



KBC GROUP
Facilities
Business

ACCEPTANCE OF FACILITY SERVICES AND DELIVERIES
STANDARD GENERAL ADMINISTRATIVE PROVISIONS

SIGNED AS APPROVED

Company

Signature

Name

Capacity

Date

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APPENDIX 1: Safety Requirements for KBC Locations

CHAPTER 1. GENERAL INTRODUCTION

1.1. OBJECT OF THE GENERAL ADMINISTRATIVE PROVISIONS

These General Administrative Provisions (AAB) contain the General contractual conditions for the contracting of Facility Services and Deliveries, and apply to all orders placed by companies in the KBC Group.

1.2. DEFINITIONS

Principal: A company or companies referred to in the Special Administrative Provisions and/or the Contract Letter and forming part of the KBC Group.

KBC Group: KBC Groep NV, established at Havenlaan 2, 1080 Brussels, and all its direct and indirect subsidiaries.

Tenderer: Indicates the natural person, legal entity or organization without legal personality submitting a proposal, tender or offer with a view to the conclusion of a Contract.

Service Provider: Indicates the Tenderer whose proposal, tender or offer has been accepted by the Principal and with whom the Principal has concluded a Contract.

Subcontractor: Indicates the person(s) performing activities under the contracting agreement concluded with the Service Provider.

Contract: Is the complex of mutual rights and obligations between the parties, consisting of these General Administrative Provisions and the Contract Letter and, where applicable, the Special Administrative Provisions, the Technical Provisions and any annexes, including all amendments or addenda agreed between the parties, as specified in detail in the Contract Letter to be drawn up between the parties.

Contract Letter: Document signed by the Principal and the Service Provider under which the execution of the Contract is assigned to the Tenderer and in which the variable particulars of the Contract are specified.

Implementation documents: Indicates the documents with which the Service Provider must be supplied under the Contract.

Contracting, activities, services, deliveries: In the present Agreement the terms “contracting”, “activities”, “services” and “deliveries” are used interchangeably.

Means the building(s), place(s) or location(s) at which the Principal wishes to have the services executed.

Place of performance:

Lot:

Indicates the all the activities to be performed in a particular discipline or technique.

1.3. AWARD PROCEDURE

The contract will be awarded following a limited tender procedure.

The Principal reserves the right to award the contract to the Tenderer of his choice, without the latter necessarily having to be the lowest bidder and without having to account for his decision to other Tenderers.

The Principal also has the right to issue a second or more invitation(s) to tender, to split up the contract or to negotiate with and possibly award the contract to one of the Tenderers or to a third party, all with or without alteration of the specifications.

On no account may a Tenderer whose tender has not been accepted demand any damages from the Principal for any reason whatsoever.

Nor may a Tenderer demand a price increase in the event of a splitting of the contract unless a specific reservation has been made for this in the offer.

Unless otherwise stipulated, the Service Provider may never claim exclusivity.

1.4. LEGAL FRAMEWORK

1.4.1. Administrative Provisions

1.4.1.1. General Administrative Provisions (AAB)

These contain the technical conditions applicable to all Contracts.

1.4.1.2. Special Administrative Provisions (BAB)

These contain the Special Administrative Conditions applicable to the Contract. They are specifically described in a separate document. They are a supplement to the General Administrative Provisions. In the event of discrepancies between the two, the Special Administrative Provisions shall take precedence.

1.4.2. Technical Provisions

These contain the general technical conditions applicable to the Contract.

In the event of discrepancies between the Administrative Provisions and the Technical Provisions, the Administrative Provisions shall take precedence.

1.4.3. Applicable legal rules and regulations

These contain at all applicable legal rules and regulations, including but not confined to provisions in respect of the environment, urban development, the Workers' Protection Regulations (ARAB), the Welfare at Work Code, the General Electrical Installation Regulations (AREI), police regulations, municipal regulations, fire regulations, and government orders in respect of public order, safety and traffic, etc.

1.4.4. Principal's Safety Regulations

The safety regulations drawn up by the Principal (including the latest edition of the Safety Requirements for KBC Locations) must be strictly observed. By submitting his tender, the Tenderer undertakes to acquaint himself where necessary with the safety regulations applying in the buildings and locations where the services are to be performed. Where necessary, he will make a site-visit to the location beforehand.

By tendering the Tenderer acknowledges that he is familiar with the safety regulations and accepts them. The Service Provider is responsible for safety coordination in accordance with the provisions in the Safety Requirements for KBC Locations unless determined otherwise in a special agreement.

The Service Provider is required to advise the Principal as quickly as possible of any accident. In addition the Service Provider is required to respect the regulations and the procedure laid down in the Safety Requirements for KBC Locations in the case of accidents.

1.4.5. Environmental Clause

Without prejudice to the other provisions in the present AAB, the following regulations shall apply with respect to environmental management.

The Service Provider shall strictly observe all the legal provisions concerning the environment in the broadest sense of the word. He shall also ensure that individuals for whom he is responsible (for example employees and/or any Subcontractors) respect the environmental regulations. Among other things this means that the Service Provider will:

- use only products and materials permitted by law in the performance of the Contract and comply with all legal provisions and safety instructions relating to the use thereof;
- at all times hold the necessary permits or notifications. The Principal may at all times demand to see these. The Service Provider shall be responsible for renewal of these permits in good time and shall ensure that he complies at all times with the conditions for safe-keeping thereof. In addition the Service Provider shall ensure that the regulations attached to permits are respected;
- always comply with his duty of care.

All environmental levies, of whatever nature, relating to these products or services shall be borne by the Service Provider and shall be included in his price.

The Service Provider shall bear the entire responsibility with regard to any environmental damage, in the widest sense of the term, which may result from the performance of his services. He shall furthermore indemnify the Principal against any claims by third parties (including the government) in this regard.

Except where stipulated otherwise, any waste of whatever nature or in whatever form arising from or connected with the performance of his services shall be the property of the Service Provider. Any obligations in connection with the waste shall consequently be borne by the Service Provider (including those under the waste substances register and the packaging waste regulations), without any ability to charge the Principal any price supplements, and the Service

Provider must take back, dispose of, discharge or process the waste in accordance with the applicable regulations (e.g. environmental regulations, cooperative agreements concerning packaging waste and interregional packaging committee regulations). The Service Provider shall be in a position to produce the necessary certificates as evidence thereof. Upon request by the Principal, the Service Provider shall also take back and collect on a selective basis any materials, appliances, products, etc., for which his services are substituted.

