

## **TERMS OF AGREEMENT**

### **1.DEFINITIONS**

In the present Terms of Agreement, the following stipulations, in capital letter, have, unless the opposite is indicated, the following meanings:

#### **THE PROVIDER**

Designates the enterprise undersigned the contract as seller or provider of the PRODUCTS.

#### **CLIENT**

Designates the final user of the assets that integrate the FINAL PRODUCTS the PROVIDER produces and/or distributes.

#### **COMPONENTS**

Designates all those elements the PROVIDER acquires to integrate in the FINAL PRODUCT destined to the CLIENT.

#### **CONTRACT**

Designates the contractual relation existing between THE PROVIDER and THE CLIENT, integrated by: (1) The QUOTATION, the PURCHASE ORDER and, in its case, the written Contract signed by the PROVIDER and the CLIENT, along with the appendixes and corresponding technical specifications, (2) the documents elaborated by the PROVIDER and facilitated to the CLIENT, and (3) the present Terms of Agreement. In case there exists contradiction among the documents integrating the CONTRACT, the priority relation is based in the corelative order indicated in the present definition.

#### **PURCHASE ORDER (S)**

Designates the petition made by the CLIENT to the PROVIDER, accepting the previous quotation that contain the lead time and conditions in which the delivery of the PRODUCTS must proceed.

#### **PRODUCTS**

Designates the articles the PROVIDER produces, commercializes or distributes.

#### **INTELLECTUAL OR INSDUSTRIAL PROPERTY and KNOW HOW**

Designates all the patents, copyright, design right and other intellectual property rights and know-how, including the discoveries, inventions, technical information, procedures, manufacturing and other procedures and informatic programs.

#### **PPM**

Parts per Million: Indicates the number of defective PRODUCTS per million supplied by the PROVIDER

#### **SUBCONTRACTOR (S)**

Designates the natural or legal person subcontracted by the PROVIDER to the execution of either the totality or part of the CONTRACT or of activities related to itself.

#### **SUPPLIES**

Designates all of those consumable elements used for the PRODUCTS functioning that the CLIENT acquires and that are needed for the development of the activity but are not integrated in the PRODUCTS.

### **2.APPLICATION OR THE PRESENT TERMS OF AGREEMENT**

The present Terms of Agreement (which contain, in the previous PROVIDER'S QUOTATION, the PROVIDER'S website will be remitted for consultation and for the CLIENT'S acknowledge) will be applied to all the acquisition operations of all kind of PRODUCTS and/or SUPPLIES the CLIENT makes and will be understood as integral part of the contract along with the particular conditions of itself.

The fact that the CLIENT accepts a previous QUOTATION form the PROVIDER and refers a PURCHASE ORDER, supposes acknowledge and acceptance, without reservations, of this Terms of Agreement that in consequence, will be understood as integral part of the contract along with the particular conditions of itself. Any change or modification of these Terms of Agreement should be written and signed by both parts to be valid.

The present Terms of Agreement exclude any others. All reference to the CLIENT'S General or Particular Terms of Agreement that may appear in their documents, at any given time, will not abide in any case the PROVIDER, and in any case can be considered as integral part of the CONTRACT, even in the assumption that the PROVIDER hasn't explicitly rejected them.

### **3.PROVIDER'S LIABILITIES**

#### **General PROVIDER'S Liabilities**

THE PROVIDER is bound to supply the CLIENT the PRODUCTS and/or SUPPLIES that take part of the CLIENT'S PURCHASE ORDER, once this PURCHASE ORDER is accepted by the PROVIDER. The supply must be done regarding the terms agreed in the CONTRACT, THE PROVIDER must deliver the agreed quantities of PRODUCTS and/or SUPPLIES, with the characteristics and standards/quality conditions referred in the previous QUOTATION and PURCHASE ORDER, in the time lead specified in the CONTRACT and all of it, under the agreed price.

The infringement of these Liabilities will result in the consequences determined through these Terms of Agreement and/or others that would be agreed by both parts in the CONTRACT.

