| Internal rules and regulations |
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# INTERNAL RULES AND REGULATIONS

DEFINITIONS

**Shareholder**: the legal entity or natural person duly admitted by the Board of Directors in accordance with Chapter II, Articles 5 to 9 of the Articles of Association and holding shares in the Company.

**Beneficiary of Guarantees or Beneficiary:** the Shareholder for whom the Company provides a guarantee.

**Creditor**: the legal entity or natural person who may potentially make a claim under the guarantee.

**The Company:** Algemene Borgstellingen C.V.

**Group:** a group of companies in accordance with article 1:14 et seq. of the Belgian Companies and Associations Code, to which a Shareholder belongs.

**Group Company:** a company belonging to the Group of a Shareholder and therefore affiliated with a Shareholder in accordance with Article 1:14 et seq. of the Belgian Code of Companies and Associations.

## CONDITIONS FOR GRANTING GUARANTEES

### ARTICLE 1:

Acceptance as a Shareholder does not, in itself, confer any right to guarantees. They are only granted insofar as the financial position of the Shareholder and of any Group Companies belonging to the Shareholder's Group is satisfactory, taking into account all securities, both personal and in rem, that the Shareholder is able to provide.

### ARTICLE 2:

A Shareholder requesting a guarantee submits its application to the company via the portal made available, using the form provided for this purpose or by any other means that may be accepted by the Company in the future.

At the Company's simple request, the Shareholder provides all information, particulars or documents required to assess the risk associated with the guarantee.

When a guarantee relates to works, the Shareholder shall enclose with its application the approval letter of the invitation to tender, the works order or the works contract.

Each year, and within thirty days after the Company has served its request to that effect, the beneficiary of guarantees provides the Company with its annual accounts (including, where applicable, details of the turnover), as well as those of the Group Companies within its Group that have provided securities in favour of the Company, the consolidated annual accounts of the Group and all related legal documents.

The Company reserves the right to make the issue of any new guarantee conditional upon a prior review of an interim financial statement of the Shareholder and/or the Group Companies that have provided securities in favour of the Company.

## CONTRACTUAL OBLIGATIONS OF THE BENEFICIARIES OF GUARANTEES

**ARTICLE 3:**

The Beneficiaries of Guarantees shall duly perform all obligations arising from the contract in respect of which the Company provides a guarantee.

They shall promptly provide the Company with a copy of all correspondence relating to any matter concerning the guarantee.

Where a guarantee relates to works, the Beneficiaries of Guarantees shall perform the commission in accordance with the terms and conditions of the contract, the specifications and the approved plans.

They shall provide the Company with a copy of the official reports drawn up to record the non-compliance with the requirements of the contract and the specifications. They shall also request the contracting authority to send a copy of such reports directly to the Company in all cases.

The Beneficiaries of Guarantees shall inform the Company in writing of the action they have taken in response to any official report of non-performance and of the defences they have raised against the contracting authority.

**ARTICLE 4:**

The Beneficiaries of Guarantees undertake to serve the Company in writing and within a maximum period of two days, of any dispute concerning themselves or the Group Companies that have provided securities in favour of the Company and, more generally, to notify the Company of any fact concerning themselves or the Group Companies that have provided securities in favour of the Company that could jeopardise the guarantee provided.

In addition to the Company's right to require full cover for the guarantee granted, failure to comply with the provisions of Articles 3 and 4 of these internal rules and regulations shall constitute sufficient grounds for exclusion.

**ARTICLE 5:**

The Beneficiaries of Guarantees and the Group Companies that have provided securities in favour of the Company shall reimburse all expenses incurred by the Company on their behalf. In particular, upon first request, they shall reimburse all payments made to the contracting authority or the Creditor in whose favour the Company has provided a guarantee, by way of damages, penalties or interest, pursuant to a judgement, an amicable agreement or a settlement. This also applies to any other costs paid by the Company in protecting its interests in connection with its guarantees, such as the fees of a legal counsel or an expert and, in the event of a conviction, legal costs.

**ARTICLE 6:**

The Beneficiaries of Guarantees and the Group Companies that have provided securities in favour of the Company shall notify the Company within one month of any major change in their operational management, the extent of their own funds, such as an increase or decrease in capital, or the shareholding structure of the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company or any other Group Companies (e.g. when a company ceases to belong to the Group). This also applies in the event of the sale of substantial assets, a merger or a (partial) demerger, a transfer of all assets and liabilities or of a branch of activity, judicial reorganisation proceedings, or any event whatsoever that could directly or indirectly affect the position of the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company or any other company within the Group.