Without prejudice to the above provisions concerning waste, the Service Provider shall in so far as permitted by law be regarded as the producer of the waste substances and shall comply in his own name with the obligations relating to the waste substances register. However, with regard to those waste substances in respect of which the Principal is designated as the producer under the relevant waste substances regulations, the Service Provider shall provide the Principal with the necessary documents and certificates at each site on the basis of which the latter it is able to comply with his obligations.

1.4.6. Sustainability Clause

The Principal shall at all times seek to do business in a “sustainable” or “socially responsible” manner. The Principal attaches major importance to socio-ethical aspects (such as social relations within the company and human rights) and environmental management. The Service Provider is fully aware of this and shall refrain from the use of manifestly non-sustainable products or production methods. In addition the Service Provider shall, within the confines of the assignment in question, seek to support the Principal’s efforts towards sustainability, by for example informing the Principal of any new or replacement environmentally-friendly goods that appear on the market. If wood is used, the Service Provider will use wood carrying an FSC label (Forest Stewardship Council) whenever possible. If the products used or supplied by the Service Provider satisfy the standards of a public (e.g. EC) or private-law environmental hallmark, copies of such certificate shall be attached to the tender.

The Service Provider, his employees and any Subcontractors shall strictly observe all the environmental regulations as referred to in 1.4.5. For the purposes of his services, the Service Provider shall use packaging materials that minimize the impact on the environment and shall inform the Principal in good time of any new or replacement environmentally-friendly goods that appear on the market.

1.5. PRINCIPAL’S ORGANIZATIONAL ARRANGEMENTS

The Principal or his employees may perform checks on the services provided. The Principal shall designate well-defined appointees for this purpose. Only the Principal or his appointees may issue guidelines and/or instructions to the Service Provider.

1.6. TEMPORARY TRADING COMPANY

If the Tenderer is a temporary trading company, the temporary trading company agreement should be added to the tender, as well as an organization chart showing the division of tasks and structure of cooperation for the project. Notwithstanding any other agreement to the contrary, the partners in the temporary trading company shall be severally and indivisibly bound vis-à-vis the Principal with regard to the obligations arising out of the Agreement that have been entered into on behalf of the temporary trading company.

1.7. LANGUAGE AND CURRENCY

The official language for all contacts, both written and oral, with the Principal is English. All documents to be provided by the Service Provider shall be drawn up in English. In the case of translated texts, the English version shall be binding.

Amounts will be expressed and paid in euros (EUR) .

1.8. EXCHANGE OF LETTERS

Any notification under the Agreement shall be made to the Principal at the addresses shown in the BAB and/or the Contract Letter.

With regard to time-limits, the date of posting shall apply as the date of dispatch.

1.9. TRANSFER OF RIGHTS AND OBLIGATIONS

Subject to the provisions stipulated below, neither party may assign the rights and obligations under the Agreement without the prior written consent of the other party.

The Principal nevertheless reserves the right to assign the rights and obligations arising from this Contract to an affiliated company within the KBC Group or to its successors in title.

The Service Provider hereby undertakes to offer all companies and institutions of KBC Group, and also the branches of the various subsidiaries forming part of the KBC Group which may consider contracting with the Supplier on matters that form the subject of the Contract, the same terms as those stipulated in the present Contract with the Principal.

In the event that the price has been determined on the basis of volume and thus comes down the greater the volume, the orders of all aforementioned companies, institutions, subsidiaries and branches shall, for the purposes of determining this volume, be amalgamated and shall all be invoiced on the basis of the most favourable price.

1.10. AMENDMENT OF CONTRACTUAL PROVISIONS

Amendments of the contractual provisions shall be valid only if agreed in writing.

The nullity of one or more provisions of this Contract does not affect the validity of the Contract as a whole. If appropriate, a new arrangement with respect to the relevant provisions which comes closest to the underlying technical and economic reasons for the clause shall be determined in consultation by the parties.

1.11. ETHICAL ASPECTS

The KBC Group applies a strict ethical code, both during the award process and during the implementation of the Contract. A correct professional attitude is assumed on the part of both the members of staff/agents of the Principal and the Tenderer/Service Provider. The Principal reserves all rights in the event that the Tenderer/Service Provider fails to act in this manner.

1.12. WAIVING OF RIGHTS

The fact that one of the parties neglects to exercise or enforce its rights under this Contract with respect to the other party shall in no way mean a waiving by the former of its rights.

1.13. PRESCRIPTION

Apart from any statutory or conventional prescription period, any claim by the Service Provider (including but not confined to claims for payment of the services) shall lapse upon expiry of a period of six months from the date of final acceptance.

CHAPTER 2. SUBMISSION AND AWARD OF THE TENDER

2.1. COMPETENCE AND OBLIGATIONS OF THE TENDERER

Through the simple act of tendering, the Tenderer certifies that he is competent to perform the services as described in the tender documents.

He shall also familiarize himself with the situation at the Place of performance and with all the services to be performed, including their degree of complexity, problems of accessibility or any other circumstance which may influence the implementation of his assignment. All necessary and useful site visits, measurements and study work, etc., for the purpose of implementing these tasks shall be included in the contract.

The Tenderer also declares that he has taken note of all the difficulties or special features, as evident from the tender documents, and that he possesses all the necessary details for submitting a tender based on the facts. Where appropriate the Tenderer is required to add any comments or reservations in relation to the tender documents when submitting his tender. After the contract has been concluded he will be unable to invoke errors or omissions in the tender documents in order to obtain price adjustments or the amendment of other conditions (e.g. extension of the term).

Any lack of clarity in the contract documents shall be interpreted in favour of the Principal. The Tender must be complete in every respect. The planned services shall, with the exception of those expressly excluded by the Principal, embody all processings, substances, materials, plant, equipment, mechanisms and accessories necessary for their purpose and intended use, even though this may not have been expressly laid down in the Administrative or Technical Provisions, since the content hereof is nominative but not restrictive.

2.2. PREPARATION OF TENDERS AND DOCUMENTS TO BE APPENDED

2.2.1. Tender document

Where this is provided for in the invitation to tender, the bid shall include the tender form document, signed by the Tenderer, as attached to the tender documents. The tender shall not bind the Principal.

2.2.2. Summarized bill of quantities

The tender shall contain the summarized bill of quantities, duly checked by the Tenderer, signed and supplemented with the unit prices, the aggregate sums, the part amounts per item or article and the total amount, on the form intended for this purpose.

The Tenderer may not alter the quantities shown in the summarized bill of quantities (whether presumed or fixed). The quantities specified by the Tenderer are however purely indicative and must be verified by the Tenderer. If the Tenderer has any comments on

these quantities, he shall state and account for them in a separate note.

2.2.3. Technical memorandum

The Tenderer shall attach to his tender all necessary documents describing the technical performance of his contract, the methods and systems to be used and the resources to be employed, in so far as these are not specified in the Technical Provisions.

