

**> *General Purchasing
terms and conditions
for goods and
services***

Proud to be part of something great



General purchasing terms and conditions for goods and services

1. DEFINITIONS

- 1.1 In these Terms and Conditions:
- Terms and Conditions: this document.
 - AAE: AAE B.V., registered with the Chamber of Commerce in Eindhoven, the Netherlands, with Chamber of Commerce number 17037842, and located at Grasbeemd 2, Helmond, the Netherlands, and any company it controls.
 - Goods and Services: the goods and services or either of them described in the Order.
 - Order: the purchase order, including any written changes to that, for the supply of Goods and/or the provision of Services
 - Price: the price of the Goods and/or Services as specified in the Order.
 - Seller: the person, firm or company named as such in the Order as being responsible for supplying the Goods and/or Services- Supplier Manual: the document managed as a living reference document with a summary of the processes, procedures and parameters for all supplier-related topics such as contracting, quality, logistics, invoicing, and spare parts.

2. OFFERS

- 2.1 Requests for quotations issued by AAE are not binding for AAE.
- 2.2 Unless otherwise agreed in writing, the Seller's offers will be valid for at least three months after the date of the offer.
- 2.3 The costs associated with an offer and the negotiations surrounding the offer, including but not limited to the costs of drawings, designs and samples, will be borne solely by the Seller. Samples, drawings, designs and/or other materials sent by the Seller along with the offer will not be returned by AAE.

3. ACCEPTANCE OF THE ORDER

- 3.1 The following constitutes the Seller's acceptance of the Order under these Terms and Conditions: (i) provision of the Order confirmation by the Seller, or (ii) the Seller's failure to respond to the Order within 5 days of receipt, or (iii) the execution of the Order. The acceptance of the Order implies acceptance of these Terms and Conditions by the Seller.
- 3.2 These Terms and Conditions also apply to all Orders placed by AAE online, via the internet or other electronic means.

4. FINAL DEADLINES

- 4.1 All deadlines referred to in the Order are final deadlines. In the event that the Seller anticipates difficulty in meeting a delivery date or any of its other obligations under the Order, the Seller will promptly notify AAE in writing. In particular, the Seller will immediately notify AAE, in writing, of any delay in the execution of the Order, specifying the events causing the delay and indicating how long the delay is expected to last.
- 4.2 In the event of a delay, the Seller is obliged to submit an action plan to AAE with measures the Seller will take to minimise the delay and its consequences. The Seller will promptly implement the action plan upon approval by AAE. The costs of implementing the action plan will be borne by the Seller, unless the (impending) delay is the result of acts or omissions by AAE.

5. DELIVERY OF GOODS / PROVISION OF SERVICES, RESCHEDULING, CANCELLATION

- 5.1 The time and place of delivery of the goods will be as specified in the Order. If Goods are not delivered in accordance with the Order, AAE will not be liable for any additional costs incurred by the Seller for handling and delivering the Goods to the correct destination. Early execution of the Order or any part thereof, as well as partial deliveries are not permitted unless approved in writing by AAE. The delivery of the Goods is subject to the delivery condition of DDP Helmond, The Netherlands (Incoterms 2020), unless otherwise agreed in writing by AAE. The Seller's delivery obligation will not be fulfilled until the Goods and documentation as required according to the Order have been delivered, including required quality marks, measurement details, certificates, maintenance instructions and manuals.
- 5.2 Receipt of the Goods by AAE does not constitute acceptance.
- 5.3 The time and place of delivery of the Services will be as specified in the Order. If Services are provided incorrectly, AAE will not be liable for any additional costs incurred by the Seller for properly handling and providing the Services.
- 5.4 Unless expressly accepted by AAE in the Order, the delivery of Goods and/or the provision of Services will be on a one-time basis. If it has been

agreed that the Goods and/or Services are to be delivered/performed in instalments, the Order will be deemed non-severable.

- 5.5 AAE reserves the right to suspend delivery or delivery of Goods and/or Services or acceptance of deliveries at any time without charge to the extent and for the period AAE deems necessary.
- 5.6 AAE may, by written notice, cancel the Order in whole or in part. If the Order is cancelled, AAE will only be liable for payment of costs incurred by the Seller in executing the Order as set forth below: a. Upon receipt of a notice of cancellation, the Seller will cease performance of all activities related to the cancelled order and the Seller will comply with the instructions of AAE in the notice of cancellation and any subsequent written instructions.
b. The Seller will submit a final proposal for compensation of costs within sixty (60) days of the notice of cancellation. In this case, the Seller should limit its costs as much as possible by using Goods and/or parts for other purposes and/or by cancelling orders placed with suppliers. In its proposal, the Seller will indicate how it has complied with this obligation to limit costs.
c. The compensation amount to be paid by AAE may include a reasonable compensation for profit on the cancelled portion.
d. If the Seller fails to submit a cost compensation proposal within the time specified in subsection (b) above, AAE's conclusion of an equitable fee will be conclusive.
- 5.7 AAE has the right to require changes in the nature and scope of the Goods and Services to be delivered by the Seller. If, in the opinion of the Seller, a change requested by AAE has consequences for the agreed price, time of delivery or other relevant circumstances, the Seller is obliged, before complying with the change, to inform AAE in writing of this as soon as possible, but no later than within 10 working days upon notification of the requested change. If, in the opinion of AAE, these consequences are unreasonable, the parties will discuss the matter.
- 5.8 Price adjustments will be made based on the unit prices and rates specified in the Order, or on the basis of reasonableness and the standards and assumptions on which the Order is based.

