

E.D.&A. General Purchase Conditions

V1.0 19/04/2019

1. Applicability

- 1.1. These General Purchase Conditions (**Conditions**) apply to all purchases of products (components, software, machines, appliances, sub-assemblies, etc.) and/or services by E.D.&A. from a supplier (**Supplier**), unless otherwise agreed upon in writing.
- 1.2. E.D.&A. expressly rejects the applicability of any general conditions of Supplier and any additional or different terms or provisions that may appear on any offer, price list, order confirmation, packing slip or the like used by Supplier. Course of performance, course of dealing, and usage of trade shall not be applied to modify these Conditions.
- 1.3. If there is a discrepancy or ambiguity between these Conditions and the conditions in a purchase order (**PO**) of E.D.&A., the conditions in the PO will prevail.
- 1.4. The invalidity or unenforceability of one of the provisions of these Conditions shall not prejudice the validity and enforceability of the other provisions.
- 1.5. Insofar as these general conditions have been drawn up in a language other than English, the English text shall always be determinant in the event of discrepancies.

2. Establishment of a Contract

- 2.1. Offers from Supplier need to be precise and complete and irrevocably bind Supplier for a period of at least 30 working days.
- 2.2. POs from E.D.&A. will be placed either by email or by Electronic Data Interchange (**EDI**).
- 2.3. The acceptance by Supplier of a PO constitutes the formation of a binding contract (**Contract**). Such acceptance will be established, either by order confirmation, by tacit acceptance after 5 working days after the PO date, or by delivery of any products and /or commencement of performance of any services by Supplier.
- 2.4. E.D.&A. is entitled to adjust POs (accepted or not by Supplier) at the latest 2 weeks before the delivery date as determined in the PO, without compensation.
- 2.5. If Supplier does not confirm the PO explicitly in writing by order confirmation or through EDI within 5 working days by order confirmation, E.D.&A. will be allowed to unilaterally cancel the PO without any compensation.

3. Prices, Invoicing & Payment

- 3.1. Any prices offered by Supplier are fixed and in the agreed currency and include all taxes (except VAT), import duties, contributions, insurances, transport costs and all other costs incurred by Supplier in performing the Contract up to and including delivery.
- 3.2. Invoices shall be sent electronically to the email address of E.D.&A. specified in the PO at the latest 5 days after the end of the month in which the products and/or services were delivered, and need to state at least: the delivery address; the delivery date; the net price of the items or services, specified per item; Supplier's address details as well as E.D.&A.'s address details; the PO number; the invoice date; the description and quantity of the products/services invoiced including weight; the invoice amount per invoice line and in total; currency and the related exchange rate; the bank account number; the Swift/IBAN number; the VAT number of Supplier and of E.D.&A.; the VAT amount and the VAT % (if applicable); reference to the specific legal basis in case of exemption from VAT; country of origin (products); Intrastat commodity; transaction and transport codes (if applicable).
- 3.3. Supplier will not invoice until the date of delivery and provisional acceptance of the products and/or services by E.D.&A.
- 3.4. Invoices are payable 60 days end of month unless otherwise mentioned in the PO. Supplier will attribute a discount of 2% in case of early payment by E.D.&A. within 10 working days after receipt of the invoice.
- 3.5. Payment of invoices by E.D.&A. does not imply the acceptance of the delivered products and/or services.
- 3.6. In case of rejection of products and/or services or other complaints, E.D.&A. reserves the right to suspend and/or delay payments until complete and satisfactory execution of the Contract.
- 3.7. Interim invoices for the delivery of services will only be accepted in case the partially completed work has been approved and the according deliverables as agreed upon are handed over to E.D.&A.

