

General Terms and Conditions of Sale

This version of these standard Terms and Conditions is a translation from Dutch. In case of discrepancies or in case interpretation is needed, the Dutch version will prevail.

Innovating together, executing projects and sharing and developing competences; to be able to stay successful in today's complex and rapidly changing world, Airbus Defence and Space Netherlands consciously chooses for cooperation with other companies and organizations. Only in this way we can utilize our full potential.

We believe that a good cooperation starts with clear and fair arrangements. Therefore we have set up the way we contract as easy as possible. In that ambition, we have phrased our General Terms and Conditions simpler and less legal, we have made it more accessible and have applied visualizations. For example at the end of the document the obligations and rights of the parties can be seen at a glance. We strive to provide better insight in the different aspects of the agreement and to simplify the management of an agreement. By presenting our General Terms and Conditions in this transparent form we anticipate to make your life easier, to further improve our cooperation and to expedite the contracting. After all, time is money.




We are open to feedback. Things can surely always be improved, made more efficient or faster. And that is what we are after. If you have any questions or suggestions about our approach, please feel free to address this with your point of contact within Airbus Defence and Space Netherlands.

Issue 1
Leiden, 8 December 2016

Defined terms

Agreement	All arrangements between Parties with regard to offers/tenders, (sale) orders and agreements in which Airbus DS NL is the seller, the supplier and/or performer of Goods and/or Services.
Airbus DS NL (us)	Airbus Defence and Space Netherlands B.V. in Leiden, also referred to as 'we', 'us', 'our', 'ours'.
Client (you)	The counterparty to us in the Agreement, also referred to as 'you', 'your', 'yours'.
Employee	Personnel employed by a Party and personnel employed by third parties engaged by this Party, including hired personnel and personnel of (sub)contractors.
Force Majeure	Each circumstance independent of Parties' intentions that prevents performance of the Agreement, such as (threat of) war, civil war, riots, industrial actions entirely beyond the Parties' control, (environmental) disasters, government measures, including amendments of legislation and regulations, fire, shortfall of raw materials or personnel, sickness and breakdowns on the part of Airbus DS NL and/or its suppliers.
General Terms and Conditions	These General Terms and Conditions of Sale.
Goods	All physical objects subject to human control, including the materials and parts available to this aim and accompanying work. Software is also considered as a Good.
Parties	Airbus DS NL (us) and the Client (you).
Services	The services and/or work to be performed by us.



Icons

	Records: This icon highlights sections which cover record-keeping requirements. Record-keeping requirements are summarised at the end of these General Terms and Conditions.
	Communications: This icon highlights sections which state the need for one of the Parties to communicate information. Communication requirements are summarised at the end of these General Terms and Conditions.
	Requirement to agree or approve: This icon highlights sections which state the need for both Parties to come to agreement or where our approval is required. Requirements to agree or approve are summarised at the end of these General Terms and Conditions.


1 Applying these General Terms and Conditions

1.1	All future Agreements	These General Terms and Conditions apply to all (future) Agreements between you and us.
1.2	Work already done	These General Terms and Conditions apply to all work that has already been performed before the Agreement was entered into.
1.3	Only our Terms and Conditions apply	We expressly reject any of your special, general or payment terms.




2 The Agreement

2.1	Confirmation of Agreement within 14 days	 You must confirm any Agreement in writing within 14 calendar days after it was sent. We can revoke an Agreement if you fail to do so.
2.2	Changes to the General Terms and Conditions	 Any changes to these General Terms and Conditions or the Agreement, including additions and deletions, will only apply after we have agreed to them in writing.

3 Your obligations

3.1	You are responsible for your choices	You are responsible for the choice of Goods and Services, for the use of the Goods and (the results of the) Services and for selecting your Employees to be involved in the performance of the Agreement.
3.2	Cooperating with us	You will in a timely manner provide Goods and all information and cooperation necessary for the performance of the Agreement by us, and you will ensure that these are of sufficient quality.
3.3	Instructing our Employees	 You are responsible for instructing our Employees about the regulations and instructions that apply at your location – for example, safety and internal regulations.
3.4	Providing us with safe access	You will provide our Employees with safe and free access to the workplace(s) and other space(s). We and our Employees can never be obliged to work in unsafe places or areas, or in areas or places that are not covered by our insurance.