#### Specific PROVIDER and CLIENT Liabilities

THE PROVIDER will not modify the supply conditions, unless due to force majeure, of circumstance variation due to the manufacturer, in particular, changing the components, materials, process (es) employed for them, the place of manufacturing, the price, the delivery conditions, or any other condition that the parts have previously agreed to in the CONTRACT, without the previous written agreement of THE CLIENT. Meanwhile, THE CLIENT will not be able to modify the PURCHASE ORDER after being accepted by THE PROVIDER, unless due to force majeure and with previous written consent from THE PROVIDER.

THE PROVIDER will be responsible of the correct maintenance and updating of all the information and data required in the means and ways the PROVIDER finds appropriate.

Every exchange of information between THE PROVIDER and THE CLIENT must be carried out, as far as possible in digital format.

#### **4.CLOSING AND CHANGES OF THE PURCHASE ORDER/CONTRACT**

Both, THE PROVIDER as well as THE CLIENT agree to recognize as valid PURCHASE ORDERS only those ones which have been placed by the CLIENT'S Purchasing Department and accepted by the PROVIDER'S Sales Department

THE PURCHASE ORDERS, as their modifications and extensions and their acceptance, must be placed in writing, being understood that this requirement is fulfilled when the communication between THE CLIENT'S purchasing department and the PROVIDER'S sales department are done by electronic media when these media have been used by the parties in the previous process of sending business QUOTATIONS and counter offers.

THE PURCHASE ORDERS must be submitted by THE CLIENT'S purchasing department, in writing and in the referred way preceded in the 4.2 section. The acceptance must be remitted by THE PROVIDER'S sales department to THE CLIENT'S purchasing department, in writing and in the referred way preceded in the 4.2 section, during the first 48 hours after the reception of the PURCHASE ORDER. The fact that THE PROVIDER starts to execute the PURCHASE ORDER will be considered as an explicit acceptance of itself.

#### **5.DELIVERIES AND TIME LEADS**

The dates and time leads possess essential character to every effect. The parties agree that this time leads have been established accounting the risks of their activities and consequences.

No motive, except for cases due to force majeure, as they are defined in these Terms of Agreement, or causes exclusively attributable to the PRODUCTS' and/or SUPPLIES manufacturer, to the transporter(s), or to THE CLIENT, may exempt the PROVIDER from the liability of respecting the dates and time leads stipulated in THE CONTRACT or justify a postponement of these dates and time leads.

THE PROVIDER commits to inform THE CLIENT immediately about the producing of any situation that risks the fulfillment of the delivery time leads established in THE CONTRACT. THE PROVIDER is also liable of adopting the pertinent corrective measures to minimize the risk, informing THE CLIENT at every moment.

In the event of probable or confirmed delay from THE PROVIDER regarding the contractual liabilities, THE CLIENT might, without additional cost, demand THE PROVIDER to take, on its own cost, all the needed corrective measures.

Unless the CONTRACT states otherwise, in case of delayed deliveries, THE CLIENT might demand THE PROVIDER a penalty of 0,0001% from the delayed PRODUCTS and/or SUPPLIES price, for each delayed day. In the event that the delay exceeds 60 days, THE CLIENT might terminate partially or totally the ongoing CONTRACT or PURCHASE ORDER due to essential unfulfillment imputed to THE PROVIDER.

Unless THE CONTRACT states otherwise, the deliveries will be Ex Works (Incoterms 2010)

Every delivery performed by THE PROVIDER to THE CLIENT, must come with a delivery note or equal documentation, in which it is indicated, at least, the PURCHASE ORDER number facilitated by the CLIENT, THE CLIENT'S references and the quantity of PRODUCTS and/or SUPPLIES delivered per each reference.

