

INDUSTRIAS LANEKO, S.A.L.

GENERAL TERMS AND CONDITIONS OF SALE

I. GENERAL TERMS

The General Terms and Conditions of Sale herein described shall apply to all sales of products and services (hereinafter referred to as the Product/s) made by INDUSTRIAS LANEKO, S.A.L. (hereinafter referred to as Laneko), unless otherwise said in the Contract executed to the corresponding aim by Laneko (hereinafter referred to as the Contract) with the buyer or the purchaser of the Products (hereinafter referred to as the Buyer).

The following documents may be deemed as the Contract between Buyer and Laneko:

- (i) The Offer, which includes the terms and conditions according with Laneko's commitments to supply the Products;
- (ii) Any document the Parties may agree (Particular Conditions);
- (iii) these General Term and Conditions of Sale;
- (i) the Orders, which have the number of Products Laneko commits to deliver to the Buyer according to the Offer and the General and Particular Term and Conditions of Sale;

These documents shall be named hereinafter as the Contract.

In case of any contradiction between the documents contained in the Contract, each document shall have preference among the others in the order abovementioned.

Any changes or amendments made to the Contract must be submitted in writing. No other general commercial conditions shall apply, even where they have been applied in one or various cases or have not been expressly ruled out for an specific case.

In particular, shall not apply the General Term and Conditions of the Buyer, if so exists, or any other General Term and Conditions which may be applied, which are expressly excluded.

II. LANGUAGE

Notwithstanding the language which may be used in an specific communication and document, the official language and the sole language that shall be deemed as valid, is the Spanish Language.

In case of any contradiction between the Spanish and other language, the correct wording, which shall prevail to the other, it shall be the Spanish wording.

III. DOCUMENTS ACCEPTANCE

The Contract comes into force and shall be valid between Laneko and Buyer from the moment where Buyer sends the Offer back to Laneko duly signed or from the moment Buyer issues a Purchase Order with mention to the Offer.

With the signature of the Offer or with the issuance of the Purchase Order with mention to the Offer, Buyer accepts, likewise, those documents named as the Contract which have also delivered to him.

In any case, the Contract shall come into force at the same moment where starts its execution (purchase of raw materials, manufacturing of the Products for its delivery, rendering of the services, delivery of some or receiving of other, etc.).

IV. ORDERS/PURCHASE ORDERS

To start the managing of any supply shall be necessary that Buyer sends the Purchase Order (PO) in written by e-mail/fax.

The PO confirmed by Laneko (via e-mail/fax) shall move on without any right to subsequent claims. In case of any termination of the PO once confirmed, it shall be deemed as an infringement of the Contract and Conditions XV and XVI shall apply.

Laneko shall keep the right to change partial or in full the design and materials of any of the Products of the PO, according to the continuous improvement of them.

In order Laneko may duly perform its commitments under the Contract, Buyer shall deliver to Laneko, if applicable according to the aim of the Contract, a three months delivery forecast.

V. SUBCONTRACTING

Laneko shall keep the right to total or partial subcontract the Contract with any third party without the previous consent and knowledge of Buyer.

VI. SUPPLIER IMPOSED

If by any need of the supply or by any other cause, Buyer proposes or imposes to Laneko the purchase of a component or raw material to a particular supplier (Supplier imposed) Supplier shall be responsible for the proper delivery of the Products. Laneko shall not be responsible when any defect in the Product or late delivery is caused, directly or indirectly, by the supplier or the source imposed.

VII. DELIVERY TERMS

Except expressly and in written otherwise agreed, the Orders shall be delivered to Buyer EX WORKS Uharte Arakil (Incoterms 2010).

The delivery term shall be such term expressly agreed between both parties in the Contract.

The late performance by Buyer of its commitments shall also delay the performance deadline for Laneko's commitments: (i) in the same delay as Buyer plus (ii) an additional term needed to avoid the effect of Buyer's delay in the due performance by Laneko of its commitments.

Any delay in the delivery of Products shall be duly informed to Buyer, who shall have no right to any compensation neither to terminate the Contract except when the delay is over thirty calendar days or over a number of days equal to half the delivery term agreed, the higher one. To this effect, the delivery term shall be calculated as the number of days from the confirmation of the PO and up to the delivery date regulated in the Contract.

Quantity tolerances.

