

GENERAL PURCHASE CONDITIONS ACB

1. Scope of application – exclusive conditions

- 1.1. The present general purchase conditions are applicable to all purchases made by ACB of material and/or immaterial goods and/or services (hereinafter: “the products”). The term “deliveries” refers to the products, as well the goods as the services.
- 1.2. The supplier accepts these general purchase conditions of ACB without any reservation, excluding the own conditions of the supplier, even if they are communicated after the underlying purchase conditions of ACB. Every start of execution of the order will be perceived as an acceptance of the underlying general purchase conditions of ACB as well as the eventual “product specific purchase conditions” of ACB relating to the products that will be supplied. In order to be opposable to ACB, each deviation of these general purchase conditions of ACB and product specific purchase conditions of ACB has to be accepted by ACB in writing.
- 1.3. The general and/or specific conditions of the supplier are only part of the agreement in so far they have been accepted by ACB in writing.
- 1.4. If any stipulations of these general conditions of ACB would not be applicable, f.e. because it is void, all other stipulations remain applicable.

2. Product specific purchase conditions

Agreements are entered into in conformity with the hereinafter mentioned “general purchase conditions”, unless an order contains specific conditions thus mentioned explicitly at the bottom of the purchase order. These specific purchase conditions are only applicable to that specific order and cannot be accepted as a general condition.

If a permanent valid exception has been agreed upon with respect to the general purchase conditions, this can be found in “product specific purchase conditions”.

These signed documents are kept at the department of purchases.

3. General purchase conditions

3.1. Supply

3.1.1. Terms

All products are to be delivered according to the standard terms of delivery, unless otherwise agreed upon and mentioned on the purchase order. This specific term of delivery will only be valid for that specific order.

Since the term of delivery is an essential and binding condition of the purchase agreement with respect to the supplier, the imposed terms of delivery need to be respected.

The supplier will inform ACB as quickly as possible of any difficulties that would rise with respect to delivery and execution terms. The supplier will do anything to comply itself with the agreed terms of delivery.

If the supplier does not comply with the agreed terms, ACB will be entitled to a compensation of 1% of the total value of the order for each week of delay, without exceeding more than 10% of this value.

Moreover the supplier will compensate ACB for all proved damages by ACB as a consequence of the non compliance of the agreed terms (f.e.: loss of production and profits, loss of contracts with clients or any other indirect or immaterial damage).

After formal notice and lack of delivery within a week, ACB will be entitled to terminate the purchase agreement, without owing any compensation to the supplier.

3.1.2. Packing, marking and shipping

Delivery will always be on EURO-pallets (in so far the measurements allow so) and must be packed to prevent any damages to the products. These EURO-pallets will immediately be traded at delivery, and thus will not be invoiced to ACB.

The supplier commits itself to pack the supplies as such to prevent damage during transportation. Over shipments or damaged supplies are regarded as supplies in non-conformity. ACB may return supplies in non-conformity to the supplier's risk and expense.

For supplies that may contain potentially dangerous materials, if requested by ACB, the supplier shall promptly furnish to ACB in whatever form and detail ACB requests, (i) a list of all potentially hazardous ingredients in the supplies, (ii) the quantity of one or more such ingredients and (iii) information concerning any changes in or additions to such ingredients. Before shipping the supplies, the supplier agrees to furnish ACB sufficient warning and notice in writing (including appropriate labels on the supplies, containers and packing) any hazardous material that is an ingredient or a part of any of the supplies, together with such special handling instructions necessary to advise carriers, suppliers and their respective employees how to exercise that measure of care and precaution that will thus prevent as much as possible injury or property damage in handling, transportation, processing, use or disposal of the supplies, containers and packing ship to ACB. The supplier shall comply with all applicable federal, provincial and local laws and regulations with regard to product and warning labels.

Supplier commits itself pertaining to the delivered products to respect all laws and regulations and specifically, but not solely the European regulations on chemical substances (REACH).

If ACB needs information to conform itself with REACH, the supplier will immediately provide all necessary information.

Upon ACB's request, and insofar as applicable, the supplier will transfer all information proving that the supplier has met the REACH obligations.

3.1.3. Shipping documents

Each purchase order needs to clearly mention the ACB purchase number.

The purchase order that is attached to the products, will be accepted under reservation until the necessary inspection on the products are carried out.

The transfer of risk takes place upon receipt, at the time the shipping documents are signed.