**ARTICLE 7:**

The obligations set out in this section cease to apply once all guarantees granted in favour of the Beneficiary have been fully released and any disputes that may have arisen in connection with any such guarantee have been resolved.

## RIGHTS OF THE COMPANY

**ARTICLE 8:**

The Company reserves the right, vis-à-vis the Beneficiary of Guarantees and the Group Companies that have provided securities in favour of the Company:

- to demand immediate payment of the amounts of the guarantees provided on the Beneficiary's behalf;

- or to withhold such amounts from any funds belonging to the Beneficiary that are held by the Company, until the obligations entered into by the Company are fully covered;

- or, among others, to require additional securities,

when:

1° the Beneficiary or the Group Companies that have provided securities in favour of the Company no longer meet the conditions for obtaining guarantees as required under the Articles of Association and the internal rules and regulations;
2° the Company identifies a considerable deterioration in the financial structure of the Beneficiary, the Group Companies that have provided securities in favour of the Company or any other company within the Group;
3° the Beneficiary has resigned or has been excluded;
4° the Beneficiary ceases to perform the obligations in respect of which the Company has provided a guarantee and/or fails, upon first demand, to comply with any formal notice issued by the party in whose favour the Company has provided a guarantee;
5° the contracting authority or the Creditor decides, or threatens, to take measures or impose penalties for non-performance (including termination of the agreement);
6° the contracting authority or the Creditor decides, or threatens, to make a claim under the guarantee;
7° a dispute or legal proceedings arise with the Creditor or the contracting authority;
8° the Beneficiary of Guarantees or the Group Companies that have provided securities in favour of the Company fail to comply with the applicable provisions concerning securities for guarantees, including, among others, the provisions laid down in the financial pledge agreement entered into with the Company;
9° the Beneficiary ceases to pay the owed contributions or to reimburse the Company for other amounts paid on its behalf;
10° the Beneficiary or the Group Companies that have provided securities in favour of the Company fail to provide the Company on time with the financial and accounting information required to assess developments in the financial position of the Beneficiary's business or the Group;
11° the Beneficiary or the Group Companies that have provided securities in favour of the Company fail to provide the information that the Company considers necessary to assess the obligations entered into by the latter in respect of guarantees, or have provided inaccurate or incomplete information;
12° it becomes apparent that the Beneficiary or the Group Companies that have provided securities in favour of the Company fail to pay their social security contributions or due and payable tax liabilities on time;
13° bills of exchange drawn on or accepted by the Beneficiary or the Group Companies that have provided securities in favour of the Company are protested, or their assets

become subject to attachment (including enforcement measures taken by the tax authorities);

14° the Beneficiary or the Group Companies that have provided securities in favour of the Company or their legal representative are convicted by a court;

15° the Company identifies a major change in the operational management, the extent of own funds, such as an increase or decrease in capital, or the shareholding of the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company or any other Group Companies (e.g. when a company ceases to belong to the Group). This also applies in the event of the sale of substantial assets, a merger or a (partial) demerger, a transfer of all assets and liabilities or of a branch of activity, or any event whatsoever that could directly or indirectly affect the position of the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company or any other company within the Group.

Furthermore, the Company reserves the right to terminate the guarantees provided, including in the circumstances referred to in points 1°, 2°, 3°, 4°, 5°, 8° or 15° above.

The Company may take any of these measures or terminate the guarantees without prior recourse to the courts and without prior notice of default, by registered letter addressed to the Beneficiary and/or the Group Companies that have provided securities in favour of the Company.

If the Company does not take such measures or does not terminate the guarantees, even where it considers that one of the circumstances specified in this Article has arisen, this shall under no circumstances be construed as a waiver by the Company of its right to take such measures or to terminate the guarantees.

SECURITIES

**ARTICLE 9:**

The Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, shall determine, at its discretion, the securities to be provided by the Beneficiary and by any Group Companies wishing to provide securities, prior to granting the guarantee.

Taking into account both the risks inherent in the type and duration of the guarantee and due to the financial structure of the Beneficiary and the Group, the Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, may, throughout the entire period during which the guarantee(s) provided in favour of the Beneficiary remain(s) in place, revise the percentage of the risk that must be covered and, where appropriate, apply a percentage higher than that normally required.

The Company accepts the following as security:

1° the shares subscribed to and fully paid up by the Shareholders;

2° the cash deposits made by the Beneficiary or a Group Company;

provided that such shares or cash deposits are pledged in favour of the Company, which shall also have the authority to convert them into investments.