With respect to the character of the Supplier's product portfolio, it is not possible to produce the exact quantity of Products as per the Order. Therefore, the Supplier is entitled to produce more or less Products than ordered, however, within the quantity tolerances set out hereby, and thus invoice the

actually delivered quantity of Products, provided that it is within the quantity tolerance. The Customer is obliged to pay the price of the actually delivered Products.

The difference between the ordered and the actually delivered quantity of Products shall not exceed 10% for orders up to 999 units and 5% for orders exceeding 999 units.

VIII. RENDERING OF SERVICES

In case Laneko undertakes some commitments, differing from the delivery of Products, e.g. the erection of Products, technical advising or others, except when otherwise expressly agreed, such commitments shall be deemed as a rendering of services and shall not be deemed as a Works contract aiming for a result.

In such a case, Laneko undertakes to render properly the services, but Buyer discharges Laneko from any responsibility related to aiming for a particular result, also for any accident, collapsing, breaking or any other incidence caused by any documentation or information not provided by Laneko or by the absence of any study or report which, if applicable, should have been made.

IX. PRICE AND TERMS OF PAYMENT

The price and terms of payment shall be those in force agreed between Laneko and Buyer in the agreements executed.

1. In case of untimely delivery in advance, the payment shall be made on the agreed delivery date, except when the untimely delivery in advance has been so requested by Buyer. In such a case, the payment shall be made in advance in the same number of days as the delivery has been made in advance.
2. In case of defects in the delivery, Buyer shall make the payment in the agreed terms, notwithstanding Laneko's commitments to answer any claim so requested, from which it shall be responsible by hidden defects or according to the guarantee.
3. Laneko may change the price if the costs of raw materials vary above a percentage of 5% (according to the London Metal Exchange). In any case, the Orders already supplied or in course to be supplied, shall keep the current price and the increase shall apply in future Orders (if more than one) and in the sole case Laneko has informed the Buyer about such price increase and its causes. This paragraph shall be applied also in those Framework Agreements of price which may be executed between Laneko and Buyer for a batch of Orders or for a undefined time.
4. Both parties expressly accept the Laneko's right to set-off the reciprocally due amounts in relation to the Contract, whatever its nature, in accordance with the general condition XVII.

Except otherwise expressly agreed, the price shall be paid in advance with the Purchase Order. The payment term cannot be, in any case, above the time limit of sixty (60) days, with or without agreement thereof. Elapsed any other term agreed or, in any case, the time limit of 60 days, with or without agreement thereof, the due amount shall accrue the interest rate regulated in article 7 of Spanish Law 3/2004, dated on 29th, December, by whom are established some measures against the lateness in payments in commercial dealings.

Except otherwise agreed, the payment shall be made in Euro currency.

Except otherwise agreed, payment shall be made by wire transfer in the account so identified by Laneko. Any expense, rate, interest, custom, commission or any other cost as a consequence of the price payment shall be paid by Buyer.

X. TRANSFER OF RISK AND OWNERSHIP

The risk over the Products is transferred to Buyer with its delivery in Ex Works terms or according to any other terms expressly agreed.

In any case, Laneko shall keep the ownership of Products and the ownership shall not be transferred to Buyer until full payment of Contract price.

XI. NON-CONFORMING PRODUCTS

The Buyer shall check the delivered Products and shall notify Laneko, within fifteen days, of those defects that the Products may have.

Once elapsed the time limit of fifteen days without any notification, Products shall be deemed as delivered in good state and Laneko shall not be responsible of any apparent defect.

Laneko shall still be responsible of hidden defects during the guarantee term and according to Condition XII.

XII. GUARANTEE

Guarantee expires after 12 months from the Products delivery. Guarantee shall be performed under normal working conditions, i.e., an eight working hours per day, five days per week.

During the warranty period Laneko undertakes to correct or replace any defective Product as a result of manufacturing defects, with the limitations regulated in this Condition.

Spare parts, also the works and services provided within the guarantee shall be guaranteed under the same terms and conditions applicable to the original parts and for a new period of 12 months.

In order to benefit from the warranty, Buyer shall notify Laneko without delay and in writing of the defects that have appeared and give Laneko the opportunity to check and correct them.

Laneko shall not be under any obligation if the defect is attributable to improper use, incorrect assembly, unwise repairs carried out by Buyer, or the normal wear of the material.