2.2.4. Mandatory appendices

The tender shall at all times contain the appendices called for in the Special Administrative or Technical Provisions.

2.2.5. Implementation planning – phasing of the activities

Where this is sought, the Tenderer is obliged to add an execution schedule to the tender specifying a period (i.e. the number of working days required in order to realize a well-defined volume of activities or deliveries from the issuing of the execution order) and the earliest start-date. The execution schedule shall where appropriate state the necessary deadlines for prior models, approvals, production and transport, etc., as well as any phasing of the activities. If the execution schedule laid down in the Contract differs from the planning proposed in the tender, the schedule in the Contract shall take priority.

The Service Provider undertakes to implement all the necessary execution studies, activities, deliveries, manufacturing or any other tasks assigned to him under the Contract and to do so within the agreed periods. In the event of failure to do so, the Principal reserves the right to apply the sanctions and/or the discounts as described in articles 6.4 Breach of Contract and dissolution of the Contract and/or 5.7 Discounts and short values.

2.2.6. Safety and health plan and Safety Requirements for KBC Locations

The Tenderer is obliged to observe the legal provisions in respect of the safety and health plan in accordance with S. 30, (2) (1) and (2) of the Royal Decree of 25 January 2001 concerning temporary or mobile construction sites. Among other things this concerns the provision of a separate document and a separate price calculation each referring to the implementation of the safety and health plan, including the prevention and protection measures and resources.

The Tenderer is required to add a signed copy of the “Safety Requirements for KBC Locations” form to his tender.

2.2.7. Information concerning Subcontractors

The Service Provider is not in principle permitted to make use of Subcontractors.

If he nevertheless wishes to do so, he shall be required to obtain the consent of the Principal.

The Tenderer shall append to his tender the list of potential Subcontractors and also an overview of the services (e.g. transport) which he wishes to subcontract.

The assignment of the services also implies acceptance by the Principal of the listed Subcontractors only, unless comments or reservations have been made. The Service Provider may assign contract services to Subcontractors other than those shown in the tender only provided these have been previously accepted by the Principal in writing (see also Art. 2.5).

All the services will be entrusted to competent and trained professionals. The Subcontractors are bound towards the Service Provider only. The Service Provider remains solely responsible towards the Principal for any services assigned to Subcontractors.

2.2.8. Additional documents or information

Upon request by the Principal, the Tenderer shall, within 8 calendar days, provide any additional information desired.

2.2.9. Charges

All costs incurred by the Tenderer in connection with any preliminary studies, the offer and, if required, further negotiations shall be borne entirely by the Tenderer, even if the Principal does not conclude a Contract with the Tenderer.

2.3. SUBMISSION OF THE TENDER

The contract shall be restricted and the tenders shall not be opened in public. The tender (one original copy of the documents to be signed), dated and signed, must arrive at the address of the Principal by no later than the date and time stated in the letter of invitation to tender.

Tenderers shall be bound by their tenders, including improvements and/or additions made during the period of the invitation to tender, for a period of 60 (sixty) calendar days as from the day following the date of conclusion of the tender.

Any general supply, invoicing and other conditions set by the Tenderer are expressly excluded from application.

2.4. THE CONTRACT

2.4.1. Contract documents

The various documents of the Contract are complementary and must be understood in relation to one another. The Contract Letter signed by the Principal and the Service Provider shall have precedence over all other contract documents. In the event of inconsistency, detailed provisions shall have precedence over general provisions. In the event of ambiguity, the Principal shall benefit from the interpretation most favourable to him.

2.4.2. Conclusion of the Contract

The Contract shall be concluded upon signature of the Contract Letter by both the Principal and the Service Provider.

The Tenderer is liable for and obliged to reimburse any damage, of whatever nature, suffered by the Principal as a result of the refusal by the Tenderer to sign the Contract. The damages shall be set at a flat rate of 10% of the value of the Contract on an annual basis. This flat-rate compensation shall apply without prejudice to the right of the Principal to provide evidence of and demand the actual loss incurred, without limitation on the sum.

2.4.3. Type and nature of Contract

The Contract may take one or more of the forms described below. In the absence of specification, the Contract shall apply on the basis of a relative flat rate with an aggregate price.

2.4.3.1. Unconditional fixed sum

A Contract in which the Tenderer undertakes to execute the supply at the fixed and unalterable total price which he has stated in his tender. The character of the fixed sum shall not be affected by the addition, by way of guidance, of a summarized bill of quantities with quantities and unit prices.

2.4.3.2. Relative flat rate with aggregate price

Fixed-price contract in which the Principal reserves the right to make alterations to the initial Contract. Such alterations shall be settled in the form of set-offs on the basis of the unit prices which the Service Provider has appended to his offer.

The Service Provider, and he alone, shall bear full responsibility for the accuracy of the quantities and totals stated in the tender.

2.4.3.3. Price list

Contract in which the unit prices only are fixed (possibly differing within the limits of well-defined service frequencies). A list shall be appended to the Contract stating the probable quantities of the services for which the Tenderer has determined the unit prices. After implementation the quantities will be incontestably determined. Discrepancies, however great or small, between the probable and actual quantities shall not provide any grounds for an increase in the unit prices.

2.5. SUBCONTRACTORS AND TEMPORARY EMPLOYEES

2.5.1. Use of Subcontractors

The Service Provider shall be prohibited from working with Subcontractors except upon prior written application to and written agreement by the Principal.

Once the Contract has been concluded, the Service Provider shall also be prohibited from taking on a third party as partner without the prior written consent of the Principal.

2.5.2. Terms and conditions

The following provisions apply to both any subcontracting arrangements referred to in the tender and any such arrangements agreed after the tender was awarded.

The Service Provider shall include equally as strict or even stricter provisions in the Contract with the Subcontractor as those in the Contract between the Principal and the Service Provider.

The Principal may at all times ask for a copy of the integral Contract and the Technical Provisions in respect of the subcontracted orders.

No contractual link whatever shall be developed between the Principal and the Subcontractors of the Service Provider. The latter shall remain personally and totally responsible for the execution of any services or parts thereof that he has subcontracted.

The Principal may invoke the commitments entered into by the Subcontractor vis-à-vis the Service Provider, where these are directly related to the performance of the services, as a stipulation in relation to a third party.

Any costs, either direct or indirect, as a result of a direct claim by Subcontractors against the Principal shall be borne by the Service Provider. If as a result the Principal becomes involved in legal proceedings the costs shall be estimated at a lump sum of 5000 EUR without prejudice to the right of the Principal to provide evidence of and claim the actual costs (including fees and legal charges).