6. QUALITY, QUANTITY AND DESCRIPTION

- 6.1 The Goods will conform to (i) the specifications referenced in the Order and Supplier Manual as to quantity, quality and description and other information, or (ii) instructions specified or disclosed to the Seller, and (iii) all applicable safety standards.
- 6.2 The Seller agrees with AAE that for a period of twenty-four (24) months (or a longer warranty period if expressly agreed) from the date of receipt of the Goods by AAE, the Seller will promptly repair or, at the discretion of AAE, replace all defects in the Goods reported to the Seller, and to do this at no cost to AAE.
- 6.3 The Seller gives AAE the benefit of any additional warranties granted to the Seller by the Seller's suppliers with respect to the Goods or Services.
- 6.4 If the Order (also) extends to the provision of Services, those services will be performed in a professional manner with good expertise. The Seller will perform the Services with a sufficient or agreed number of persons and quantity of materials, parts, tools and equipment of appropriate or agreed qualifications or quality. The Seller guarantees that the Services will be performed in accordance with the agreed requirements and that the result intended in the Order will be achieved.

Regarding the staff performing the aforementioned Services: The Seller guarantees that the employment Terms and Conditions agreed with its staff are in line with market conditions and, furthermore, that with regard to its staff, it observes all applicable statutory regulations and regulations in collective agreements. The guarantees and entitlements contained in this article 6 are in addition to the rights available to AAE under the law.

- 6.5 The Seller will give AAE twelve (12) months written notice in the event of the 'Obsolescence' or 'End of Life' of any product or part thereof. Upon receipt of this notice, AAE may choose to initiate the End of Life (EOL) procedure, which includes a final purchase option.

7. WORKING ON LOCATION - ENVIRONMENT - AUDIT

- 7.1 The Seller will monitor the quality of the execution and delivery of the Order in accordance with the applicable ISO 9001, 14001 or AS 9100 standard or comparable quality system and will report on any quality issues if requested by AAE. AAE may conduct an audit of the quality system used by the Seller. Alternatively, AAE may request that an independent professional third party conduct an audit.

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PUSHING TECHNICAL BOUNDARIES

- 7.2 The Seller, its staff, outside contractors and subcontractors will respect and comply with all applicable quality, environmental, health and safety laws and regulations in their execution of the Order.
- 7.3 If the Seller performs all or part of the Order at the AAE location, the Seller, its staff, external contractors and subcontractors will strictly comply with the work rules of the AAE location in relation to health, safety and the environment and will follow all AAE instructions. A copy of these rules is available from the Seller upon request.
- 7.4 The Seller will ensure that all persons carry and present proof of identity upon request by the AAE contact person before accessing any AAE site.
- 7.5 In executing the Order, the Seller will avoid any pollution of soil, air or water and will keep noise pollution to a minimum. The Seller will immediately notify AAE if an incident occurs at the AAE site.

8 ACCEPTANCE OF GOODS AND SERVICES

- 8.1 AAE is entitled to inspect and test the Goods. In any case where the Goods (whether or not inspected or tested by AAE) do not meet the requirements of the Order, AAE will have the right to reject such Goods. AAE will notify the Seller of the rejection, stating the reasons for the rejection, and the Seller will collect the rejected Goods from AAE. The Seller will, without obtaining an extension of the delivery term, replace the rejected Goods with Goods that conform in all respects with the Order.
- 8.2 AAE will have the right to inspect the results of the Services and the Seller will correct or re-perform any incorrectly or incompletely performed Services at no cost to AAE.

9 OWNERSHIP, TITLE AND RISK

- 9.1 The ownership of and the risk with regard to the Goods will pass to AAE upon delivery of the Goods in accordance with the applicable Incoterm, without prejudice to any right of rejection to which AAE may be entitled under these Terms and Conditions or otherwise. Any retention of title on the part of the Seller will be rejected. If AAE has made advance payments in respect of Goods manufactured by the Seller, the Seller will at AAE's request – by signing a declaration of ownership to be submitted by AAE – arrange for the transfer of ownership of those parts of the Goods that have been paid for by AAE.
- 9.2 At the request of AAE, the Seller will transfer to AAE ownership of all production tools such as models, dies, moulds, tools, documents, instructions and drawings ('Production Tools') specifically obtained or manufactured by the Seller for the execution of an Order and paid for by AAE. The Seller will use such items solely for the manufacture of the Goods and will protect them as Confidential Information and Trade Secrets.
- 9.3 Any materials or components supplied to the Seller by or on behalf of AAE for the execution of an Order ('AAE Property') will remain the property of AAE. The Seller will hold the AAE Properties in safekeeping for AAE and have them properly insured ('safeguarding cover').
- 9.4 The Seller will separately store and clearly mark as AAE property any Production Tools and AAE Property accruing to AAE. AAE is at all times entitled to retrieve Production Tools and/or AAE Property accruing to AAE. The Seller will not use those items to manufacture anything for third parties, nor will the Seller permit third parties to use such items. Upon receipt of the AAE Property, the Seller will inspect it for damage and defects and report the findings to AAE. Any damage and defects not immediately reported to AAE upon receipt of the item are the responsibility of the Seller.