4. Delivery

- 4.1. Supplier commits to deliver the products and/or services at the time, place and under the circumstances as determined in the PO.
- 4.2. Products must be delivered in accordance with INCOTERMS 2010, Delivered Duty Paid (**DDP**), unless otherwise mentioned in the PO.
- 4.3. Transfer of risk and title passes from Supplier to E.D.&A. at the time of delivery, unless otherwise agreed upon. Supplier warrants that at the time of delivery it will have good title to the products and will deliver them free and clear of all liens, claims and encumbrances. If products are rejected by E.D.&A., title and risk of the rejected products return to Supplier.
- 4.4. Supplier will immediately notify E.D.&A. of any (impending) risk that the agreed delivery date will be exceeded. If the Supplier fails to perform the obligation of delivery in good time, Supplier will owe a fixed compensation of 2% percent of the total purchase price (excl. VAT) for every week of delay with a maximum of 20% percent of the total

purchase price, notwithstanding a possible additional indemnity for actual higher loss or damages. This compensation can be deducted by E.D.&A. on payment of Supplier's invoices.

- 4.5. The packing of the products needs to be adequate to protect the products during handling, transportation and storage. All products shall be handled and packed according to their MSL and their ESD sensitivity, cfr IPC J-STD-033, IPC J-STD-020 classification and IEC 61340. For printed circuits boards packing should be according to IPC-1601. In general: all packing materials that are used should be suited for use within an EPA cfr. IEC 61340.
- 4.6. Each delivery shall be accompanied by the appropriate, duly completed delivery and transport documents, including correct packing slip, setting out at least: the E.D.&A. PO number; Supplier's identification; item number (MPN of producer); item description; place of delivery and quantity. For custom E.D.&A. parts, the E.D.&A. part revision and the E.D.&A. release information (E.D.&A. "MPN") must be present on the packing slip. The signature of the packing slip by E.D.&A. is valid only as receipt of the number of parcels and does not imply acceptance of the conformity or the quality of the products and/ or services.
- 4.7. Each delivery shall also be accompanied by the required test and measurement reports, EU Declaration of Conformity, RoHS Compliance Declaration and REACH Compliance Declaration. Invoices will not be paid until these documents are delivered, and the failure by Supplier to deliver these documents will be regarded as a material breach of its contractual obligations.
- 4.8. All data to enable traceability must be present upon delivery (Manufacturer, MPN, Lot code, Date code, ...). Original manufacturer labels must be present on all packing units. These labels may not be tampered with, altered, hidden or removed. All these data must also be supplied upon simple request of E.D.&A. up to five years after delivery.

5. Inspection and acceptance

- 5.1. Acceptance at the time of delivery is always provisional, subject to final acceptance after inspection and/or tests regarding conformity and quality.
- 5.2. If delivered products and/or services are rejected, E.D.&A. will notify Supplier of this in writing and may, at its sole discretion:
 - request Supplier to deliver what is missing or to repair, replace or remedy what was rejected within a reasonable time, without prejudice to E.D.&A.'s rights to claim damages for any costs, losses or expenses incurred.
 - terminate the order in whole or in part, without prejudice to E.D.&A.'s rights to claim damages for any costs, losses or expenses incurred.
- 5.3. If the rejected items are not collected, E.D.&A. may send these back at Supplier's expense and risk.
- 5.4. In case of repeated rejection of products or services for reasons of conformity or quality, E.D.&A. reserves the right to cancel all pending POs and/or call-orders, without any compensation due to Supplier.
- 5.5. E.D.&A. is entitled, at its expense, to carry out, upon simple request and at the time to be agreed upon, all relevant audits, inspections and verifications it deems necessary in the factories or premises of Supplier and his contractors or subcontractors during production and prior to delivery.

6. Quality, guarantees & warranty

- 6.1. Supplier guarantees that the supplied products and/or services conform with the agreed specifications and requirements, are fit for the purpose(s) held out or made known to the Supplier, are free from defects in design, materials and workmanship, are free from licenses (in case of delivered software services), and fully comply with all applicable statutory requirements and standards.
- 6.2. Supplier shall indemnify, hold harmless and defend E.D.&A. from and against any liability and third-party claims for damages, interests and penalties, that may directly or indirectly result from defective products or any breach, negligent performance or failure or delay in performance of the obligations of Supplier under a Contract. Supplier must, at its own expense if so requested by E.D.&A. defend E.D.&A. against all such claims.
- 6.3. The warranty period is 36 months as from the date of delivery or 30 months as from the utilization date (whichever term is longer). This warranty not only binds Supplier to the replacement or repair free of charge of the products and/or services affected by the defects, but also to full compensation of all damages or losses suffered by E.D.&A., which may be causally linked to the aforementioned defects. The repair and method of repair must be preapproved by E.D.&A.
- 6.4. Parts that are changed, replaced or repaired under this warranty clause shall be covered by a warranty equal to the full original warranty period.
- 6.5. If Supplier fails, in whole or in part, to perform the Contract (in good time), E.D.&A. will be entitled to have the products or services delivered by a third party at Supplier's expense, whereby the Supplier will be liable for all extra costs and damages resulting thereof.
- 6.6. Supplier must notify E.D.&A. immediately in case it acquires knowledge of any possible problems or defects relating to the delivered products and/or services. This obligation applies for 10 years after delivery.