Where appropriate and by way of exception, the Company may also accept the following as security from the Beneficiary or a Group Company: pledges of securities, guarantees, bank securities, mortgages and any other form of security that the Company considers sufficient.

PAYMENT OF THE SECURITIES

**ARTICLE 10:**

The Board of Directors determines the rates of interest payable on the amounts deposited in this manner.

The interest shall be credited to the current account of the Beneficiary or the Group Companies that have provided securities, after deduction of withholding tax on investment income. Such interest shall constitute the proceeds of the pledge.

In the event of non-compliance with any obligations, the Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, may decide:

- to suspend the payment of interest to the Beneficiary or the Group Companies that have provided securities in favour of the Company;

- to exclude the Beneficiary or the Group Companies that have provided securities in favour of the Company from entitlement to interest.

Such obligations may arise from the Articles of Association, these internal rules and regulations, specific regulations, agreements, deeds, correspondence with the Company or otherwise.

CONTRIBUTIONS

**ARTICLE 11:**

The Beneficiaries of Guarantees are required to pay a contribution in proportion to the amount of the guarantee.

The percentages of the contributions, as determined by the Board of Directors, depend on the type of guarantee and the situation of the Beneficiary of Guarantees.

The Board of Directors is authorised to amend these percentages. Each year, it determines whether or not a refund on contributions is to be granted at the end of the financial year. Only Shareholders who meet the conditions laid down by the Board of Directors shall be eligible for a refund. The Board of Directors determines the refund percentage for each type of guarantee.

In the event of non-compliance with any obligations, the Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, may decide:

- to suspend the payment of refunds to the Shareholder;
- or to exclude the Shareholder from entitlement to refunds.

Such obligations may arise from the Articles of Association, these internal rules and regulations, specific regulations, agreements, deeds, correspondence with the Company or otherwise.

The contribution is debited to the current account of the Beneficiary of Guarantees and is payable upon receipt of the account statement.

The Board of Directors is authorised to determine the rules governing the operation and frequency of account statements.

All sums owed to the Company by the Beneficiaries or by the Group Companies that have provided securities in favour of the Company shall be paid within ten days of the date on which the account statement or request for payment is sent.

Upon expiry of this period, these sums, by operation of law, bear interest which is determined as follows:

- for the first 90 days: the legal interest rate;
- from the 91st day: the legal interest rate increased by 3%

DURATION OF THE DEPOSITION OF THE GUARANTEES

**ARTICLE 12:**

In principle, the Company provides the guarantee for a period based on the information specified in the application for a guarantee, more specifically the anticipated period for performance of the contractual obligations from the commencement date, plus the guarantee period. When, by way of exception, the Company agrees to provide a guarantee in respect of obligations for which the guarantee cannot be released upon expiry of the aforementioned period, the Company reserves the right to require the Beneficiary and the Group Companies that have provided securities in favour of the Company to procure the Company's release from its obligation upon expiry of that period by themselves providing the required guarantee.

The Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, reserves the right to require specific securities in respect of guarantees that cannot be released within the aforementioned period.

Under no circumstance may the Beneficiaries of Guarantees agree to an extension of the term of a guarantee without the Company's prior consent, even if such extension does not result in the aforementioned period being exceeded.

Any extension imposed by the contracting authority or the Creditor and accepted by the Beneficiary without the Company's consent may result in penalties imposed by the Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, which may require the immediate and full payment, by the Beneficiary or by the Group Companies that have provided securities, of the value of the guarantee.

The standard forms of the financial pledge agreement and the agreement with Group Companies that have provided securities are enclosed with these internal rules and regulations and shall form an integral part thereof.

AUDIT AND SUPERVISION

**ARTICLE 13:**

The Beneficiaries of Guarantees and the Group Companies that have provided securities in favour of the Company submit to the audit measures prescribed by these internal rules and regulations or the specific regulations. They shall make every effort to facilitate the performance of the audit duties of the Company's representatives.

**ARTICLE 14:**

In addition to the general and continuing authority to carry out audits granted by the Board of Directors to the Director of the Company, the Board may, in accordance with the Articles of Association, appoint audit committees composed of third parties such as lawyers, statutory auditors, consultancy firms, advisers, individuals or organisations capable of providing a detailed auditor's report.

The costs of such audits are borne by the Beneficiary and/or the Group Companies that have provided securities. They are payable under the same conditions as specified in Article 11 of these regulations.