10 INTELLECTUAL PROPERTY

- 10.1 Unless otherwise agreed in writing, intellectual property rights pertaining to inventions, designs, data collections, software, data, drawings, advice, work instructions and other works developed or produced by the Seller in the execution of the Order will belong to AAE. Only AAE has the right to make the applications and registrations required for the protection of those rights.
- 10.2 The Seller assigns the rights referred to in article 10.1 to AAE when it takes on the Order. To the extent required by law, the Seller will cooperate with AAE's first request to transfer the relevant rights.
- 10.3 The Seller guarantees to AAE that it has made arrangements with its staff or third parties it has contracted to ensure that the rights referred to in article 10.1 can be freely transferred to AAE.
- 10.4 If any intellectual property rights accruing to the Seller, other than those accruing to AAE pursuant to article 10.1, are part of the Goods delivered to AAE, or if use of those rights is necessary for the use of those Goods as provided below, AAE acquires the irrevocable, non-exclusive, royalty-free, worldwide and transferable right, with the right to sub-license, to use

those rights for the further processing, sale, delivery and maintenance of the Goods delivered by the Seller.

- 10.5 The Seller will provide AAE with all documentation, materials and data necessary for AAE to fully exercise and/or use the transferred or licensed rights, including, but not limited to, technical documentation, drawings, data files and source codes.
- 10.6 Unless otherwise expressly accepted in the Order by AAE, the Goods and their packaging will have no trademarks or other designations except those required by law and necessary for the transportation of the Goods. The Seller will comply with AAE's instructions on measurements, placement and other aspects pertaining to such trademarks.
- 10.7 The Seller will indemnify AAE against any third party claims based on the proposition that the Goods and/or Services provided by the Seller infringe any intellectual property rights accruing to such third parties. This obligation does not apply if the breach is the exclusive result of the Seller's compliance with designs and/or specifications supplied by AAE.

11 PRODUCT RECALL

- 11.1 If AAE, at its sole discretion, initiates a recall of any Good or any part thereof that does not comply with the Order or these Terms and Conditions, the Seller will cooperate with that recall of any Good or any part thereof. AAE will notify the Seller in writing of the recall as soon as possible.
- 11.2 The Seller will be liable for the cost of recovering the Good or any part thereof that does not comply with the Order or these Terms and Conditions. The costs will be calculated as follows: sales price times the number of Goods to be recalled plus other costs incurred as a result of the recall, including inspection of some or all of the Goods.
- 11.3 In addition to reimbursing AAE for costs incurred in a recall, the Seller will compensate AAE for damages resulting from the recall.

12 INSURANCE

- 12.1 The Seller and any subcontractor engaged by the Seller will at all times insure and maintain insurance with a reputable insurance company against all insurable liabilities under the Order and with respect to the Goods and/or the Services. If AAE suffers loss as a result of an event insured by the Seller, only AAE will be entitled to receive the insurance payment for the total amount of loss suffered. The insurance premiums payable by the Seller will be deemed to be included in the agreed prices.

13 PACKAGING

- 13.1 The Seller will pack and label the Goods in a manner suitable for transit and storage at the Seller's expense, in accordance with the Order. All packaging other than returnable packaging becomes the property of AAE and AAE is entitled to dispose of the packaging as waste; any costs incurred by AAE as a result of that disposal will be borne by the Seller.
- 13.2 Shipments that do not meet the requirements of the Order may be rejected by AAE.

14 PRICE

- 14.1 The price includes all royalties, licence fees, taxes, insurance, excise duties, duties and charges, both direct and indirect, for the supply of the Goods and/or Services, such as packing costs and transport costs as per the agreed Incoterm, except that where the Goods and/or Services are subject to VAT, the statutory amount payable will be specified separately on the invoice.

15 TERMINATION

- 15.1 If the Seller fails to meet any obligation arising from the Order, or to meet it on time or adequately (in the event that compliance is not permanently impossible: despite summonses stating a reasonable period of time), or in the event of a (petition for) suspension of payments, bankruptcy, receivership or liquidation of the Seller's business, AAE will be entitled to dissolve the Order or any part thereof without judicial intervention and without notice of default by means of a written statement.
- 15.2 If the Order involves continuous or recurrent delivery of Goods and/or Services, AAE is entitled at all times to terminate the Order with one month's notice, without being obliged to pay any compensation of damages.
- 15.3 If the Order concerns the provision of Services and is entered into for a specific project, AAE is also entitled to terminate the Order with one month's notice. In this case, AAE is only obliged to pay a proportionate part of the agreed price.
- 15.4 Upon termination of the Order pursuant to this article 15, the Seller is obligated to comply with a request from AAE for the surrender of