7. Modalities of supply

- 7.1. Supplier shall at any time be able to provide E.D.&A. with evidence of the availability of products. If Supplier becomes aware of a risk of non-

availability or any other risk that may affect the availability, Supplier must promptly notify E.D.&A., and will make all efforts to safeguard the continuity of the supply of the products.

7.2. Products that have been ordered by E.D.&A. but have not yet been delivered by Supplier, will be reserved for E.D.&A. and may not be sold to other parties.

7.3. Supplier may only supply products that have been obtained through channels that have been approved by the manufacturer of the products.

7.4. Supplier will see to it that the identification, the traceability and the original manufacturer labels of the products will not be compromised during its handling of the products.

8. Force majeure

8.1. Neither party is liable for delay or failure in performing all or part of the Contract, to the extent that its performance has been prevented, delayed or hindered due to an event beyond its reasonable control, which could not have been foreseen on the date of the Contract, nor can reasonably avoided, including but not limited to general strikes, epidemics, floods, earthquakes, war, embargo and civil unrest (each certified by the relevant authority as force majeure where applicable).

8.2. Force Majeure does not include any strike, lockout or other labor dispute initiated by, or involving only, workers or employees within either party's organization; the non-execution by a subcontractor; or lack of transportation.

8.3. If force majeure prevents, hinders or delays Supplier's obligations for a period of more than 30 days, E.D.&A. can terminate the relevant Contract with immediate effect and without compensation.

9. Intellectual property & confidentiality

9.1. Unless otherwise agreed upon in the Contract, both parties remain owner or are entitled to their intellectual property rights regarding the products or the services that existed at the time of conclusion of the Contract (i.e. existing intellectual property rights).

9.2. If any intellectual property rights and/or know-how owned by E.D.&A. is required for the delivery of the products or services by Supplier, E.D.&A. only grants Supplier a royalty-free, non-exclusive, non-transferable, at any time revocable right of use for supply of the products and/or services.

9.3. Regarding services to be delivered by Supplier, such as custom-made designs to be developed by Supplier for E.D.&A., the ownership of such designs developed within the scope of the Contract belongs exclusively to E.D.&A., who will receive all the design information such as but not limited to (CAD) drawings, source code, production information upon request and no later than the acceptance of the services by E.D.&A..

9.4. The results of research within the frame of services to be delivered by Supplier and development commissioned in terms of the Contracts ("Development Results"), including the possible new property rights in them, shall belong exclusively to E.D.&A.; hence E.D.&A. may file an application for registration of a patent or other proprietary right regarding these Development Results in its own name.

9.5. All written information concerning the products and/or services supplied by either party to the other, the disclosing party's business, forecasts, know how, specifications, procedures and all technical and commercial information, documents and data disclosed in connection with a Contract must be treated as confidential and must not be disclosed to third parties without the disclosing party's prior written consent. Such information must be used exclusively for the performance of the Contract, or for the purpose of preparing offers or quotations. The obligations in this provision will remain in force for 10 years from the date of delivery.

10. Product/ Process Changes

10.1. Supplier will provide E.D.&A. in writing with a Notification of Product/ Process Changes for any modifications that the Supplier intends to carry out on the products, production methods and/or production site, at least 6 months prior to their implementation. At the request of E.D.&A.'s, samples of the changed products will be made available by Supplier.