**ARTICLE 15:**

As long as the securities provided to the Company by the Beneficiary and the Group Companies that have provided securities is not at least equivalent to the amount of the guarantees still outstanding, the Company shall have the right to:

a) audit, on site, the accounts of the Beneficiary and the Group Companies that have provided securities and carry out a valuation of their assets and liabilities for audit purposes;
b) inspect the works covered by the guarantees and the garages, workshops or warehouses of the Beneficiary and the Group Companies that have provided securities;
c) audit all records and correspondence and, in general, all accounting and technical documents.

PARTNERSHIPS

**ARTICLE 16:**

The Company may provide guarantees for partnerships formed between Shareholders or between Shareholders and third parties.

Each partner in the partnership who is not already a Shareholder shall be bound by these internal rules and regulations in the same manner as a partner in the partnership who is a Shareholder of the Company. The latter shall inform the other partners in the partnership accordingly.

The issue of a guarantee for a partnership constitutes unreserved acceptance of these internal rules and regulations vis-à-vis partners who are not yet Shareholders of the Company.

The Company may also make entitlement to a guarantee conditional upon all partners in the partnership who are not yet Shareholders being admitted as Shareholders of the Company.

Despite any agreement to the contrary between the partners in the partnership, the partners shall be jointly and severally liable:

- for the performance of the obligations arising from these internal rules and regulations, specific regulations, agreements, deeds, correspondence with the Company or otherwise;

- for the payment of contributions and all amounts owed by the partnership, as well as for the performance of all other obligations arising from the contract in respect of which the Company has provided the guarantee and from the guarantee deed.

The Company is entitled to debit all amounts owed by the partnership to the current accounts of the partners in the partnership. Where applicable, payment shall be made by setting off such amounts against any sums held or managed by the Company for the benefit of those partners, even where such sums constitute security for other guarantees.

The Company may withhold from any sums due to the partnership such amounts as are necessary to clear the current accounts of the partners, up to the amount corresponding to their respective interests in the partnership.

When a Shareholder remains in default on obligations other than those arising from its capacity as a partner in the partnership, the Company shall, by operation of law, be entitled to apply the security provided by that Shareholder in connection with the partnership towards the discharge of those other obligations.

In such case, the Board of Directors reserves the right to require the partners in the partnership, upon first request, to replenish the security up to the amount determined when the guarantee was granted.

At the Company's request, the Shareholder shall provide the Company with the text of the agreement entered into with its partners.

All communication relating to the partnership shall be sent exclusively to one or more partners in the partnership who are also Shareholders.

## REGULATIONS

**ARTICLE 17:**

In addition to the general powers provided for in the Articles of Association and the specific powers laid down in the preceding Articles of these rules and regulations, the Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, are authorised to adopt any regulations relating to matters of day-to-day management, including, among others, minimum contributions, administrative costs, custody fees for securities provided as collateral, etc. ...

The Beneficiaries of Guarantees may obtain a copy of these specific regulations upon written request to the Company.

MISCELLANEOUS PROVISIONS

**ARTICLE 18**

Account statements must be disputed by the Shareholder within ten working days of being made available, failing which they shall be deemed correct.

**ARTICLE 19**

The Board of Directors or the Director, acting together with the Chair and/or Vice-Chair of the Board of Directors of the Company, are authorised to take any measures that may be necessary vis-à-vis one or more Shareholders or Beneficiaries of Guarantees to ensure continued compliance with the obligations arising from the supervision by the Deposit and Consignment Office or any other supervisory authority.

**ARTICLE 20**

Without prejudice to the grounds for interruption of the limitation period under general law, the limitation period is interrupted by a notice of default from the Company sent by registered letter.

**ARTICLE 21**

Any dispute or proceedings between, on the one hand, the Company and, on the other hand, the Shareholders, including Shareholders who have resigned or have been excluded, the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company, and third parties who are partners in a partnership, shall fall within the jurisdiction of the courts of Brussels, without prejudice to the Company's right to bring proceedings before any other court having jurisdiction under general law.

**ARTICLE 22**

The legal relationships arising from these internal rules and regulations, specific regulations, agreements, deeds, correspondence with the Company or otherwise between, on the one hand, the Company and, on the other hand, the Shareholders, including Shareholders who have resigned or have been excluded, the Beneficiaries of Guarantees, the Group Companies that have provided securities in favour of the Company, and third parties who are partners in a partnership, shall be governed exclusively by Belgian law, excluding any conflict-of-laws rule that would result in the application of another law.

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