3.1.4. Non-conformity

ACB, at its option, may reject and return at the supplier's risk and expense, or retain and correct supplies that fail to comply with the requirements of a purchase order, even if the non-conformity does not become apparent until the manufacturing or processing stage. If ACB chooses to correct the supply it will consult with the supplier on the method of correction. The supplier will reimburse ACB for all reasonable expenses resulting from rejection or correction.

3.1.5. Delivery dates of the goods

Goods can be delivered at appropriate gate, 24 hours a day starting on Monday, 6 am until Friday 10 pm. Preference is given to deliveries between 9 am and 4 pm.

The receipt of delivery that comes along with the products, is accepted under reservation of all rights until the necessary inspections have been carried out.

3.1.6. Export control

Seller shall comply with all export control and sanctions laws, regulations, and orders applicable at the time of export, re-export, transfer, disclosure or provision of goods, software, technology or services including, without limitation, the (i) Export Administration Regulations (EAR); (ii) International Traffic in Arms Regulations (ITAR); (iii) Foreign Assets Control Regulations and associated Executive Orders; and (iv) laws and regulations of other countries (collectively, "Export Control Laws"). Unless this Order is for goods to be supplied on a "build to print" basis by Seller, Seller shall provide Buyer with (i) the applicable Harmonized Tariff Schedule Number, and (ii) either (a) the United States Munitions List (USML) category of such goods, software, technology or services that are controlled by the ITAR, or (b) the Export Control Classification Number (ECCN) of such goods, software or technology that are controlled by the EAR and (iii) any analogous classification under any other applicable law. If any goods to be provided under this Order are USML items, Seller represents that it maintains registration with the Directorate of Defence Trade Controls. Seller shall not export, re-export, transfer, disclose or otherwise provide ACB's technical data controlled by Export Control Laws ("Technical Data") to any foreign persons or foreign commercial entities, or modify or divert such Technical Data to any military application without Buyer's advance, written authorization. Any subcontracts between foreign persons in the approved country for manufacture of goods or provision of services shall contain all the limitations of this Section. Upon Buyer's request, Seller shall demonstrate to Buyer's reasonable satisfaction Seller's subcontractors' compliance with this Section and all Export Control Laws. Upon completion of its performance under this Order, Seller and its subcontractors shall destroy or return to Buyer all Technical Data.

3.1.7 Continuity of supply (LBO)

If Supplier must stop supply of goods for any reason, including plant closure, while orders are pending or any time one year thereafter, the supplier will:

- (a) give ACB at least six months advance written notice of the end of life of the affected Goods ("End of Life Notice")
- (b) assist ACB to identify replacement or alternative goods to meet ACB's needs
- (c) fulfil ACB's last buy order for quantity of goods equivalent to up to two year supply, provided such order is placed within six months of ACB's receipt of supplier's end of life notice.

3.2. Prices

The agreed prices remain valid until a new price agreement has been confirmed in writing.

The prices are always DDP – Delivery Duty Paid – in accordance with Incoterms 2000 – and the location Vosmeer 3 – B-9200 Dendermonde (unless otherwise agreed upon and indicated on the purchase order).

3.3. Product quality - guarantees

We entrust our supplier quality warranty. If specific agreements exist hereon, they can be found in the enclosed document “product specific purchase agreements”.

Unless otherwise agreed in the purchase order (e.g. because of shelflife of a product), the supplier will grant a warranty period of 24 months on the products, starting on the day of the transfer of the risk, as stipulated above. This warranty includes all defects (obvious and conceived) of the products during the aforementioned period.

The Supplier warrants that during this applicable warranty period the goods will:

- (i) comply, in all respects, with the drawings, specifications, Statements of Works, samples and other descriptions and requirements relating to the goods that have been furnished, specified or approved by ABC;
- (ii) comply with all regulations enforced in the countries in which the goods are to be provided;
- (iii) be merchantable;
- (iv) be free from defects in design to the extent furnished by the supplier, its related companies or their subcontractors, even if the design or specifications have been approved by ACB;
- (v) be free from defects and materials and workmanship; and

After the termination of the conventional warranty period, the supplier needs to safeguard ACB from hidden defects.

If it can be proven that the problems in the finished products are related to material delivered by the supplier, the responsibility/liability will be the supplier's.

ACB is entitled to return non-conform goods. Those goods need to be replaced or credited.

In any case, the supplier will safeguard ACB against all damages and costs suffered by ACB, because of defect products and/or malfunctioning of the products, and this for obvious (limited during the warranty period) as well as for hidden defects (no time limit).