In addition the Principal has the right to form a provision for the repayment of the costs in question by withholding the Service Provider's invoices in respect of the anticipated costs

and showing these as deductions on the payment applications.

If working with a Subcontractor can give rise to additional costs, for example in relation to disputes or negotiations (e.g. involvement of multiple parties in legal proceedings or serving a writ of intervention, etc.), the Service Provider shall indemnify the Principal for any resultant costs or additional costs. These additional costs can also give rise to deductions on the invoices or reductions when the payment applications are drawn up.

2.5.3. Temporary staffing

In particular the Service Provider is required to observe:

- the law of 24 July 1987 concerning temporary employment, agency staffing and the provision of personnel,
- as well as the applicable implementation decrees and collective labour agreements.

CHAPTER 3. PERFORMANCE OF THE CONTRACT

3.1. STATUTORY AND REGULATORY PROVISIONS

Throughout the performance of the Contract, the Service Provider shall comply with:

- the applicable legal provisions, regulations, official standards and the Principal's regulations in respect of safety, welfare, health, safe and healthy use of plant and equipment and personal protective devices (the Service Provider must report any remaining risks to the Principal);
- the environmental clause as described in 1.4.5;
- the sustainability clause as described in 1.4.6;
- the measures for the prevention of avoiding welfare, safety and health risks.

In this connection, the Service Provider shall submit all the mandatory declarations and pay all the required duties of whatever nature. Alterations to these provisions or standards shall not give rise to any increase in the price or extension of the time for performance.

Interventions and approvals by other parties shall in no way diminish the responsibility of the Service Provider.

3.2. OBLIGATIONS OF THE SERVICE PROVIDER

The Service Provider guarantees that all its obligations, including its services, studies and any supplies, measure up to the terms and conditions and provisions of the Contract, professional standards and applicable laws, decrees, bylaws and regulations, etc. Interventions and approvals by other parties shall in no way diminish the responsibility of the Service Provider.

Documents which, pursuant to the Contract, have to be drawn up and/or supplied shall be complete in every respect. They shall cover the entirety of the works, services or subcontracts provided for in the Contract and shall contain all particulars required for their intended purpose.

The works, deliveries and services shall be complete in every respect, including all processing activities, substances, materials, plant, equipment, mechanisms, documents and accessories necessary for their purpose and intended use, even though this may not have been expressly laid down in the Contract, since the content hereof is nominative and not restrictive.

Plant, personnel and working equipment necessary for the proper performance of the contract shall be available at the time of performance.

The Service Provider undertakes to have a sufficient level of staffing for the duration of the Contract. Any replacements of personnel shall be by persons with equivalent training who have been thoroughly briefed on the prior history of the Contract at the point of replacement, so that the continuity and quality of the services are assured.

All services shall be entrusted to a sufficient number of persons competent in the trade for the purpose of rapid and proper performance. The Principal may demand replacement of personnel for good reasons, e.g. lack of professional competence, misbehaviour or non-compliance with safety regulations, etc. The Service Provider undertakes in that case to take the necessary measures and to provide for the replacement of the individuals concerned.

The Service Provider shall be responsible for the necessary order and discipline at the Place of performance and for compliance with all legal obligations, both by his employees and by his Subcontractors. In that sense he shall bear sole responsibility towards the public institutions and the government in respect of the legal obligations concerning employment, social security and taxation and, where applicable, including (but not exclusively) the legislation on employment (including immediate notification of employment). Where appropriate he undertakes not to admit to the Place of performance any employees not holding a social identity card or who do not comply with the relevant legislation. He will do everything in his power and cooperate in full to help facilitate any industrial inspection.

3.3. LIABILITY AND ADMINISTRATIVE OBLIGATIONS OF THE SERVICE PROVIDER

3.3.1. Civil liability (hereinafter BA)

With regard to liability, the rules of common law shall apply in so far as the Contract does not provide for any derogations.

Irrespective of any intervention by the Principal or third parties, the Service Provider is exclusively responsible for the performance of his contract.

As regards the technical solutions that the Principal has determined or would favour for these services, the Service Provider may in no circumstances be regarded as an unqualified and servile performer. In his capacity as Service Provider he bears the responsibility for the technical execution and guarantees the result thereof. He is obliged to advise the Principal of any arrangements that are abnormal or at variance with normal practice and that appear on the tendering and work execution documents and could affect both the interpretation and the methods of implementation, as well as of any irregularities in the performance of the services.

Any supervision by employees of the Principal shall not involve any transfer whatever of authority or responsibility. The guidelines or recommendations issued by the Principal or the latter's employees can in no way absolve the Service Provider from the latter's exclusive responsibility.

The Service Provider shall be liable for any loss, damage or nuisance suffered by third parties as a result of the performance of the services, without any recourse to the Principal.

The Service Provider shall at all times remain liable for any goods delivered and placed by him, even if he has obtained them himself from a third party, and for any hidden defects, even if these were unknown to him. In this respect the strictest rules shall always apply with regard to liability (in respect of either contracting or purchasing).

The Service Provider shall defend, indemnify and reimburse the Principal and the latter's representatives, employees and agents for any losses, costs, damage, expenses and complaints, irrespective of their nature and scale (including complaints based on Section 544 of the Belgian Civil Code) that arise during and/or as a result of the performance of the Contract.

3.3.2. Insurance

3.3.2.1. Types of insurance

Without the following provision being interpreted as a restriction of the scope of Article 3.3.1 above, the Service Provider acknowledges that he has taken out an annual insurance policy covering the risk of industrial accidents to his personnel and also liability to third parties for all bodily injuries and material damage caused during and/or by the performance of the Contract either by himself or by anyone appointed directly or indirectly by him.

These policies must remain in force throughout the term of the services. The Service Provider shall ensure that any of his Subcontractors are also covered in accordance with the provisions of this article.

3.3.2.2. Cover and certificates

On first request by the Principal and, in the absence thereof, at least seven calendar days before the commencement of the services, the Service Provider shall deliver to the Principal certificates drawn up by his insurers concerning the cover provided for in

3.3.2.1. These certificates must contain the following details:

- policyholder;
- policy number;
- pre-delivery civil liability cover (stating the amount of bodily and physical damage cover) with express reference to the fact that cover has also been obtained for fire and water damage and for damage to the building itself in which services are performed;
- civil liability after handover;
- confirmation of industrial accident cover;
- confirmation of regular payment of premiums and duration of cover provided.

The insurance shall cover at least the following amounts (it is stipulated here that the liability of the Service Provider is under no circumstances limited to the forms of cover and the amounts of the policies concluded by him):

- pre-handover civil liability: 1 500 000 EUR per loss event for bodily and physical damage combined;
- civil liability following handover: 1 500 000 EUR per loss event for bodily and physical damage combined;
- cover for entrusted object: 125,000 EUR per loss event.