4 Accepting the Goods

4.1	Accepting the Goods	You will take over the Goods at the time of actual delivery, or at the time these are made available to you in accordance with the Agreement. If you refuse the delivery/purchase, or prevent the delivery, the Goods will be stored at your expense and risk.
4.2	Ensuring the Goods meet standards	 You will ensure that the Goods fulfil all the relevant quality standards, legislation, regulations and suchlike. You will inform us of this fully and in a timely manner.
4.3	Changes in technical requirements	 After we have accepted your technical requirements for the Goods, if you wish to make changes, you must communicate them to us fully and in a timely manner. This may result in additional costs.
4.4	Permits, taxes, etc.	 You are responsible for ensuring at your own expense and in a timely manner that all the required permits and exemptions are acquired. All taxes, levies, duties and costs, levied by an authority will be at your expense.

5 Samples, designs, examples



5.1	The Goods may differ from a sample or design	Any sample or design or example provided or shown to us will only serve as an indication and the Goods to be delivered may differ from them.
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6 Prices



6.1	About our prices	Unless expressly stated otherwise the prices issued by us are as follows: <ul style="list-style-type: none"> • in the agreed currency; • excluding VAT; • excluding transport costs; • 'Ex Works' (EXW).
6.2	Increases in prices	In the following situations we will always be permitted to increase the price and/or the rate: <ul style="list-style-type: none"> • in the event of amendment of the Agreement or these General Terms and Conditions; • in the event of changes of the prices for raw materials, taxes, currency and/or wages and/or other unforeseen circumstances; • if the price increase ensues from an entitlement or a statutory obligation accruing to us; • from 30 June and 31 December of each calendar year with the price index for the Collective Labour Agreement wages

	per hour, including special payments for the Metal and Electronic industry (“Metaal- en Elektronische industrie”), as published by Statistics Netherlands (“Centraal Bureau voor de Statistiek”).
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7 Rates



7.1	The basis of our rates	<p> Our rates for Services are per hour and per Employee. Our charges will be based on timesheets filled in by our Employees.</p> <p> The signing of the timesheet by you equates acceptance of the (results of the) delivered Services.</p>						
7.2	Normal working hours	Normal working days are from 08.30 hours until 17.00 hours. If there is an agreed daily rate this will relate to working days of 8 hours excluding travel time and any breaks.						
7.3	Travel expenses	The travel expenses of the usual travel to and from work are included in the rate. All costs to be incurred related to other travel, including accommodation costs and suchlike are at your expense.						
7.4	Overtime	<p>In the event of overtime on your instructions our rates increase as follows:</p> <table border="0"> <tr> <td>On working days (Monday up to and including Friday)</td> <td>Up to and including 3.5 hours: 30% of the hourly rate. More than 3.5 hours: 40% of the hourly rate.</td> </tr> <tr> <td>On Saturday</td> <td>60% of the hourly rate</td> </tr> <tr> <td>On Sunday, collective working hours reduction (ADV) days and generally acknowledged Public Holidays</td> <td>80% of the hourly rate</td> </tr> </table>	On working days (Monday up to and including Friday)	Up to and including 3.5 hours: 30% of the hourly rate. More than 3.5 hours: 40% of the hourly rate.	On Saturday	60% of the hourly rate	On Sunday, collective working hours reduction (ADV) days and generally acknowledged Public Holidays	80% of the hourly rate
On working days (Monday up to and including Friday)	Up to and including 3.5 hours: 30% of the hourly rate. More than 3.5 hours: 40% of the hourly rate.							
On Saturday	60% of the hourly rate							
On Sunday, collective working hours reduction (ADV) days and generally acknowledged Public Holidays	80% of the hourly rate							