THE CLIENT'S signature in the delivery note or equal documentation in any case will be interpreted as an explicit or implicit acknowledge of concurrence with the quality and/or quantity of the received PRODUCTS and/or SUPPLIES. Unless the CONTRACT states otherwise, THE CLIENT will not be allowed to open or unpack THE PRODUCTS received until a PROVIDER'S AGENT appears and in mutual agreement with a CLIENT'S delegate, a RECORD OF CONFORMANCE AND COMMISSIONING is elaborated. The previous provision will not rule over the SUPPLIES received by THE CLIENT, who must bring to light the decreases, defects or vices of the aforementioned, within the time leads established in the current Spanish Commercial Code

The frequency of the deliveries, the delivery date and planning will be established in THE CONTRACT. In this sense, it regards:

Frequency of deliveries: the periodicity in which the PRODUCTS and/or SUPPLIES must be delivered and, as the case may be, the weekdays in which they must be delivered.

Delivery date: The delivery date will be that which both parties agreed to and shows in THE CONTRACT.

Orientation/Planning: The planned deliveries THE PROVIDER estimates to perform in the following weeks or months after this concrete Orientation, and that will be provided to THE CLIENT with the frequency established in THE CONTRACT.

THE PRODUCTS and/or SUPPLIES deliveries will be performed in the date and place indicated in the CLIENT'S PURCHASE ORDERS, based on the agreed QUOTATION, accepted by the aforementioned. THE CLIENT will accept early deliveries from the dated indicated in the PURCHASE ORDERS.

## **6.PACKAGING AND IDENTIFICATION**

THE PRODUCTS and/or SUPPLIES will be packaged, loaded and transported by the PROVIDER to the destination place, as indicated at THE CONTRACT and complying in every case the current regulations resulting from application. Unless THE CONTRACT indicates otherwise, the packaging costs will be covered by THE CLIENT.

All THE PRODUCTS and/or SUPPLIES will be packaged by the PROVIDER in a way that allows their guaranteed handling, transport and storage. The containers will be as solid as the size, weight, and type of the items contained in them and will conveniently protect them against atmospheric agents, corrosion, extreme temperatures, theft and mistreatment, in a way that, in no case the transporters or the insurers might use an insufficient or bad quality packaging to avoid their liabilities.

The dangerous PRODUCTS and/or SUPPLIES should be subject o a different packaging, respecting the international transportation regulations for dangerous merchandise.

When the PRODUCTS and/or SUPPLIES allow it, each "Individual Handling Unit" must not exceed a weight of 100 kg

All the damages resulting from a deficient packaging will be covered by THE PROVIDER.

## **7.TRANSPORT DOCUMENTS**

In the assumption of extra community natured transports, without waiting for the delivery of THE PRODUCTOS and/or SUPPLIES, THE PROVIDER will remit THE CLIENT for approval, regarding the ruling regulations applicable to the used transport media and route, the following documentation:

Pro forma Invoice for the remitted PRODUCTS and/or SUPPLIES, indicating the customs code in Bruselas nomenclature and the value in euros of THE PRODUCTS and/or SUPPLIES in the origin country.

Packing list specifying all the required information, specially the number of packages, volumes and gross weight.

Declaration of dangerous merchandise in official printing.

Recommendations for the slinging and/or securing of the special packages regarding their physical characteristics.

## **8.TRANSFERENCE OF PROPERTY AND RISKS**

Unless the CONTRACT indicates otherwise, THE PROVIDER will assume all the risks resulting in loss and/or damaging of THE PRODUCTS, until the Reception Report referred in the 5.8 section, as long as THE CLIENT has not proceeded to the unpacking of THE PRODUCTS to be counted from the date of the delivery note referred in the 5.8 section. Unless the CONTRACT indicates otherwise, THE CLIENT will cover all the risks by loss and/or damages of the SUPPLIES since the delivery note is signed, being responsible of reporting the waste, defects or vices of the aforementioned within the time leads established in the ruling Spanish Commercial Code

The transmission of the PRODUCT'S property and/or SUPPLIES will take place in the moment they are delivered, regarding the CONTRACT and accepted by THE CLIENT, unless the goal of the subscribed contract is the lease of said PRODUCTS and/or SUPPLIES, or the deposit of this PRODUCTS and/or SUPPLIES with the purpose of running homologation tests, in which cases, the transmission of property will not take place.