These insurance certificates shall also contain a clause under which any alteration, cancellation or revocation of the policy/policies shall enter into force only after expiration of a period of 30 days as from date of notification by the insurer by registered letter to the Principal; date of posting shall apply as starting date for calculation of this period.

The insurers shall state in the insurance certificates that they waive any recourse to the Principal or to his directors and personnel.

One month before the end of the period of validity of an insurance certificate, a new insurance certificate shall automatically be delivered by the Service Provider to the Principal.

3.3.2.3. Insufficient cover

If the Service Provider remains in default with respect to the provisions set out in 3.3.2.1 and 3.3.2.2 the Principal may, for the account and at the expense of the Service Provider, take out an insurance policy himself in accordance with the provisions referred to above and deduct the premium paid from amounts owed by him.

3.3.3. *Guarantee for approval of the services, contracting or deliveries by the public bodies and authorities and recognized inspectorates*

Within the framework of the requirements laid down in the Contract, the Service Provider hereby undertakes to take the necessary and conducive measures for guaranteeing approval, if required, by public bodies and authorities and recognized inspectorates.

If the services, supplies or works have to be altered, removed or executed/supplied afresh in the prescribed manner in order to be approved by these bodies, the Service Provider shall not be able to claim additional costs, without prejudice to the right of the Principal to recover from the Service Provider the loss arising therefrom.

3.3.4. *Access to the Place of performance*

At the request of the Principal or the latter's insurer the Service Provider must at all times provide access to the Place of performance to the Principal's insurer, the public bodies and authorities and recognized inspectorates.

3.3.5. *Social Security*

Upon signature of the Contract the Service Provider must furnish proof that he is fully up-to-date with all the contributions compulsorily payable at that point to the National Office for Social Security. He shall do so on the basis of a certificate no older than 14 (fourteen) calendar days.

During the performance of the services the Service Provider must be able at any point to furnish evidence that he is fully up-to-date with the compulsory contributions to the National Office for Social Security.

3.4. PERFORMANCE OF THE SERVICES

3.4.1. *General features*

The Service Provider shall abide by the directives and comments issued by the Principal at the Place of performance.

The Principal is empowered to issue, inter alia in writing, the following directives:

- Within a prescribed time-limit, removal from the Place of performance of the raw materials, materials, plant and equipment which in the opinion of the Principal do not conform to the requirements of the Contract;
- The replacement of these rejected materials by other, sound and suitable substances, materials, plant and equipment;
- The repeat performance, notwithstanding all prior tests, of the services which, in the opinion of the Principal, do not correspond with the requirements of the Contract and this as regards both the method of implementation and the substances, materials, plant and equipment used, and the result specified in the Contract;
- The instructions laid down in the Safety Requirements for KBC Locations.

In emergencies, such as for safety reasons, directives may be issued orally and subsequently confirmed in writing.

In the event of persistent failure by the Service Provider to implement such a directive, the Principal is empowered to take all measures which he considers necessary for the purpose of implementation thereof, and to do so at the risk of the Service Provider.

All costs incurred hereby shall be borne by the Service Provider. They may be directly deducted by the Principal from the next payment.

3.4.2. *Precautions*

In performing the services the Service Provider will at all times take the necessary precautionary measures to minimize any nuisance for the Principal, the Principal's property, the properties adjoining the Place of performance and their users.

In the event of such nuisance the Service Provider is required to advise the Principal in advance so that any facilitating measures can be determined in joint consultation. Where appropriate the Service Provider is required to add any comments or reservations in relation to the tender documents.

3.4.3. Intellectual and industrial property rights

If the performance of the contract involves the use, in whole or in part, of working methods or resources that are protected by licences, manufacturer's marks or trademarks, industrial designs or models or intellectual property rights of whatever nature, the Service Provider shall be obliged to make arrangements with the holder for the payment of any rights.

The Service Provider alone remains responsible for any claims that may arise on account of the use of protected working methods or resources.

The Service Provider shall indemnify the Principal against any claim made by third parties against him on the grounds of alleged denial of their intellectual property rights arising from the use by the Principal within the limits of the Contract of working methods or resources for which it was granted ownership rights or rights of use by the Service Provider under the Contract.

3.4.4. Deliveries, activities and works by third parties

The Service Provider is obliged to assure itself that the deliveries, services and works provided by third parties – and where appropriate also by the Principal – satisfy the conditions of its specifications or do not obstruct the performance of its services, in accordance with the provisions of the Contract.

The Service Provider is obliged to refuse any deliveries, services and works that do not meet the conditions set. If he fails to do so within a reasonable period before commencement of his services, the delivery, service or assignment performed by third parties will be regarded as having been accepted by him.

Acceptance by the Service Provider of the deliveries, works and activities by third parties entails acceptance by the Service Provider of the overall responsibility in that regard.

3.5. ORGANIZATION AT THE PLACE OF PERFORMANCE

3.5.1. Agent of the Service Provider

The Service Provider shall personally direct the activities or designate a deputy accepted by the Principal who is authorized to replace and represent him. The Service Provider shall remain responsible for the actions of his deputy. In addition the Service Provider shall be present at the place of performance whenever requested by the Principal, for which no charge may be made.

3.5.2. Organization chart

The Service Provider shall provide the Principal with an organization chart for the latter's approval. The organization chart shall state the names of the supervisory staff, indicating position, powers and qualifications, deployed by the Service Provider for the realization of the Contract.

The Service Provider undertakes to have a sufficient level of staffing for the duration of the Contract. Any replacement of supervisory staff shall be by staff with equivalent training who have been thoroughly briefed on the prior history of the Contract at the date of their

replacement, so that the continuity and quality of the service-provision remains assured.

3.5.3. Access

Notwithstanding the provisions of the Safety Requirements for KBC Locations and the provisions of the BAB, the Service Provider is obliged to adhere to the rules governing admission which apply at the Place of performance (e.g. opening hours, access control, use of goods lifts, etc.).

3.6. PLANNING AND WORK SCHEDULE OF THE ACTIVITIES

3.6.1. Commencement and progress of the activities

The Service Provider shall commence performance of the services on the date laid down in the Contract or confirmed in the commencement instruction and continue them regularly in such a way that they are completed within the set time-limits or performed in accordance with the envisaged or agreed work schedule. The Service Provider shall guarantee this commitment, especially during holiday periods.

Where applicable a detailed implementation schedule and the successive key dates within the contractual performance period shall be drawn up before the commencement of the activities.