8 Invoices and payments

8.1	Invoicing for Services	 We will invoice for Services monthly or as agreed. Amounts that are owed periodically are calculated on a monthly basis. The amount for a part of a month is calculated pro rata.
8.2	Invoicing for Goods	 We will invoice for Goods at delivery or as agreed.
8.3	Payment terms	You will pay us as recorded in the Agreement or, if nothing

	has been recorded there, these General Terms and Conditions.
8.4	Payment within 30 days You will pay us within 30 days after the invoice date, without deduction, reduction or setoff. You will pay to the stated bank account, stating the accounts receivable and invoice number.
8.5	If payment is late If payment does not take place or does not take place in full on the payment date you will be in default with immediate effect without the requirement of any notice of default for this. You will need to pay the statutory interest that starts to accrue from the date that payment should have been made, as well as all judicial and extrajudicial costs for collection. These collection costs will be at least 15% of the outstanding amount. Payment will serve first to settle the collection costs and interest.
8.6	Due immediately when the Agreement is terminated Our claims and your obligations will be immediately due and payable when the Agreement is terminated.

9 Delivery


9.1	Delivery dates are estimates All (delivery) periods stated by us are an estimate, are based on the data known by us when we enter into the Agreement, and are never final deadlines.
9.2	Inspection within 3 days  You must inspect (or have inspected) the Goods at delivery and always within 3 calendar days to ensure that the delivery fulfils the Agreement. If defects or shortfalls of Goods are noticed you will report these in writing to us within 10 calendar days.
9.3	Defects do not affect your obligations  Your obligation to pay and take over the Goods remains, even when you report defects or shortfalls in a timely manner. Goods can only be returned to us following prior approval in writing.

10 Our Employees working on Services for you

10.1	Our Employees to be managed by you During the performance of Services our Employees work under your supervision, management and responsibility. We remain responsible for the administration and administrative records of our Employees.
10.2	Replacing an Employee You can request that an Employee seconded to you is replaced, only if they have not been able to perform the agreed work for more than 20 working days. We will try to find a replacement for them.


10.3	Our Employees not restricted	Our Employees will not be restricted or prevented from performing comparable work for parties other than you.
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11 Warranties

11.1	Reciprocal warranties	Each Party warrants that entering into and performing the Agreement will not infringe any right of, or any obligation towards the other Party or third parties.
11.2	If you have supplied data, products or software	If (the result of) Services or Goods are constituted from or based on data, products and/or software that has been made available by you these will be delivered "as is", without warranty or liability on our part.
11.3	Warranty limited to repair or replacement	<p>Only if you demonstrate in writing that Goods and/or (results of) Services contain a design, materials or manufacturing fault of ours, you will have the right to warranty, which will be limited to repair or replacement of the Goods or Services, at our discretion.</p> <p>If Goods are produced by a third party the warranty will be limited to the warranty that is provided by the third party concerned.</p>
11.4	Warranty limited to 6 months or on launch	 The warranty only applies if this has been made known to us in writing within 6 months after the delivery of the Goods or (results of) Services. If the Goods or (results of) Services are launched within these 6 months the warranty will last until the launching.
11.5	Lapse of warranty	<p>The warranty lapses</p> <ul style="list-style-type: none"> • in the event of the use of the Goods or (results of) Services in enemy territory, such as war zones, or; • if a defect or fault is the result of incorrect treatment and/or failure to follow the instructions correctly.
11.6	Costs of transport, reinstallation, etc.	The costs of transport, (re)assembly, (re)installation, inspection (inspection once again), etc. of the defective Goods and/or (the results of the) Services will be at your expense.

12 Liability

12.1	Liability limits defined by this article	Our liability and your rights, such as warranties and indemnities, are limited to that which is determined in this article, unless there is intent or gross negligence on our part.
12.2	Rights limited to what is expressly agreed	In all events in which there are imperfections in the results or performance of Services or delivery of Goods, your rights will be limited to the warranties that have been expressly agreed.

12.3	Liability limits	In any event we together with our Employees will at the most be liable for the demonstrable, actually suffered direct damages. These damages will always be limited to the amounts paid to us under the Agreement over the period of 3 months prior to the damage-causing incident with a maximum of € 100,000 per incident and per year.
12.4	We are not liable for indirect loss	We will never be liable for indirect or consequential loss, including in any event damage due to lost profit or lost savings.
12.5	We are not liable for the use of Goods or Services	We will never be liable for the use of Goods or (the results of the) Services by you or third parties.
12.6	You indemnify us against third party claims	You indemnify us against all claims by third parties.
12.7	Claims lapse if not reported within 1 year	 Each claim and entitlement will lapse if they are not reported in writing within 1 year after the cause originated.