## **9.PRICE, BILLING, PAYMENT AND TAXES**

Unless the QUOTATION or THE CONTRACT indicate otherwise, every price listed in the QUOTATION or THE CONTRACT will be understood as a firm and global price, no subject to review.

Unless the QUOTATION or THE CONTRACT stablish otherwise, THE PROVIDER will issue the invoices once the delivery note confirming the reception of THE SUPPLIES or the Record of Reception of THE PRODUCTS is signed in the way stablished at section 5.8. In case THE CLIENT requires it, the invoice will be issued by THE CLIENT through the auto-billing procedure, which must be accepted by THE PROVIDER by means of signing the corresponding document.

Unless the QUOTATION or the CONTRACT stablish otherwise, the billing conditions will be as it follows:

All the invoices must contain the mandatory requirements the ruling legislation demands.

The invoice must include without fail the purchase order code, the item number from THE PROVIDER, the delivery note number and if applies The Record of Reception and THE CLIENT'S code.

THE CLIENT will receive the remitted invoices through electronic media in PDF or electronic format.

The amount listed in the invoices must match the agreed cost in the QUOTATION, PURCHASE ORDER, ORDER APPROVAL or in THE CONTRACT.

Unless the QUOTATION or THE CONTRACT establish otherwise, the payment date will be that which THE PROVIDER and THE CLIENT agree to in each case at THE CONTRACT.

Unless THE QUOTATION or THE CONTRACT indicate otherwise, THE CLIENT will not pay for PRODUCTS and/or SUPPLIES not included in the PURCHASE ORDER or further extensions of itself.

Unless THE QUOTATION or THE CONTRACT establish otherwise, the payment will be covered through transference-confirming or certified payment.

The taxes or fees that charge the operations applied to the present Terms of Agreement will be covered by THE CLIENT.

Unless THE QUOTATION or THE CONTRACT establish otherwise, the payment terms will be mentioned in THE QUOTATION.

## **10.SAMPLES, DESINGS, DRAWINGS, MOULDS AND MAINTENANCE TOOLS FOR THE PRODUCTS PROPERTY**

Designs and technical documentation: Unless THE QUOTATION or THE CONTRACT indicate otherwise, all the blueprints, specifications and any other technical documentation facilitated by THE CLIENT regarding THE CONTRACT, should remain exclusive property of THE CLIENT. THE PROVIDER will not use them with any other purpose but executing THE CONTRACT. When it is terminated or expired, THE PROVIDER will return immediately the total of said blueprints, specifications or any technical documentation along with the corresponding copies to THE CLIENT. THE PROVIDER commits to maintain secrecy regarding all the information received in order to execute THE CONTRACT, and to take the necessary measures to guarantee this secrecy as well from employees, providers and SUBCONTRACTS, in the case they must be informed of certain details of the operation.

MAINTENANCE: Unless the QUOTATION or THE CONTRACT establish otherwise, the supply of THE PRODUCTS and/or SUPPLIES will not include maintenance as a liability for THE PROVIDER, except when the corresponding maintenance contract and/or technical service is subscribed.

