

General Purchase Conditions

1. In general

- a. These conditions apply to all quotations, expert opinions, contracts and (legal) acts between SPS B.V. (hereinafter: "SPS") and its suppliers (hereinafter: the "Supplier"), whether or not through intermediary of an authorized representative with a third party or third parties, excluding all other (general) conditions and conditions of contracting parties, unless SPS has explicitly stated in writing that such other conditions will apply. The applicability of such other conditions will then only relate to the relevant agreement. Stipulations varying from these conditions may only be agreed in writing.
- b. A Supplier who has sold and delivered to SPS based on SPS's conditions, is deemed to have automatically agreed to the applicability of these conditions each time any further orders are placed by SPS, irrespective of whether such an order was confirmed in writing.

2. Formation of a contract

- a. Specifications concerning measurements, capacity, quality, performances or results with regard to goods to be delivered are binding for the Supplier. The Supplier delivers the relevant goods in accordance with the sample, model or example shown or provided.
- b. A contract is formed after receipt by SPS of a copy of the correct order confirmation signed by the Supplier.
- c. Until the order confirmation has been returned to the Supplier, SPS is free to cancel the contract, without any rights to compensation arising from this for the Supplier.
- d. The Supplier is deemed to have agreed with the applicability of these purchase conditions, if he has started delivering goods without the signed order confirmation having been returned.

3. Amendments and additions

Amendments to the contract and additional agreements are only valid if these have been confirmed in writing by SPS.

4. Prices

Prices stated in the order are excluding VAT. The prices are set, meaning that they may not be amended by the Supplier.

5. Shipping / delivery

- a. Unless agreed otherwise, the place of delivery is SPS's factory or warehouse.
- b. Any transportation of the goods is at all times at the Supplier's expense and risk.
- c. If applicable, delivery of goods is carried out in accordance with special (legal) regulations drawn up by government or manufacturer. If, in accordance with regulations, special transport is required, the Supplier will ensure a proper mode of transport.
- d. The risk of the delivered goods does not transfer until these have been unloaded, unpacked and checked at SPS and SPS has subsequently signed for receipt.
- e. If the Supplier is obliged to store goods on behalf of SPS, and the Supplier is obliged to deliver the goods on a call-off basis to SPS, SPS acquires ownership of the goods at the time of the actual call-off. However, the Supplier will remain responsible for the goods until the actual handing over of the goods.
- f. The Supplier is obliged to clearly, visibly and recognisably mark all goods destined for SPS as such.
- g. The Supplier guarantees that all goods to be delivered to SPS are free from encumbrances and any third-party rights.
- h. With the exception of the case where it has explicitly been agreed that SPS is responsible for the transport, the Supplier must always arrange for adequate insurance for the goods to be delivered, until delivery has been fully completed and ownership of the goods has been transferred.
- i. If it is not possible to unpack and check the delivered goods on delivery, this will be noted on the consignment note by SPS on receipt.

6. Packaging

If goods are delivered to SPS in packaging, the Supplier will ensure that this is proper packaging in accordance with (government) requirements regarding safety, transport and public health and suitable for proper and safe storage and unloading. The nature and quality of the packaging must be such that it can be completely emptied and that no product is left in it. The Supplier must instruct SPS how the packaging should be emptied. The Supplier will take all packaging back at their own expense and within thirty (30) days after transfer of ownership of the delivered goods.

7. Toxic and hazardous substances

The Supplier guarantees that the delivery and/or the use of toxic and hazardous substances is carried out in accordance with the relevant (government) regulations. These regulations must be strictly adhered to by the Supplier at all times.

8. Exceeding delivery time

- a. The stated or agreed delivery times are final deadlines. If the delivery deadline cannot be met, the Supplier must immediately notify SPS accordingly in writing. Irrespective of this notification, the Supplier is in default without any notice of default being required, and the Supplier shall therefore, without any action on the part of SPS- being required, be liable to pay SPS an immediately due and payable penalty of 5% of the sale price per week, such to a maximum of 20% of the sale price. SPS is entitled to deduct this penalty from the sale price.
- b. In the event that the delivery time is exceeded by the Supplier, SPS is, each time, entitled to fully or partly terminate the contract, in so far as this has not been executed, without any intervention by the court, without being liable to pay any compensation.

