND shall not be liable for loss or damage of any of the supplier's appliances, objects or materials.

10. INSURANCE

10.1. The supplier shall subscribe appropriate insurance policies to cover the aforementioned liability for the work and the risks.

10.2. The supplier's liability shall not be limited by his insurance obligation, nor by the cover provided by that insurance.

10.3. The supplier shall appropriately mark all objects which he uses on the premises of DEJOND, and which remain his property, and sufficiently insure such objects against fire and all other risks, with waiver of recourse in respect of DEJOND.

11. ENVIRONMENTAL, LABOR AND SOCIAL STANDARDS

11.1. DEJOND conducts its business in accordance with the principles of sustainable development and complies with internationally recognized fundamental environmental, labor and social standards. DEJOND expects likewise that the supplier will comply with environmental, labor and social standards.

11.2. Should DEJOND discover that the supplier is in breach of these standards, DEJOND reserves the right to cancel this contract – without notice, if necessary – in account of national circumstances. Furthermore,

DEJOND demands that the supplier ensures his/her subcontractors and subordinate contractors observe these standards likewise.

12. CONFIDENTIALITY

12.1. Any information which the supplier receives directly or indirectly from DEJOND and any plan or document which he produces in the execution of the order, is confidential. They shall not be communicated to third parties and shall exclusively be used for the execution of this agreement. In addition, the supplier undertakes to take any and all necessary and suitable measures and actions to efficiently protect the obtained confidential information at any time against loss as well as against any unauthorized access. This includes, in particular, the provision and maintenance of adequate and necessary entrance and access measures for rooms, containers, IT systems, data carriers and other information media, in or on which confidential information is provided, as well as the implementation of appropriate instructions for any such persons as are authorized to handle confidential information. The supplier undertakes to inform DEJOND in writing immediately in the event of any loss and/or unauthorized access to confidential information at the supplier.

12.2. The supplier shall impose the same confidentiality duty upon persons appointed by him and upon his execution agents.

12.3. At the request of DEJOND the supplier shall immediately return all written information and any produced document or plan, including all copies.

13. VIOLATION OF INTELLECTUAL OR INDUSTRIAL PROPERTY

13.1. The supplier shall indemnify DEJOND against any claim from a third party and against any damage on account of established or alleged violations by the supplied goods of the industrial or the intellectual property.

14. SHIPMENT

14.1. Unless otherwise agreed, the weight which is established upon entry of the goods on the officially calibrated scales of DEJOND shall apply for orders on the basis of the unit of the weight. For the goods supplied by ship, the quantity which has been established by the independent expert shall apply.

15. DELAY INTEREST

15.1. Delay interest because of late payment may only be charged after DEJOND has been formally notified by the contractor. In this event, the lower of the following interest rates shall be owed: either the 3-month interbank rate (BIBOR or euro-interest-rate-applying on the date of the formal notice, or the legal interest rate applying on the date of the formal notice. The same rates shall apply if judicial interests are awarded.

16. PUBLICITY

16.1. Except for prior written consent of DEJOND, the supplier may not use the name "DEJOND" either in his publicity and advertisement publications, nor in any other way.

17. NOTICE

17.1. DEJOND may at all times give notice of unilateral rescission of the agreement, provided it indemnifies the supplier for what has already been supplied or executed.

17.2. The loss of profit shall not be compensated.

18. NULLITY

18.1. If any of the stipulations from the present conditions appear to be null and void, the remaining stipulations of these conditions shall remain unimpaired. Parties shall in such cases consult to replace the invalid stipulation with a stipulation which is most closely connected to the originally intended meaning of this stipulation.

19. APPLICABLE LAW AND COMPETENT COURT

19.1. This agreement is governed by Belgian substantive law. The United Nations Treaty on International Sale Contracts involving Movable Property (Treaty of Vienna dated 11.04.1980) does not apply to this agreement.

19.2. All disputes which could possibly arise from the present agreement shall exclusively be within the competence of the courts of the District of Antwerp, in accordance to the Belgian law, in Dutch language.

19.3. Only DEJOND shall, in addition to this, retain the option to present the dispute before the court which is designated by virtue of general law.