Specialties of leasing or deposit contracts of PRODUCTS and/or SUPPLIES: In case a contract is arranged by which THE CLIENT acquires the position as tenant or stakeholder of THE PRODUCTS and/or SUPPLIES, and not as purchaser of the aforementioned, THE CLIENT will maintain at all costs an insurance policy which covers any risks, for the real value of THE PRODUCTS and/or SUPPLIES and designate THE PROVIDER as beneficiary, regarding all the items related to the present Terms of Agreement and are THE PROVIDER'S property. THE CLIENT, upon PROVIDER'S requirement, must facilitate enough proof of the existences of said insurance policy. In such cases, in light of any seizure proceedings on THE PRODUCTS and/or SUPPLIES by a third party, in which property of THE PROVIDER or delivered by him, such as materials, designs, technical documentation, tools or any other assets of which were hold in possession to be used regarding the execution of THE CONTRACT were to be seized, THE CLIENT must bring forward said circumstance, making it known to THE PROVIDER immediately in order to be able to exercise the defense of the corresponding rights. Said PRODUCTS and/or SUPPLIES, materials, designs, technical documentation or tools will not be able to be included in THE CLIENT'S assets as their own property in any case. When the PROVIDER requires it, and specially in case of THE CLIENT'S bankruptcy, THE CLIENT must disclose the location of THE PRODUCTS and/or SUPPLIES and other items related to the present Terms of Agreement, which at every moment, will be available to THE PROVIDER and will be returned immediately after the first requirement.

## **11.TRANSFER AND OUTSOURCING**

THE CLIENT will not be able to assign or transfer THE CONTRACT or any other of the rights and liabilities emerging of it without the previous approval in writing by THE PROVIDER.

## **12.INSPECTION OF MERCHANDISE AT DESTINATION**

Without prejudice of the stablished in section 5.8 referring the Reception Record, THE CLIENT and authorized representatives will be able to inspect THE PRODUCTS, prior to their dispatch, at THE PROVIDER'S warehouses.

THE CLIENT will be able to forego the inspection in the factory, without this be accounted for a resignation to inspect the material at destination and without prejudice of the referred to the Reception Record in section 5.8. If THE PRODUCTS were rejected at destination over justified causes that do not allow the signing of the Reception Record, the will be returned to THE PROVIDER whom must proceed with the refund. Discretionally, THE PROVIDER will be able to proceed with the required reparations and undergo further examination pursuing the signing of the Reception Record.

## **13.QUALITY POLICY**

THE PROVIDER hereby undertakes to THE CLIENT to comply with the requirements and specifications contained in THE CONTRACT or that may be implicit and inform beforehand to THE CLIENT of any change or modification that is intended to initiate. These changes will not be effective without the CLIENT'S approval in writing.



## **14. TREATMENT OF NON-CONFORMITIES**

THE PROVIDER will be responsible to supply THE PRODUCTS and/or SUPPLIES in accordance with the agreements.

Considering a PRODUCT'S and/or SUPPLY'S non-conformity, the following will be carried out:

Detection by THE CLIENT of a non-compliant PRODUCT and/or SUPPLY

In case of a non-compliant PRODUCT and/or SUPPLY it must be indicated at the Reception Record.

In case of a SUPPLY, THE CLIENT will inform THE PROVIDER immediately indicating:

- Description and cause of the non-conformity
- Quantity affected and relation of affected dispatches
- Possibility of non-compliance of the delivery time lead

In both situations THE PROVIDER, after a situation analysis will decide over the merchandising, being able to accept the non-conformity or, given the case, opting for one of the following solutions:

Proceed to accept the return: All the expenses generated from the return will be covered by THE PROVIDER, EXW (Incoterms 2010)

Proceed to accept the return previously selecting separately the non-compliant packages. All the expenses resulting from the return will be covered by THE PROVIDER, EXW (Incoterms 2010)

Proceed to the approval by derogation, THE PROVIDER will commit to solve the deviation as soon as possible.

Proceed to accept the refund of the non-compliant PRODUCTS and/or SUPPLIES free of charge for THE CLIENT.

## **15. CONSEQUENCE OF UNFULFILLMENT OF THE PROVIDER'S LIABILITIES**

In case of unfulfillment of THE CONTRACT, attributable directly and exclusively to THE PROVIDER (Not being dependent of the occurrence of a case of force majeure or of third party non-conformities, suppliers, transporters, etc...) in quantity and/or quality which result in essential changes in the manufacturing program and/or the productivity, as well as down times of THE CLIENT'S product line. THE CLIENT will be able to require THE PROVIDER a compensation for an equivalent amount to the effectively caused damage to

THE CLIENT, which will regard the emerging harm and the lost profit effectively concurrent and accountable, always within the limits of the compensation per all the equivalent concepts, at most, to the amount of the purchase order of the PRODUCTS and/or SUPPLIES forming the subject of THE CONTRACT.