The Service Provider shall have the right, where there is due reason, to make adjustments to the agreed planning or work schedule, in so far as those adjustments do not affect the real cost price of the activities. If appropriate, the Service Provider shall provide evidence hereof. The Contractor shall be unable to demand any indemnification or adjustment of the agreed contract price.

If activities are performed by other Service Providers, appointed by the Principal, during the same period as the present contract, the Service Provider shall abide by the Principal's instructions for facilitating and not obstructing those activities. Where necessary he will directly consult the other Service Providers concerning the arrangements for the activities to be performed.

3.6.2. Interruptions

In the event of unpredictable and serious circumstances, the Service Provider may suspend any activities which it considers could not be continued without danger for such period as would appear to be in the interest of the activities. Prior written consent shall be obtained from the Principal for such interruption. The Service Provider will take all the necessary safety and precautionary measures to ensure the preservation of the activities already carried out.

The course, scale and criticality of any delays must always be demonstrated on the basis of documentary evidence. The Service Provider shall seek to make good the delays and shall report to the Principal on the relevant action he has taken. Non-compliance with these obligations may nullify possible rights to extensions of the deadline.

These and all other interruptions caused by force majeure shall not provide the Service Provider with any basis for indemnification. Upon resumption of the implementation of the

activities, which shall be advised by the Service Provider in writing, the latter shall make good any damage at his own expense.

Where appropriate the Service Provider shall be granted an extension of the performance period equal to the period of interruption approved by the Principal, without right to any reimbursement.

3.7. WORK CONSULTATION MEETINGS

In order to promote the smooth performance of the activities the Service Provider is obliged to attend the meetings convened by the Principal, without any resultant entitlement to price increases.

3.8. ADDITIONAL INSPECTION AND TESTS

The Principal has the right to analyse or subject to tests and dissection the working methods and working processes, materials, equipment and activities performed in order to assure itself of their quality and to establish whether they satisfy the stated requirements, without prejudice to the trials or inspections already provided for at the outset under the Contract. Materials must be submitted in good time for any such tests to be performed.

The costs of these additional tests and examinations shall be borne by the Service Provider if the results are found not to be in conformity with the stated requirements.

3.9. REJECTED ACTIVITIES

The activities that are not performed in accordance with the state-of-the-art or do not correspond with the stipulations and conditions of the Contract shall be repeated by the Service Provider within a reasonable period.

If the Service Provider fails to discharge these obligations, the Principal shall have the right to halt the assignment and have it performed by a third party. The ensuing costs as well as those of serving notice of default and of assessment shall be borne by the Service Provider.

3.10. EQUIPMENT AND SERVICES FOR THE SERVICE PROVIDER'S ACCOUNT

3.10.1. Cleaning the Place of performance

The Service Provider shall provide for the immediate removal of any waste due to activities carried out by him and for cleaning the Place of performance and the immediate surroundings. The Service Provider shall remove any waste at his own expense. The cleaning of the Place of performance by a third party shall not discharge the Service Provider from any cleaning obligation inherent to his contract.

In the event of non-compliance with these obligations the Principal shall have the cleaning carried out at the expense of the defaulting Service Provider, where appropriate increased by the costs of any consequential loss.

With regard to waste disposal the Service Provider shall take account of the relevant regulations.

3.10.2. Utilities

The utilities provided by the Principal are specified in the Special Administrative Provisions. The practical use of those utilities shall be arranged in consultation with the Principal.

The distribution facilities at the delivery points, including their maintenance, shall be for the Service Provider's account. These installations may only be installed if approved by the Principal.

3.10.3. Equipment

The equipment provided by the Principal are specified in the Special Administrative Provisions.

If the Service Provider is required to submit plans under the Contract, these should be drawn up electronically and provided in the manner laid down by the Principal. More particularly the plans must comply strictly with the latest version or update of the KBC CAD standard, as provided by the Principal.

The Principal may at any time require a report of findings to be drawn up prior to commencement of the services concerning the equipment made available. The use of equipment made available which is also used by the Principal himself shall be determined in accordance with a programme agreed with the Principal. If necessary, this programme shall extend beyond normal working hours without giving rise to any price increases.

Any additional means which the Service Provider considers necessary for the performance of his services shall be provided by the Service Provider himself at his own expense. They may be used for the performance of the services subject to the consent of the Principal and provided they comply with all legal regulations. All additional costs (personnel, consumption, costs of periodic checks, costs of maintenance and repair, costs of inspection, monitoring, etc.) shall likewise be borne by the Service Provider.

3.10.4. Monitoring of own activities and equipment

The Principal shall where appropriate provide premises to enable the activities to be carried out. These shall be specified in the Special Administrative Provisions. The Service Provider shall, when necessary, arrange for the temporary locking up required in order to secure his activities and equipment. The Service Provider shall at his own expense and responsibility arranged for the locking up and guarding of his stored goods, supplies and equipment.

The Service Provider shall be responsible for any consequences and costs resulting from the theft of equipment and of materials already and/or still to be processed, as well as for making good any damage to plant or equipment.

3.10.5. Safety at the Place of performance (ARAB, Welfare at Work Code, AREI)

In relation to his activities the Service Provider shall at his own responsibility and expense arrange for the safety measures required by law. The Service Provider shall at all times observe the safety provisions in accordance with the the Workers' Protection Regulations (ARAB), the Welfare at Work Code, the General Electrical Installation Regulations (AREI) and the national and European directives, especially but not confined to those concerning safety-related coordination at work.

3.11. SECRECY

Each Service Provider undertakes to maintain secrecy concerning any information which he or his employees or authorized agents may obtain in any manner whatsoever concerning the Principal, his customers and his projects and investments in connection with or during the performance of this Contract. The employees and authorized agents of the Service Provider shall be bound by the same obligation of secrecy as the employees of the Principal. The Service Provider shall undertake the necessary action to make sure that his employees or agents are aware of this duty of discretion.

The Service Provider or his employees or agents may not disclose confidential information concerning the Principal to third parties without the prior written consent of the Principal, except as necessary for statutory, accounting or regulatory reasons. In order to protect the secrecy of commercial information concerning the Principal, the Service Provider shall in general take the same precautions as those he would take to prevent the unauthorized use, distribution or publication of his own commercial information of an analogous nature.

The Service Provider shall immediately destroy any information concerning the Principal's clients that he obtains during the performance of the Contract and exercise special vigilance to prevent its further distribution. The Service Provider undertakes upon conclusion of the Contract to return any documents made available to him under the Contract and designated as confidential.

The Service Provider shall comply with legislation on the protection of privacy.

CHAPTER 4. ADDITIONAL ACTIVITIES AND/OR CHANGES TO THE ACTIVITIES

4.1. CHANGES

4.1.1. Rights and obligations of the parties

Without the consent of the Principal in writing, the Service Provider shall not be permitted to make any alteration to any work or any service involving an increase in the cost price.