The warranty shall be limited to the replacement free of charge of defective or damaged parts, component or defective works and does not cover any damages caused to Buyer as a result of the Product being broken or useless.

Buyer shall contact Laneko's Quality Department prior to shipping Product in order to follow Laneko's Warranty procedure.

In any case, the non-conforming Product shall be at Laneko's disposal for repair under warranty. When the repair has to be carried out where the Product is placed and it is delayed for reasons attributable to Buyer, all the costs incurred by the Laneko's personnel shall be on the Buyer's account, who shall also be liable for any damages caused to Laneko as a result of any delay in the repair.

XIII. STOCK

To fulfill Buyer's needs and to supply in due time and due quality the Products ordered, Laneko may have a minimum stock of Products and/or raw material which, in any case, shall be according to Buyer's

real needs and, if exists, according to the delivery forecasts which may be sent according to Condition IV.

Buyer undertakes, once terminated the Contract, to buy the stock of Products and/or raw material which Laneko warehouses for supplying the Buyer.

XIV. LANEKO'S RESPONSIBILITY

Laneko shall be responsible solely for those direct damages arising during the manufacturing of Products and, if applicable, and according to the Incoterm finally in force, during shipment at the place of delivery. Laneko shall not be responsible for any loss of profit or any other indirect, incidental or consequential damage.

Laneko's total aggregate maximum liability for all damages shall not exceed 20 % of the total Contract Price.

XV. BUYER'S RESPONSIBILITY

Buyer shall be responsible for fulfilling all commitments undertaken in the Contract, in particular, price payment commitments.

Buyer shall also be responsible for all preliminary Works previous to the delivery of Products by Laneko. It shall be deemed as preliminary works all works expressly defined as so in the Contract, and all works which reasonably should be deemed as so from the Contract terms.

If Buyer breaches its commitments or delays the performance of such commitments, Laneko shall be entitled to claim for all damages caused by such infringement, including financial costs directly arising from the delay of Buyer. Additionally and when Buyer's breach of Contract is the total or partial non-payment of price, Buyer shall be penalized with an amount equal a 4% per week of the non-paid price with a maximum limitation of 20% of such amount. This penalization shall not substitute the compensation for damages in case of breach of Contract.

Likewise, Buyer guarantees that all drawings, documents, projects, technical information, etc., delivered to Laneko shall be appropriated and suitable for the fulfillment of the Contract. Buyer shall be the sole responsible for all damages caused to itself, Laneko or to any third party, by an error or inaccuracy in such information or documentation. Buyer shall keep harmless Laneko from any claim by any third party for damages arising from the mentioned error or inaccuracy in the documentation or information.

XVI. ETHICAL BEHAVIOR

Buyer commits to upholding its social responsibility in all business dealings. In all its business activities and decisions, Buyer shall respect the laws and any other applicable provisions in force.

Buyer assures not to practice or tolerate any form of corruption, extortion or embezzlement. Unethical behavior may not be used to unlawfully influence others in business dealings by exchanging gifts or offering or granting other benefits either at home or abroad. The same applies to the unlawful acceptance of benefits.

XVII. CONTRACT TERMINATION

All infringement of Contract commitments shall entitle the performing party to terminate the Contract by the sole written notification to the party in breach, still keeping all rights to claim all damages caused.

Previously to any termination, the performing party shall give the party in breach a term of 30 days to remedy its infringement. Elapsed such term without removing the termination cause, the performing party may terminate the Contract with the sole notification with evidence to the party in breach.

If the Contract is terminated by causes attributable to Buyer:

- Buyer shall receive and pay all finished Products ready for its delivery at the price agreed in the Contract.
- Buyer shall buy and pay Laneko all Products in course of manufacturing and all raw materials in stock at its market price. It shall be deemed as market price the purchase price plus a 15% for raw materials and a 35% for Products in course of manufacturing.
- Buyer shall compensate Laneko all damages caused, including consequential losses and loss of profits.
- Buyer shall pay Laneko all penalizations according to these General Conditions or according to the terms expressly agreed in the Contract.
- Buyer shall keep harmless Laneko from any claim by any third party as a consequence of Buyer's infringement, including court costs.

If the Contract is terminated by causes attributable to Laneko:

- Buyer shall receive and pay the finished Products ready for its delivery, just when are in good state for its use, at the Price agreed in the Contract.
- Shall not be compulsory for Buyer to buy and pay Laneko the stock at Laneko's facilities which it may have stored to supply the Products.