In case defective PRODUCTS and/or SUPPLIES deliveries which overcome the PPM volume (Parts per Million) agreed in THE CONTRACT, THE CLIENT will be able to discount the corresponding quantity from the price.

## **16.GUARANTEE**

Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, THE PROVIDER guarantees that the supply of the PRODUCTS and/or SUPPLIES is suitable and adequate to the purposes intended, top quality and first-time use (o second-time use but completely audited), also compliant with the security and quality requirements specified in THE CONTRACT and the corresponding ruling legislation.

Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, THE PROVIDER guarantees that according to the manufacturers terms, guarantee THE PRODUCTS during 1 year, both regarding parts and manpower.

Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, the guarantee for SUPPLIES spans 3 months.

THE PROVIDER is responsible of THE PRODUCT'S quality towards THE CLIENT during the guarantee term, and of all the costs related directly or indirectly with defective PRODUCTS and/or SUPPLIES delivered from THE PROVIDER to THE CLIENT

Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, THE PROVIDER guarantees that THE PRODUCTS and/or SUPPLIES are free of charge and burdens favoring third parties, lack of defects and are ideal for their commercialization, as well as having in place all the patents, licenses and other industrial/intellectual copyrights necessary for the fulfillment of everything submitted in THE CONTRACT.

THE CLIENT will notify THE PROVIDER immediately and in writing about any anomaly or defect of THE PRODUCTS and/or SUPPLIES.

## **17.FORCE MAJEUR**

No party will be considered responsible for the unfulfillment of their liabilities regarding THE CONTRACT as long as the execution of themselves is delayed or made impossible as a case of force majeure, such as it is stated in section 1.105 of the Spanish Civil Code "those events that could not be foreseen or even foreseen were unavoidable.

When a case of force majeure takes place, the affected party will inform the other in a 24-hour term since the event and will take the needed measurements to the extent of its possibilities to mitigate the effects, informing the other party of the factors it faces, the effects and initial course of action. The extension will be equivalent to the length of the impossibility caused by the event.

During the length of the case of force majeure, the affected party will be able to take the measures it deems necessary to avoid the resulting damages from the impossibility of the counter-party to fulfill its liabilities.

THE PROVIDER will be able to terminate THE CONTRACT within a 30-day span since the case of force majeure without solution. The moment THE PROVIDER acknowledges that the force majeure prevents to fulfill the supply in a 30-day time-lead must inform THE CLIENT and the aforementioned will be able to terminate THE CONTRACT since this communication. Termination caused by force majeure, will proceed without further compensation from the other party

## **18.SUSPENSION, TERMINATION AND WITHDRAWAL**

Once THE PURCHASE ORDER is placed and accepted to be carried out by THE PROVIDER, THE PROVIDER will set in motion manufacturing orders based on THE CLIENT'S specifications placing THE PURCHASE ORDER. Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, the cancellation of a PURCHASE ORDER by THE CLIENT with a subsequent date from the approval of it by THE PROVIDER will not exonerate THE CLIENT from the acquired contractual liabilities.

Unless THE QUOTATION, PURCHASE ORDER APPROVAL or CONTRACT indicate otherwise, if THE CLIENT would cancel a PURCHASE ORDER after 2 weeks from the approval date of itself, a cost of 10% from the total value of this purchase order will result for THE CLIENT. If the cancellation would be produced within 1 month, the cost will be of a 40%, and if it were to happen after one month the cost will be of a 100%.