The Service Provider has the right to amend the orders provided for in the Contract during the performance of the activities, in accordance with the procedure laid down in Article 4.1.2. The Service Provider is obliged to continue the activities without interruption, despite possible disputes to which the setting of a higher unit price could give rise.

The Service Provider is obliged to implement any additional activities directly related to his contract or to accept the deletion of certain activities or parts thereof, even if the variation exceeds 15%, and this without any change in the unit prices and without right to any compensation in respect of lost earnings.

If a significant increase in the scale of the activities is decided upon, the Principal shall be at liberty to cover these by means of a separate invitation to tender and to assign the relevant activities to a third Service Provider, without this giving rise to any claim for compensation on the part of the Service Provider to whom the original contract was awarded.

Nonetheless the Service Provider is required to continue the activities, including the special activities, without interruption:

- if safety is at issue;
- to guarantee the continuity of the Principal's business operations;
- in cases of extreme urgency;

and this despite the disputes to which the determination of new prices could give rise.

4.1.2. Procedure

During the implementation of the Contract changes may be made:

- as prescribed by the Principal;
- as proposed by the Service Provider.

The provisions of the present Contract apply in full force to any additional activities and changes.

Procedure:

- Unless agreed otherwise by the parties, the party taking the initiative to change the Contract shall submit a written application for modification. The Service Provider is required to use the model submitted by the Principal.
- Service Provider shall submit a written quotation to the Principal within eight working days setting out the underlying reasons, the description, the determination of quantities, the price proposal, the proposed method of execution and the consequences for the deadlines and/or the agreed work schedules and for the

services of third parties.

- The Principal shall investigate this quotation and pass his decision in writing to the Service Provider.
- If the Principal approves the quotation, he shall draw up a contract of modification.
- This contract shall be signed in turn by the Principal and the Service Provider.

Any contract deletions shall be offset on the basis of the agreed unit prices. Any contract extras shall be charged on the basis of the agreed unit prices, where appropriate adjusted in line with the price adjustment referred to in Art. 5.4.

In the case of contract extras for which no unit prices have been agreed the Service Provider shall propose new unit prices in his quotation.

The influence of additional services or changes to the services on deadlines or work schedules will always need to be demonstrated by the Service Provider.

The handling of applications for modification by the Service Provider and the preparation of quotations cannot give rise to any charges for administrative or other expenses.

4.1.3. Responsibility for the suppliers, techniques and materials prescribed by the Principal

The Principal retains the right to prescribe the use of certain suppliers, techniques or materials in any contract of amendment submitted to the Service Provider.

The Service Provider has the right to enter a serious and substantiated reservation towards these suppliers, techniques or materials, before however dealing with them or executing the contract. For such reservation to be valid, the Service Provider must advise the Principal immediately in writing by means of registered letter. Where appropriate the Service Provider may no longer be held liable for any shortcomings, miscalculations or errors determined at a later stage that are attributable to these suppliers, techniques or materials. The Service Provider shall nevertheless remain liable for any processing or execution errors.

4.2. ACTIVITIES ON CALL

Activities on call are permitted only if

- this is clearly provided for in the Contract;
- the agreed unit prices have been determined;
- they have been ordered in writing by the Principal.

In the case of activities on call, the Principal shall be provided with a cost-plus invoice, no later than the next working day, for approval, in the absence of which the Principal shall reserve the right not to pay for the activities requested.

CHAPTER 5. SETTLEMENT OF THE CONTRACTING AGREEMENT

5.1. PAYMENT APPLICATIONS

Unless agreed otherwise, the Service Provider shall submit a payment application each month in accordance with the model provided by the Principal.

This payment application will always be accompanied by details of the activities performed:

- a progress statement of the activities performed up to that point (this statement shall in turn show the activities performed under the basic contract and those performed in accordance with the respective modification contracts);
- the approved cost-plus invoices.

Only activities that have been performed and completed in accordance with the provisions of the Contract may be included at total value in the payment application.

The materials at the Place of performance – including those accepted by the Principal – but that have not yet been processed will not be included in the payment application, unless agreed otherwise in the Special Administrative Provisions.

The payment application shall be sent to the contact person at the Principal.

The payment application will be approved subject to any defects that may become evident after approval of the payment application.

5.2. INVOICES

After written approval of the payment application by the Principal, and in so far as no defects have subsequently become evident, the invoice may be submitted for settlement. Each invoice will be accompanied by the original of the approved payment application.

The invoices must be drawn up in accordance with the statutory requirements, and in accordance with the conditions and formal requirements stipulated in the Special Administrative Provisions and/or the Contract Letter.

Failure to comply strictly with any of these procedures may result in rejection of the invoice by the Principal and suspension of the payment.

5.3. PAYMENTS

The payment term is 30 calendar days from receipt of the invoices, in so far as these invoices are accompanied by a payment application approved by the Principal.

Except in the case of written protest, all invoices remaining overdue and unpaid after notice of default served by registered letter shall be subject to penalty interest equal to the rate of interest laid down in and announced in the Belgian Bulletin of Acts and Decrees in accordance with S. 2 of the Act of 5 May 1865 (as amended).

No payment, even if in full, shall under any circumstances diminish the responsibility of the Service Provider and shall on no account be considered as acceptance or approval of the services performed.

5.4. PRICE REVISION

Save where otherwise provided in the Contract Letter and/or Special Administrative Provisions, only the following circumstances shall give rise to price revisions:

- Alterations with regard to taxes and duties on the goods supplied and services rendered;
- Alterations with regard to legislation whereby products or goods to be supplied or services to be rendered under the Contract have to be replaced or altered, but only in so far as these alterations could not have been foreseen by a professional Service Provider at the time of conclusion of the Contract.

Where appropriate the procedure in accordance with Art. 4.1.2 will be applied.

5.5. MISCELLANEOUS CHARGES AND TAXES

VAT on invoices drawn up in the name of the Principal shall invariably be borne by the latter. All other amounts or charges due shall be for account of the Service Provider.

5.6. DISPUTES CONCERNING PAYMENT APPLICATIONS AND PAYMENTS

In the event of a dispute between the Service Provider and the Principal concerning a payment application or an invoice or the payment thereof, the Service Provider shall on no account have the right to suspend performance of the Contract or performance of the services, or to interrupt or discontinue them in whole or in part.

5.7. DISCOUNTS AND SHORT VALUES

Discounts may be demanded by the Principal if the services, specifications or results stipulated in the Contract are not realized or not realized on time by the Service Provider.