13 Force Majeure




13.1	If delivery is delayed through Force Majeure	During a Force Majeure situation the (delivery) periods will be extended by the duration of this situation, or the Agreement can be terminated after 6 months insofar as not yet performed, without us becoming liable for compensation.
13.2	Payment for work interrupted by Force Majeure	If during the occurrence of the Force Majeure situation we have already partially fulfilled our obligations under the Agreement, you will pay for that which has been performed.

14 Intellectual property

14.1	We own IP developed during the term of this Agreement	All intellectual property rights (including rights to the source code of software) that are developed under the Agreement by one of the Parties, or by the Parties jointly, are exclusively vested in us. Insofar as necessary you will transfer these rights (including the source code) to us and will provide cooperation free of charge to fulfil any formalities related to this.
14.2	You cannot change the way intellectual property rights are specified	Goods and (results of) Services supplied under the Agreement can include a specification concerning intellectual property rights. You are not permitted to remove or alter such specification.
14.3	You indemnify us against	You indemnify us, our Employees and our clients against claims by third parties on the basis of (alleged) infringement of

	IP claims	intellectual property rights.
14.4	Limited license for software we supply	If we supply you with software, we will only provide a licence for the agreed use of this software. This licence is not transferable, non-exclusive and will lapse at the termination of the Agreement.

15 Ownership and risk

15.1	Ownership	<p>The ownership of Goods will transfer to you at the time when you have fulfilled all your obligations under the Agreement. Until that time the Goods remain the property of us or a third party.</p> <p> You will clearly mark these Goods and information as the property of us or the third party. Following the receipt of these Goods you will bear the risk of loss, theft and damage and will not be permitted to use the Goods for any purpose other than that agreed to.</p>
15.2	You cannot pledge or encumber the Goods	You are not entitled to pledge, encumber in another manner, or to (improperly) merge or bind the Goods that are not owned by you (yet).
15.3	Goods that we lend or hire to you	If we lend or hire Goods to you these Goods will remain our property. The risk of loss, theft and damage lies with you from the time that these Goods are made available to you.
15.4	Our right of access to remove our Goods	If we wants to exercise our ownership rights we can enter (have entered) all locations where our property is situated and can remove these Goods.
15.5	Rights of third parties	 If third parties levy attachment on the borrowed Goods, hired Goods or Goods delivered subject to retention of title, and/or want to establish or enforce rights to them, you will immediately inform us.
15.6	Right of pledge	 You will insure and keep insured the borrowed, hired Goods, or Goods delivered subject to retention of title against damage, loss and theft and will provide the policy of this insurance on our first request for inspection.

16 Confidentiality and non-takeover


16.1	You will maintain confidentiality	You will maintain the confidentiality of all data and knowledge provided to you by or on behalf of us.
16.2	You cannot use our name	You are not permitted to use our names in forms of

	without approval	communication and publicity without our prior approval in writing.
16.3	Restriction on employment of our people	You will not employ our Employees or offer employment to them until 1 year after the termination of the Agreement.
16.4	Financial penalty for non-compliance	<p>For each infringement of the obligations referred to in this article, you will owe a financial penalty of 20% of the total price of the Agreement (contract price), with a minimum of € 50,000.</p> <p>This penalty will be immediately due and payable, without the requirement of notice of default and/or judicial intervention.</p> <p>If the infringement continues after notice in writing you will further owe a financial penalty of €500 per week up to a maximum of €150,000. The financial penalty will not affect other rights and/or means of recovery on our part.</p>