THE PROVIDER will have the right to require a refund from THE CLIENT of the additional real expenses, damages and loss duly certified to be a direct result of said cancellation. There shall be no entitlement to a refund of the expenses when the cancellation is due to causes attributable to THE PROVIDER or its SUBCONTRACTORS

If the cancellation of the THE CONTRACT'S execution exceeds a three-month length, the parties will meet as soon as possible to examine the contractual incidences over the price, time leads and the subsequent restart of THE CONTRACT'S execution.

THE PROVIDER will be able to terminate THE CONTRACT in case of unfulfillment from THE CLIENT of the present Terms of Agreement and/or the agreed on the remaining particular conditions of THE CONTRACT. The termination will take place without the need of a previous notice through a simple notification in writing to THE CLIENT, THE

PROVIDER reserves the right to claim THE CLIENT for all the damages and losses, direct or indirect, that this unfulfillment may have caused.

THE PROVIDER will be able to terminate totally or partially THE CONTRACT in those cases in which a fundamental damage in the financial relations of THE CLIENT is produced and as a consequence, there exists a risk of non-compliance of the liabilities contractually assumed by THE CLIENT.

The moment THE CLIENT receives the remitted notification of THE CONTRACT termination, whatever the motive, THE PROVIDER will be able to stop the execution of the labors and/or manufacturing of THE PRODUCTS and/or SUPPLIES in progress and may also abstain of arranging new subcontracts or purchase orders with third parties for THE CONTRACT'S execution.

## **19.LIABILITY AND PRODUCT RECALL**

Any incidence resulting from the acquisition of THE PRODUCTS and/or SUPPLIES and/or THE CONTRACT'S unfulfillment might result in a legal action where the judges will establish each party's liabilities, attributing each one the pertinent costs.

## **20.CONFIDENTIALITY**

It is considered as confidential information all of the information transmitted by any of the parties ("Disclosing Party") or the other ("Recipient Party") in accordance to THE CONTRACT or due to its draw up, as well as any document and/or information of the Disclosing Party that The Recipient Party gains access to during THE CONTRACT'S effect, regardless from the media it is contained or the means it is disclosed.

It is not considered confidential information:

- The public domain information, or available to the public that doesn't infringe the ruling legislation or the present Terms of Agreement.
- The information the Disclosing Party delivers or communicates to the Recipient Party explicitly stating that it is not subject of the liabilities contained in the present Terms of Agreement.

The Recipient Party commits to keep maximum confidentiality and due diligence over the private information, ensuring the establishment of technical and organizational measures enough to guarantee the protection of itself.

The Recipient Party will inform who shall become aware of the mentioned information about the confidentiality liabilities established in the present Terms of Agreement, will make as many warnings necessary and will subscribe as many documents as needed to fulfill the liabilities regarded in the present Terms of Agreement.

The Recipient Party will be responsible before the Disclosing Party of any unfulfillment of the confidentiality liabilities, either accountable to the Recipient Party or any employee, agent or third-party related with it.

## **21.INDUSTRIAL AND INTELLECTUAL PROPERTY**

THE PROVIDER guarantees to THE CLIENT that THE PRODUCTS and/or SUPPLIES (including parts and components) do not violate or constitute an unlawful property, or harm, and in any other way suppose damage or interference nor will in the future, any patent, copyright, commercial brand, design right or other INTELLECTUAL PROPERTY or KNOW-HOW from any third-party in any place in the world.

THE PROVIDER accepts to free THE CLIENT, its administrative personal, employees, agents, distributors, resellers, clients and representatives, from and of any claims, damages, losses, costs and expenses resulting from the unfulfillment of the guarantee referred in this section, related to the non-infringement of third-party rights.

In relation to the INTELLECTUAL PROPERTY and KNOW HOW owned by THE CLIENT (Directly or indirectly developed by THE CLIENT after the CONTRACT'S subscription or prior but related to THE PRODUCTS and/or SUPPLIES or resulting from any labor facilitated to THE CLIENT regarding THE CONTRACT) will grant THE PROVIDER, effective immediately, a license, susceptible of being sublicensed, free, open, non-exclusive, global, irreversible and irrevocable, to use and tap the preexisting INDUSTRIAL PROPERTY and KNOW-HOW related to THE PRODUCTS and/or SUPPLIES in order to, in an inclusive but non-restrictive manner, order, commercialize, sell supply, or modify in any way and serve THE PRODUCTS and/or SUPPLIES.