The fact that the Principal has not, during performance of the services, expressed any observations concerning defective performance of the services or defective specifications or results shall not be deemed to be a waiver of the right to discount.

The Principal may accept the services and at the same time make a reservation in order to claim the discounts referred to herein. Delay in performance of the Contract may give rise to the application of discounts, whether or not specified in the Special Administrative Provisions.

CHAPTER 6. END OF THE FIXED-PRICE CONTRACT

6.1. DURATION OF THE AGREEMENT

The Contract is concluded for the term and in accordance with the conditions specified in the Special Administrative Provisions and/or the Contract Letter.

Obligations which by their nature are intended to continue after the end of the Contract (e.g. liability, confidentiality) shall remain in force after rescission.

6.2. PERFORMANCE OF THE SERVICES

Irrespective as to the nature of the services (one-off service, continuous service or other activity), a handover shall take place at the end of the Contract. Upon such handover it shall be established whether all the services stipulated in the Contract have been performed in accordance with the conditions of the Contract and whether all obligations arising from the Contract (e.g. inventory of fixtures upon departure from provided premises, return to original condition, etc.) have been fulfilled.

Such handover may be requested by the Service Provider (or by the Principal).

The Principal will examine this application. If this examination does not give rise to any comments, a handover report will be drawn up in duplicate and signed by the parties.

If few significant defects or shortcomings are established, the details will be shown on the handover report and, where the Principal is able to do so, the dates established by which the necessary supplementary work is to be carried out.

Within 15 calendar days of signing the delivery report or, if minor additional services need to be performed and after these have been satisfactorily carried out, the Principal will, if he is satisfied with the report and/or the additional services that have been performed, send the Service Provider a signed declaration of acceptance.

If the Principal considers there to be significant shortcomings or defects, the handover will be refused. The Principal will draw up a report setting out the reasons for such refusal. In so far as possible this report will stipulate a new deadline for the full completion and satisfactory conclusion of the activities, without prejudice to the Principal's rights specified elsewhere in the Contract. The Service Provider shall then submit a new application for handover in accordance with the procedure noted above.

6.3. ACTUAL USE AND ACKNOWLEDGEMENT OF RECEIPT BY THE PRINCIPAL

The delivery or transfer to and acknowledgement of receipt by a member of the Principal's staff may in no circumstances provide evidence of acceptance of the delivered good or handover of the activities carried out, irrespective of the statements on the signed docket. Such acknowledgement of receipt does not consequently indicate anything concerning the quality, functionality or conformity of the delivered goods or services performed.

The fact that the Principal should decide to make use of the delivered goods and/or a part of the entire Place of performance does not in any circumstances qualify as handover or acceptance. A condition report can however be drawn up in advance at the Service Provider's request.

6.4. BREACH OF CONTRACT AND RESCISSION OF THE CONTRACT

6.4.1. Breach of Contract

If, in the period between the conclusion of the Contract and acceptance, the Service Provider fails to fulfil his obligations, including:

- in the event of a serious increase of whatever nature in the Service Provider's financial risks (e.g. claims for damages by third parties, contracts concluded with parties that had tax or social security debts at that time, etc.);
- if, without the prior written consent of the Principal, the Service Provider has assigned all or any part of the Contract to a Subcontractor;
- if the Service Provider is declared bankrupt;
- if the Service Provider does not commence any of his services, discontinues performance thereof without a valid reason, does not comply with the timescales or suffers serious delay in the planning or the agreed work schedule;
- if the Service Provider is obviously unable to realize the guaranteed end-result or if, having been served notice of default by the Principal concerning failure to attain the characteristics and specifications described, no fundamental improvement occurs within a short space of time;
- if the Service Provider fails persistently to observe the regulations and obligations in the Contract or the lawful instructions of the Principal;

the shortcomings shall be recorded by the Principal. By means of a registered letter, court bailiff's writ or by issuance of a letter against acknowledgment of receipt, the Principal shall convey these findings to the Service Provider.

If a faster reaction is desired as indicated in the notification, and this is without prejudice to the possibilities stated in Art. 6.4.2, para. 1, the Service Provider shall be required within 14 calendar days of dispatch to take appropriate action or to set out his defence by means of registered letter. His silence after this time-limit shall be taken as acknowledgment of the established facts.

6.4.2. Consequences

If the Service Provider remains in default as described above:

- the Principal shall have the right, but not the duty, to dissolve the Contract in full or in part, and this
 - either immediately after the expiry of the time-limit laid down in the notification referred to in 6.4.1 without any favourable consequence for the Service Provider as a result of such notification;
 - or from the determination by the Principal that the established shortcomings are not or will not be remedied;
 - or after a cancellation period to be determined by the Principal in the interests of the continuity of his business operations,
- the Principal shall have the right to suspend his payments, in whole or in part, until complete satisfaction has been obtained;
- the Principal shall have the right to have the services to which the Service Provider is committed carried out, in whole or in part, by a third Service Provider of his choice, at the expense of the defaulting Service Provider, without any modification in the latter's other obligations and responsibilities;
- the Principal may also summon the Service Provider to adjust his position and continue to perform the services;
- the Principal may offset the costs arising from the measures taken against the contract price and/or may draw on the financial guarantee, in so far as such guarantee is provided for in the Special Administrative Conditions.
- the Service Provider shall, within 30 calendar days of receipt of the registered letter containing notice of default, without further summons, compensate the Principal for all damage suffered, provided and to the extent that this damage can already be estimated;
- the Service Provider shall have no right whatsoever to compensation if the Principal is already using any part or all of the Place of performance;
- the Service Provider shall, if in connection with the rejected services or any parts thereof, objects or goods have been constructed and/or assembled at the Place of performance, demolish and/or assemble them on his own responsibility and at his own expense and remove them from the Place of performance.

The one consequence shall not rule out the other and shall be applied in accordance with the exclusive judgement of the Principal.

Any injurious consequences of the cessation as a result of non-compliance with Art. 3.3.5 may be recovered from the Service Provider by the Principal, including the additional costs for the awarding of the works to a different Service Provider, as well as the loss resulting from any late delivery.

CHAPTER 7. GOVERNING LAW AND DISPUTES

7.1. GOVERNING LAW

This Contract is governed by Belgian law.

7.2. DISPUTES

In anticipation of the settlement of disputes, and without prejudice to the possibilities provided for in Art. 6.4., the Service Provider shall be required to continue with the services.

All disputes, of whatever nature, on the basis of either contractual or extracontractual grounds, arising from or in any way related to the application of this Contract which are the consequence hereof and which cannot be settled amicably, shall be subject to the exclusive jurisdiction of the courts at Brussels.

APPENDIX 1: KBC Safety Regulations for Third Parties