XVIII. SET-OFF RIGHT

Laneko is entitled to set off the price, penalizations, damages and any other amount due by the Buyer with any amount Laneko may owe, in turn, to Buyer for any cause, being enough the sole notification of the offsetting.

Any company where Laneko is taking part may deduct or set off any amount due to Buyer by any of this companies with any amount the Buyer may owe to any of them.

XIX. INTELLECTUAL PROPERTY

Buyer acknowledges that Laneko currently is, and shall still be in the future, the proprietary of all patents, calculation, design, manual, model, drawings, know-how, tools and any other document or right which Laneko may have used in the manufacturing and delivery of Products or which are directly related to the Products themselves (IP Background) and, in any way, have been delivered to Buyer. Except when otherwise agreed, nothing in the Contract shall be deemed as an awarding of any right of Intellectual Property, license, nor authorization to register a patent or other intellectual property right in favor of Buyer over the IP Background.

XX. CONFIDENTIALITY

It shall be deemed as Confidential Information all information related to theoretical, technical, financial, commercial or any other nature, notified and delivered by Laneko to Buyer as a consequence of the Contract or for its execution, also any other documentation and/or information to which the Buyer may

have access during the validity of Contract. It shall be treated as Confidential Information both, written information and diagrams, patterns, software, designs, also information in any other device.

It shall not be deemed as Confidential Information:

- Such information which is in public domain, or which may be in public domain with no infringement of the regulation in force, neither of this Condition.
- Such information notified or delivered by Laneko to Buyer expressly stating such information is not under confidentiality regarding this Condition.

Buyer commits to keep confidential all Confidential Information, guarantying the adoption of enough technical and organizational measures to assure the protection of such Confidential Information. Buyer commits no to disclose such Confidential Information, neither to publish, nor, in any way, make it available to any third party, both, directly and indirectly by any third party, without the previous written authorization by Laneko. In case Laneko has authorized the making of copies, Buyer shall not be allowed to keep them, except previous and written authorization by Laneko. Otherwise, Buyer undertakes to destroy or return to Laneko all mentioned material, information and documentation. Buyer shall inform its personnel about these confidential commitments regulated in this Condition, shall make every warning and shall gather all necessary documents with its personnel aiming for securing the due performance of such commitments. Buyer shall be responsible against Laneko of any infringement of confidentiality both, attributable to Buyer itself also to any third party thereto related, being Laneko entitled to claim the Buyer and/or the mentioned third parties the appropriate responsibility and compensation. To these effects, it should be enough the mere reception by any third party of part or total Confidential Information or if such Confidential Information is disclosed by any means.

XXI. GOVERNING LAW AND JURISDICTION

The governing law shall be the Spanish Law, with no application of the Vienna International Convention of International Sale of Goods (1980), which shall not apply to the Contract. The Parties undertake to solve any conflict or dispute arising as to the interpretation, application, termination and/or fulfilment of the Contract, with express renounce to any other jurisdiction that may be applicable, according to the following means:

- If the Buyer is Spaniard, before the courts corresponding to the main address of Laneko.
- If the Buyer is of another nationality different form the Spanish one, before the Court of Arbitration of the Cámara de Comercio, Industria y Servicios de Navarra, to which the administration of the arbitration proceedings and the appointment of the Arbitrator(s) is entrusted, pursuant to its Regulations and Bylaws.

XXII. MISCELLANEOUS

Any mention to a day, except otherwise so said, shall be deemed as a business day, i.e. Monday through Friday, excluding national holidays.

At all times, Buyer has an affirmative duty to fully and completely cooperate with Laneko. The cooperation of the Buyer shall include, but not be limited to, full and truthful disclosure of all material and relevant information to Laneko. Buyer's duty to cooperate with Laneko shall include a duty on the



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Buyer's part to be truthful with Laneko when sending any information relevant to the performance of the Contract.

No addition, modification or waiver of any these Conditions or part of them shall be effective unless they are carried out in writing signed by authorised representatives of Laneko.

If any term or other provision of this General Conditions is determined by a court of competent jurisdiction, administrative agency, or arbitrator to be invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this General Conditions shall nevertheless remain in full force. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify these General Conditions so as to effect the original wording and intent as closely as possible in an acceptable manner to the end that the transaction contemplated in the Contract is fulfilled to the fullest extent possible.