9. Acceptance and defect report

- a. If SPS is of the opinion that the delivered goods are not in accordance with the contract, SPS is entitled to return the delivered goods to the Supplier within thirty (30) days after delivery, at the expense and risk of the Supplier.
- b. If any defects occur in the delivered goods after the period of thirty (30) days, SPS will report these to the Supplier in writing (by letter or email) within a reasonable period after detection.
- c. The Supplier will immediately replace the goods or repair these if the nature of the delivered goods allows this and SPS agrees to this.
- d. Any resulting costs are at the expense of the Supplier.
- e. If the Supplier has not replaced or repaired the goods within 48 hours after a complaint was reported, SPS is authorized to have a third party repair the goods at the expense of the Supplier.
- f. All SPS's payment obligations will be suspended until the Supplier has complied with his obligations. SPS has the right to deduct all resulting costs, including the costs of having a third party carry out repairs in accordance with subparagraph e, from the sale price or from any other amount that is owed to the Supplier by SPS.
- g. The above articles do not affect the fact that the Supplier is liable for his products in accordance with the applicable (international) regulations.
- h. In the case of suspension, deduction or set-off by SPS, SPS is never liable to pay any compensation.

10. Guarantee

- a. The Supplier guarantees that the goods supplied are of good quality and do not have any defects in the material, design defects, structural defects or manufacturing defects.
- b. The Supplier guarantees that the supplied goods are in accordance with requirements as stated in the specifications, drawings, calculations or in other documents provided by SPS. If SPS has not provided any specifications and SPS has stated for which purpose the supplied goods are intended, or will be used, the Supplier guarantees that the supplied goods will be suitable for the intended purpose or use as stated by SPS.
- c. The Supplier guarantees that the supplied goods comply with statutory requirements and government regulations in force in the Netherlands, and in so far SPS has required delivery in another country, in accordance with the statutory requirements and government regulations in that country.
- d. If, in SPS's opinion, the supplied goods do not comply with the relevant guarantees issued by the Supplier, and SPS has informed the Supplier accordingly in writing, the Supplier will, at SPS's discretion, either replace the supplied goods for free, or repair these for free in so far as the nature of the supplied goods allows this.
- e. If the contract relates to goods which are deemed to be long-lasting, such as machines and ancillary items, the guarantee for structural or design defects, as well as the materials used shall not be limited by time.
- f. The Supplier is, at all times, liable for any damage resulting from a defect in the supplied goods.

11. Liability

- a. The Supplier is liable for all direct and indirect loss, including consequential loss, suffered by SPS or third parties, resulting from the contract or resulting from the use of the goods supplied by the Supplier. Furthermore, the Supplier may incur a penalty in favour of SPS arising from these conditions.
- b. The Supplier indemnifies SPS against any liability towards third parties, for damage caused by goods supplied by the Supplier, including product liability, even when the goods supplied have been processed (for example by conversion), as well as any damage caused by defective products that have been manufactured from or by using goods supplied by the Supplier and the defect is caused by the goods supplied by the Supplier.

12. Modifications to delivered items, part deliveries

- a. The Supplier is not permitted to deliver modified goods, or deliver goods that are different in respect of the agreed or stated classifications, specifications or characteristics, or make deliveries that are different in respect of weight, quality or quantity, without SPS's prior written permission.
- b. The Supplier is only permitted to make part deliveries after SPS's prior written permission. The part deliveries are, however, invoiced as one whole delivery.

13. Manuals, certificates etc.

- a. Along with the delivered goods the Supplier delivers drawings, manuals, operating instructions, instructions for storage, transport and maintenance, and bills of materials. SPS also acquires ownership of these documents.
- b. Raw materials, or semifinished goods must be supplied with a certificate (data sheet, MSDS or similar). A certificate is provided for each product. The certificate must be issued by the manufacturer and must contain details regarding

characteristics of the product. The certificate must explicitly contain details about the characteristics of the product in respect of safety, health and environment, as well as the regulations and instructions about the treatment, storage, transport and use of the product with regard to SPS's objectives.

c. Other products must be provided with product documentation.

14. Rates and Payments

a. In principle the payment term is sixty (60) days after receipt of the correct invoice with correct name details, unless otherwise agreed in writing.

b. If the goods are delivered later than the agreed deadline, the payment term of sixty (60) days will not start until the moment all goods have been received.

c. After this payment term has expired, SPS will only be in default after a written notice of default by the Supplier, by means of which notice of default SPS will be given the opportunity to pay the invoice within another term of thirty (30) days. In no circumstance, either after a notice of default, or if SPS should be in default, will SPS have to pay the statutory (commercial) interest.

d. SPS is permitted to suspend, withhold, or offset its payments against any claims it may have on the Supplier for whatever reason, in which cases SPS is not obliged to pay any compensation.