17 Duration and termination

17.1	The duration of the Agreement	<p>The Agreement is entered into for the agreed duration or, if there is no agreed term, for an indefinite period.</p> <p>If the duration has been agreed the Agreement will be automatically renewed after its expiry with periods of a year, without notification being given.</p> <p>Termination can only take place if the agreed or statutory notice of termination period is observed or if one Party has a substantial interest in this and observes a reasonable notice of termination period.</p>
17.2	Termination in the event of bankruptcy or similar events	<p>In addition to the statutory possibilities, each Party can terminate the Agreement, wholly or in part, with immediate effect without judicial intervention and without any obligation for compensation, if the other Party:</p> <ul style="list-style-type: none"> • petitions for bankruptcy or bankruptcy is petitioned against such Party; • is declared insolvent; • has applied for moratorium; • ceases its business or goes into liquidation; • or if attachment is levied on a considerable part of its assets.
17.3	Some provisions continue after the Agreement has been terminated	<p>Any termination only has effect for the future.</p> <p>Provisions that are intended to apply after the termination of the Agreement will also continue to apply if the Agreement is terminated. This includes article 16 in any event.</p>

18 Transfer and engagement of third parties

18.1	Transferring this Agreement to third parties	<p> You are only permitted to transfer rights and obligations under the Agreement to third parties and/or your Employees following our approval in writing.</p> <p>We can attach conditions to this approval.</p>
18.2	Continuing responsibility after transfer of the Agreement	<p>If you transfer rights and obligations to a third party (as described in 18.1) you remain fully responsible for the correct performance of the Agreement after transfer, and you indemnify us against all costs, damage and claims related thereto.</p>
18.3	We can engage third parties	<p>We can engage third parties for the performance of the Agreement.</p>

19 Applicable law and arbitration

19.1	The law of The Netherlands applies	<p>The law of The Netherlands applies to these General Terms and Conditions, an Agreement and any agreements ensuing therefrom.</p>
19.2	Arbitration	<p>If we cannot reach agreement, any disputes between Parties will be settled in accordance with the most recent Rules of Arbitration of the International Chamber of Commerce. The location of arbitration is The Hague.</p> <p>Parties will continue with the performance of the Agreement in anticipation of the decision.</p>

Guide to operating these General Terms and Conditions



Record-keeping requirements

Keep good records of all aspects of the work, as we may ask to see them.

Permits, regulations and taxes	4.4 makes you responsible for obtaining permits and regulations.
Timesheets	7.1 states that our Employees will fill in timesheets, which will be the basis for our charges for Services.
Ownership	15.1 states that until ownership has been transferred to you under the Agreement, you will clearly mark Goods and information as the property of us or any third party we have worked with.



Communication requirements

This is a summary of the communication requirements for each Party.

You must confirm each Agreement in writing	2.1 requires you to confirm any Agreement in writing within 14 calendar days after it was sent.
Instructing our Employees	3.3 requires you to instruct our Employees about regulations and instructions that apply at your location.
Ensuring the Goods meet standards	4.2 states that you will inform us about the relevant quality standards, legislation, regulations and suchlike.
Changes in technical requirements	4.3 states that, if you wish to make changes to your technical requirements after we have accepted them, you must communicate them to us fully and in a timely manner.
When we will invoice for Services	8.1 states that we will invoice for Services monthly or as agreed
When we will invoice for Goods	8.2 states that we will invoice for Goods at delivery or as agreed.
Telling us about defects or shortfalls	9.2 requires you to report any defects or shortfalls of Goods in writing to us within 10 calendar days of delivery. You must have inspected the Goods within 3 calendar days of delivery.
Warranty limited to 6 months	11.4 states that the warranty only applies if this has been made known to us in writing within 6 months.

Telling us about any liability claims	12.7 requires you report any liability claims within 1 year of the cause arising.
Telling us about any third party actions	15.5 requires you to inform us if third parties levy attachment on the delivered Goods and/or want to establish or enforce rights to them.



Requirements to agree

This is a summary of requirements for both parties to agree on a matter.

We must confirm any changes in writing	2.2 states that any changes to these General Terms and Conditions will only apply after we have confirmed them in writing.
Accepting our timesheets	7.1 states that the signing of our Employees' timesheets and/or hourly timesheets by you equates to acceptance of the delivered Service.
Return of Goods	9.3 states that Goods can be returned only after our prior written approval.
Use of our name	16.2 requires you to get our prior written approval if you wish to use our name for publicity purposes.
Transfer of Agreement	18.1 requires our prior written approval before transferring rights and obligations.