10.2. Specifically, with regard to semiconductor products and their associated processes, the Notification of Product/ Process Changes to be given by Supplier will have to be given in accordance with the JEDEC standard JESD46C.

10.3. The obligations in this provision will remain in force for 10 years from the date of delivery.

11. End of Life Notification

11.1. The supplier shall provide in writing to E.D.&A. notice of product discontinuance, allowing a minimum of 6 months from the notice to place final orders, and 12 months from the notice for final shipments.

11.2. Specifically, regarding electronic components, the End of Life Notification to be given by Supplier will have to be given in accordance with the JEDEC standard JESD48B.

11.3. The obligations in this provision will remain in force for 10 years from the date of delivery.

12. Loaned Materials

12.1. Materials that have been given on loan by E.D.&A. to Supplier must be used responsibly and returned to E.D.&A. at the first request. The use of these loaned materials occurs solely at the own risk of Supplier. In case of loss or damage to the loaned materials, Supplier will be liable to pay the replacement value of these materials to E.D.&A.

13. Subcontracting and Assignment

13.1. Supplier must not subcontract any part of its obligations to third parties without the prior written consent of E.D.&A., which shall not be unreasonably withheld or delayed. Subcontracted processes may not be modified without the prior written consent of E.D.&A. and only preapproved materials by E.D.&A. may be used by subcontractors.

Any subcontracting is at Supplier's sole expense and risk. Supplier is liable for the acts and omission of its subcontractors and must indemnify E.D.&A. against any loss or damage suffered by it arising from any act or omission of its subcontractors.

13.2. Supplier may not assign or transfer its rights and/or obligations under the Contract (including the right to receive payment) without the prior written consent of E.D.&A.

13.3. In case of products delivered to the Supplier: Supplier takes care that the products of E.D.&A. are stored in a safe way to prevent quality issues. The Supplier also takes care the E.D.&A. products are included in the insurance policy (fire, theft, damages, ...) of the Supplier. The products should be covered by the insurance of the Supplier from the moment the components are unloaded.

14. Insurance and Liability

14.1. Supplier will obtain and maintain at its expense a professional indemnity insurance and a public liability insurance in force with a reputable insurance company, to adequately cover any liabilities that may arise under or in connection with the Contract for all kind of damage caused by the Supplier, its personnel or authorised people through their performance, supplied services or products. Unless otherwise agreed upon in the Contract, such indemnity insurance will cover any liability with a minimum insured amount of 10.000.000,- EUR (ten million euros) per claim. Supplier will on E.D.&A.'s simple request provides an insurance certificate.

14.2. E.D.&A. will never be liable vis à vis Supplier for indirect, incidental, special, consequential or punitive damages, including but not limited to damages for lost profits or revenues, lost business opportunities, loss of image or lost data.

15. Occupational Health, Safety and Environment

15.1. Supplier, its subcontractors, and its own suppliers, are required to conform with ISO 45001 on occupational health and safety and 14001 on environmental management.

16. Early Termination

16.1. E.D.&A. is entitled to terminate a Contract, in whole or in part, by registered letter with immediate effect and without any compensation, if Supplier commits a material breach of the Contract that is not remedied within 30 days after receipt of a written notice by E.D.&A. to do so.

16.2. E.D.&A. is entitled to terminate a Contract in whole or in part, by registered letter with immediate effect, if the Supplier:

- has applied for or has been granted suspension of payments;
- has been declared bankrupt or a bankruptcy petition has been filed;
- otherwise loses the free disposal of a relevant part of its assets or liquidity;
- has suspended or ceased, or threatens to suspend or cease, all or a substantial part of its business.

17. Enforceable law and disputes

17.1. All relations and transactions between E.D.&A. and Supplier, which fall under the applicability of these Conditions, will be governed by and construed in accordance with the laws of Belgium, excepting the United Nations Convention on Contracts for the International Sale of Products, Vienna d.d. 11 April 1980 (Vienna Sales Convention).

17.2. Any dispute or claim arising out of or in connection with purchases made under these Conditions, shall be submitted, according to the choice of the plaintiff, to the courts of the district of Antwerp (Belgium) or the courts of the place of residence of the defendant.