If a third party files a claim for compensation against ACB, the supplier will intervene voluntarily in each procedure, judicial as well as extra-judicial, and will also provide all documents to ACB in relation to the defect products.

On ACB's explicit demand, the supplier will commit itself to insure these obligations and to provide proof (insurance certificate) of it to ACB.

The warranty of the supplier and any of the rights of ACB to file a claim in this respect remain valid even if ACB has accepted the products completely or partially.

3.4. Complaints (= Supplier Deviation Note)

Complaints are filed at ACB through a standard document “Supplier Deviation Note”, in which one can find a description of the problem as well as the expected actions. The supplier will communicate a root cause analysis and action plan within 7 working days.

3.5. Supplier evaluation

Each year supplier evaluation will take place. The obtained results and eventual expected actions will be transferred to the concerned suppliers.

3.6. Admissions, inspections and audit rights

ACB is entitled entrance to the company of the supplier and to all registrations regarding the delivered products, as well as its customers and the authorities concerned at their request. The same accounts for all subcontractors of the supplier.

This audit does not in any way diminish the liability or the responsibility of the supplier.

3.7. Quality system

At the request of ACB, the supplier needs to prove that it works in a structured way towards quality. Digital proof of obtaining a quality certificate or a possible extension thereof will always be digitally proven and transferred.

3.8. Changes in products

If changes are in prospect for a certain product, ACB will be informed thereof. Only after a written consent is given by ACB, the new products can be delivered.

The supplier will in any case inform ACB in writing through a “Last Time Buy Notice” in case of termination of production and this at least 12 months prior to this termination.

3.9. Technical support

- The supplier will support as much as necessary in order to optimize the production process (example up to date documentation, engineering, ...).

If any problems occur with the delivered products (whether or not processed), the cooperation of the supplier can be expected.

- For each first delivery (of a product) the supplier will digitally transfer the MSDS and MDS to ACB, and in January each year an update of all these documents will automatically be transmitted.

3.10 Payment

Invoices will be paid within 30 days end of month (after receipt of a correct and completed invoice), except when otherwise agreed upon.

The following needs to be mentioned clearly on the invoice:

IBAN-CONDE

BIC (SWIFT)-CODE

INTRASTATCODE

NETTOWEIGHT

VAT-number ACB

Your VAT

Tarif reduction (when agreed upon)

Payments will happen within any prejudice and under reservation of all rights regarding product-conformity.

The supplier agrees that all its accounts with ACB will be administered on a net settlement basis.

ACB may set off and recoup debits and credits, including ACB's attorney fees and costs of enforcement, against any of Supplier's accounts regardless of basis for such debits or credits and without additional notice. "ACB" includes ACB's parent, subsidiaries and affiliates, and "supplier" includes supplier's parent and subsidiaries.

3.11 Confidentiality

Parties will treat all information obtained, or that will be obtained, at the entering and the (further) execution of this agreement, during this agreement and until 5 years after termination of the agreement confidential. They will not communicate this information or its existence to third parties nor reproduce or publish it. They will ensure that also their respective employees will comply with this confidentiality obligation.

3.12 Personally identifiable information

The supplier will use reasonable care to protect the security, integrity and confidentiality of ACB's personally identifiable information. "Reasonable care" is the standard of care supplier will use in protecting the security, integrity and confidentiality of its own confidential information. ACB's personally identifiable information is (i) information regarding ACB's or any of its Related Companies' customers and (ii) information regarding ACB's or any of its Related Companies' employees excluding in the case of employees, business contact information (name, business telephone number, business address) used by supplier solely for business contact purposes related to providing supplies under the purchase order.

3.13. Assignment

Supplier will not assign or delegate all or substantially all of its substantive duties under a purchase order, without ACB's prior written approval. Supplier will provide ACB with reasonable advance written notice of any assignment of supplier's right to receive payment under a purchase order. Any such assignment shall not prohibit ACB from enforcing any of its rights against the assignee. ACB will have the right to assign any benefit or duty under a purchase order to any third party upon notice to seller.

3.14. Change of company name

If a merger/acquisition/... occurs at the supplier, the agreed terms and conditions remain applicable.

3.15. Termination

ACB is entitled to terminate its purchase obligations in whole or in part, at any time by a written notice of termination to the supplier, if the supplier does not fulfill its obligations under this agreement.

In case of termination, liquidation, request for reorganization in conformity with the Act regarding the continuity of enterprises or bankruptcy of the supplier, or any situation endangering the liquidity of the supplier, ACB may terminate the agreement with immediate effect by a written notice of termination to the supplier.