In the event that any third-party would initiate a suit concerning the violation of INTELLECTUAL PROPERTY against THE CLIENT in relation to the PRODUCTS and/or SUPPLIES, THE PROVIDER shall cooperate with the defense as THE CLIENT requires. All the expenses, (including the damages and lawyer fees) related to the sentences, arbitral awards, or legal agreements resulting from said action will be satisfied by THE PROVIDER in case THE CLIENT is exonerated.

In the event that THE PROVIDER requires testimony of people employed or hired in any way by or in association with THE CLIENT, or requires any other assistance, THE CLIENT will make them available to said purpose, as well as provide the required assistance.

The provisions foreseen in this section will continue to be in force after the extinction or termination of THE CONTRACT, by any cause.

## **22.COMPLIANCE WITH CURRENT LEGISLATION AND REGULATIONS**

Each of the parties will be solely responsible for the fulfillment of every law and disposition in labor matter, social security, labor risk avoidance and tax regulations

regarding their own employees, SUBCONTRACTORS, and developed activities, both, ongoing or that may take effect in the future, relieving the other party from every liability resulting from the unfulfillment in this matter.

In compliance with THE CONTRACT'S subject, all the material media used by THE PROVIDER shall fulfill the current regulations demands and specially the prescriptions contained in THE CONTRACT, the Legislations of Labor Risk Avoidance, Environmental Protection, Energetic Performance Attention and the remaining legal, regulatory and conventional dispositions.

### **23. APPLICABLE LEGISLATION AND COMPETENT JURISDICTION**

THE CONTRACT will be regulated by the Spanish legislation.

The solution of any controversy that may exist between the parties about the validity, interpretation, execution and/or termination of THE CONTRACT will be exclusively competent for the Courts and Tribunals of Barcelona.

### **24. INDIVIDUALITY OF THE TERMS**

If a section of these Terms and the other agreements made were or became ineffective, that will not affect the validity of the rest of the Terms. The contracting parties are liable to replace the ineffective section for a rule, whose economic result is as similar as possible.

### **25. TRANSLATION**

In case of discrepancy or contradiction among any translation of these Terms of Agreement and the Spanish text of the aforementioned, the Spanish Text will prevail.

### **26. THIRD-PARTY TECHNOLOGICAL IMPROVEMENTS CLAUSE**

If THE PROVIDER were to acknowledge the existence of technological improvements, will be able to make this known to THE CLIENT with the purpose that the incorporation of said improvement affecting THE PRODUCTS and/or SUPPLIES is assessed.

### **27. RESERVATION CLAUSE**

THE PROVIDER will fulfill THE CONTRACT as long as there do not exist obstacles resulting from national or international prescriptions of the Foreign Trade Law, nor any judicial costs (and/or other actions) to prevent it.

### **28. COST REDUCTION**

Every technical proposal performed by THE CLIENT that aims to achieve a cost reduction in the manufacturing of THE PRODUCTS and/or SUPPLIES might be assessed by THE PROVIDER. In which case THE PROVIDER will deliver to THE CLIENT a detailed

analysis of the estimated reduction in the proposal and THE CLIENT will be able to check all the data delivered by THE PROVIDER. If the feasibility of the proposal is agreed and THE PROVIDER and THE CLIENT decide to implement it, THE PROVIDER will be enabled to incorporate said improvement to its productive or commercial process.

## **29.WAIVER OF RIGHTS**

Failure by THE PROVIDER to actively exercise any of the rights or privileges established in THE CONTRACT or the corresponding legislation assigns it, independently of how many times it takes place, will not be understood as a waiver of said terms, rights or privileges, which will continue in full force and effect as if said waiver would not have taken place.