15. Intellectual property

a. All intellectual property rights with regard to drawings, sketches, calculations, images, catalogues, software, expert opinions, analyses and products which (i) have been supplied to SPS by the Supplier, (ii) have been supplied to the Supplier by SPS with regard to the contract or order, or (iii) have been manufactured by the Supplier, or by third parties on instructions from SPS and that relate to the contract, are legally SPS's property. The Supplier recognizes these rights and will refrain from any infringements thereon, failing which the Supplier shall, without any action on the part of SPS- being required, be liable to pay SPS an immediately due and payable penalty of € 25,000 (in words: twenty-five thousand Euros) for each infringement and, in so far as it concerns a prolonged infringement, € 2,500.00 (in words: twenty-five hundred Euros) per calendar day the infringement continues.

b. The Supplier must ensure that the goods referred to in subparagraph a. are immediately provided to SPS should SPS so demand. The Supplier is not permitted to copy (or have a third party copy) the goods referred to in subparagraph a., make these available to third parties of use these for himself or for third parties, unless a prior written permission has been obtained from SPS.

c. The Supplier guarantees that the goods supplied do not infringe on any third party intellectual property rights. The Supplier indemnifies the buyer against any third party claims in that respect.

16. Suspension and termination of the contract

a. If the Supplier fails to comply or it is likely that he will fail to comply with a contract with SPS in whatever manner, irrespective of what is stated in these purchase conditions, SPS is entitled to terminate the contract fully or partly, without notice of default, without any court intervention, by means of registered mail or by email, without being obliged to pay any compensation to the Supplier.

b. The Supplier is liable for all loss suffered by SPS as a result of the failure by the Supplier.

c. Furthermore, SPS has the power to suspend the compliance with its obligations if the Supplier, within the full discretion of SPS, has failed to comply or it is likely that he will fail to comply with his obligations arising from the contract.

d. The power to suspend ceases if, at the sole discretion of SPS, the Supplier, in order to ensure compliance of his obligations, has provided satisfactory security for the benefit of SPS.

e. Suspension of the contract does not release the Supplier from his delivery obligations.

f. If SPS, as a result of the full or partial termination of the contract, suffers any loss and/or incurs any extra costs, these will be at the expense of the Supplier.

17. Early cancellation and termination of the contract

a. SPS has, at all times, the right to terminate the contract early, if:

the Supplier is likely to be or has been declared bankrupt or if the Supplier is to be granted a moratorium;

- if executory attachment is levied on the Supplier's goods or if he otherwise loses the
- right to dispose over his goods;
- any circumstances occur of such a nature that compliance with the contract becomes
- impossible or if compliance may reasonably no longer be demanded from SPS;
- the Supplier sells or ceases (a part of) his business activities, irrespective of the reason
- for the sale or cessation;
- the control over or the board of directors of the Supplier changes in any way.

b. If the contract is terminated all amounts due from the Supplier to SPS are immediately payable.

18. Confidentiality

a. The Supplier is bound not to disclose any confidential information he has received in respect of the contract or from another source, unless a legal obligation orders the disclosure of these details, in which case he will immediately inform SPS in writing. Information is confidential if this has been notified by the other party or if this ensues from the nature of the information.

b. The Supplier imposes the same contractual duty of confidentiality on himself, his employees as well as on any third parties involved. The Supplier will, immediately on SPS's request, send SPS the relevant copy.

c. If the Supplier plans to involve third parties, the Supplier must obtain SPS's prior written permission for this, which permission SPS will not withhold on unreasonable grounds.

19. Non-competition clause

- a. During the term of the contract and during a period of three (3) years after termination of the contract, the Supplier is not permitted to employ, or in whatever manner hire or enter into negotiations with any of SPS's employees or any third parties engaged by SPS, without prior liaison with SPS, subject to a fine of € 5,000.00 for each day the breach continues.
- b. During the term of the contract and during a period of three (3) years after termination of the contract, the Supplier is not permitted to supply goods or services to any third parties that supply goods and services, that are the same, similar, comparable or related to those of SPS, or work in any way for one of SPS's competitors, subject to a fine of € 5,000.00 for each day the breach continues.

20. Applicable law and settlement of disputes

- a. The legal relationship between SPS and the Supplier is exclusively governed by Dutch law. The provisions of the Vienna Sales Convention (CISG) do not apply.
- b. Disputes will in the first instance be heard by the competent judge of the Haarlem Court. SPS also has the right to submit the matter to the Court in the Supplier's place of residence.

21. Other provisions

- a. SPS has the right to amend these general purchase conditions without prior notification. In this case the Supplier has the right to cancel any deliveries already planned, in so far as these have not yet been (fully) delivered, within eight (8) days after this amendment.
- b. If any provision from these terms and conditions prove to be non-binding in retrospect, this provision is replaced by a provision that is in line herewith as much as possible while the remaining provisions continue to apply in full.
- c. In case of clarification with regard to the content and/or meaning of a translation of these general conditions, the Dutch text of these general conditions shall at all times be the decisive factor.

The most recent version of these general conditions, as deposited at the Chamber of Commerce in Amsterdam under number 34198647 and available on SPS's website (www.SPS.aero), shall apply.