In both cases ACB will not be due any damages to the supplier.

3.16. Resolving disputes

In the event of a judicial procedure following these terms and conditions parties agree that the dispute will be governed by the laws of Belgium and can only be submitted to the Courts of the district of Ghent.

3.17. Compliance with law

(a) Supplier and supplies shall comply with applicable laws, rules, regulations, orders, conventions, ordinances or standards of the country of destination or which relate to the manufacture, labeling, transportation, importation, licensing, approval or certification of the supplies, including those relating to environmental matters, wages, hours, and conditions of employment, subcontractor selection, discrimination, occupational health/safety, and motor vehicle safety. At ACB's request, supplier shall certify in writing its compliance with any or all of the foregoing. ACB requires strict compliance with his provision and has the right to immediately terminate a purchase order if there is a breach hereof.

(b) For supplies shipped to European destinations supplier will notify ACB of the 'Classification of Dangerous Goods' in conformity with the "European Agreement concerning the International Carriage of Dangerous Goods" prior to the first delivery of such Supplies.

3.18. COUNTERFEIT PARTS PREVENTION

The Supplier warrants that Counterfeit Supplies shall not be supplied to the Purchaser or installed in the Purchaser's products by the Supplier.

The Supplier warrants that only new, unused, authentic, genuine and legitimate Items shall form part of the Supplies supplied to the Purchaser.

Use, purchase or the sourcing of Items from non authorized independent distributors is not permitted unless first approved in writing by the Purchaser.

The Supplier shall maintain a method of traceability that ensures tracking of the supply chain back to the manufacturer of all Items included in the Supplies being supplied. Full supply chain traceability documentation includes, Supplier certificates of conformity, purchase orders and test/inspection data and/or certificates.

If Counterfeit Supplies or Suspect Counterfeit Supplies are supplied. The Supplier shall promptly replace such Supplies with Supplies acceptable to the Purchaser and the Supplier shall be liable for all costs relating to impoundment, removal and replacement. The Purchaser may notify and turn Counterfeit Supplies over to the relevant local or international Government authorities for investigation and the Purchaser reserves the right to withhold payment pending the results of such investigations.

The Supplier shall flow down these requirements contained in this condition to the Supplier's supply chain for any Items that are intended for supply to the Purchaser.

The Supplier shall inform its employees, contractors, workers and any other third parties engaged of work, that there is a risk of criminal penalties associated with any falsification, fraud in connection with work performed or Supplies provided under the Order ,in the BE and other jurisdictions.

The Supplier shall notify the Purchaser as soon as it becomes aware of any Counterfeit Supplies or Suspected Counterfeit Supplies which arise in relation to any Supplies.

Product specific purchase conditions

Group 1 Basic materials :

Laminate products :

- In compliance with IPC-spec 4101B.
- For each delivered batch, ACB will digitally receive the COC (and the supplier commits itself to archive these documents and make them available upon first request by ACB or its customers and this over a period of 11 eleven years after the delivery).
- Every container needs to state at least the following information, if applicable (amount (pieces/liters/grams/...), measurements, type, width, cu top/bottom, batch number, ...

Prepregs:

- In compliance with IPC spec 4101 B.
- The minimal shelf life of the products upon receipt should be 3 months.
- For each delivered batch, ACB will digitally receive the COC (and the supplier commits itself to archive these documents and make them available upon first request by ACB or its customers and this over a period of 11 eleven years after the delivery).

Flex:

- In compliance with IPC spec 4204.
- The minimal shelf life of the products upon receipt should be 3 months.
- For each delivered batch, ACB will digitally receive the COC (and the supplier commits itself to archive these documents and make them available upon first request by ACB or its customers and this over a period of 11 eleven years after the delivery).

Group 2 Chemicals:

- The minimal shelf life of the products upon receipt should be 3 months.
- For each delivered batch, ACB will digitally receive the COC (and the supplier commits itself to archive these documents and make them available upon first request by ACB or its customers and this over a period of 11 eleven years after the delivery).

Group 3 Auxiliary materials:

- For each delivered batch, ACB will digitally receive the COC (and the supplier commits itself to archive these documents and make them available upon first request by ACB or its customers and this over a period of 11 eleven years after the delivery).
- Every container needs to state at least the following information, if applicable (amount (pieces/liters/grams/...), measurements, type, width, cu top/bottom, batch number, ...