

1. GENERAL

These Terms and Conditions of Sale shall apply to all commercial transactions carried out by the Company TORNIPLASA S.L.L. (hereinafter **SELLER**), both in the supply of parts and in the performance of services, prevailing over any other Terms and Conditions of Purchase that may exist.

These Terms and Conditions of Sale are deemed to be accepted by the Purchasing Company (hereinafter **BUYER**) at the time of placing an Order or Commissioning of a Project, to the exclusion of its own Terms and Conditions of Purchase.

No alteration of the provisions of these Terms and Conditions of Sale shall bind and/or obligate the Buyer and/or the Seller unless both parties so agree in writing.

2. ORDERS AND PROJECTS

The order placed by the Buyer must be sent in writing to the Seller and the latter must also accept it in writing in order for it to be binding.

In the case of a project, it shall be considered binding when the commissioning of the project is received in writing and approved by the Seller. It shall also be considered binding if it is "Firm", the status of the quantities to be delivered can be changed from "Planned" to "Firm" up to 4 weeks prior to the delivery date, and have a variation between the planned and firm quantities of $\pm 15\%$ maximum.

The conditions of the order shall be in accordance with those established in the quotation previously sent by the Seller to the Buyer, which shall be valid for the term indicated therein.

If the buyer requests any modifications or cancellations to the order or project, all costs of any nature incurred by the seller will be attributable to the buyer. These costs would be represented by the parts in stock, the parts in the manufacturing process, and the raw material and tooling in stock or ordered from the supplier, which could not be cancelled.

In the case of projects with a project life-span of several years, if the quantities suffer a decrease of more than 30%, the seller may modify the price originally offered. The Seller may also modify the price when the orders are in the spare parts phase.

Once the order has been fully delivered, the contractual relationship between buyer and seller is terminated. An early cancellation of the order may be given by the seller in the following cases:

- ✓ Delay in payment.
- ✓ Liquidation of the buyer.
- ✓ Any change in the buyer that can result in unfair competition to the seller.
- ✓ Change of the final purpose of the part that would suppose an increase in risk for the seller.

In these cases, the buyer must assume any and all costs. These costs would include the parts that the seller had in stock, the parts still being manufactured, and the raw material and tooling in stock, or ordered from the supplier, that could not be cancelled.

3. TERMS OF PAYMENT

Payment of invoices must be made in accordance with the legislation in force in each country, and the buyer may not make deductions or withholdings not accepted by the seller.

In case of delay in payment by the buyer, the seller may provisionally or definitively suspend the shipment of parts, and may also apply interest for any late payment.

4. QUALITY

If defects are detected in the parts that prevent their correct use, and provided that they are notified to the seller within a maximum period of fifteen days (one week if it is a problem of oxidation) from the date of delivery of the parts to the buyer, the seller will assume the costs incurred provided that the buyer has demonstrated that the parts have indeed been supplied by the seller, that the defect actually exists and that said defect had been caused by the seller, and whenever the PPM commitment previously agreed to is not complied with.

The Seller agrees to meet the PPM target stated in the offer. PPMs will be measured on a 12-month consumption basis for the part that is the subject of the problem.

In the event that immediate replacement is not possible, and only in this case, the selection of the defective part will always be authorized in writing, with the hourly cost being provided prior to this operation. Such selection shall be discontinued upon the buyer receiving the newly sent part. The buyer shall provide the hours spent and the number of separated defective parts, which shall be identified and shipped back together with the rest of the part/parts being returned.

Costs arising from misuse and/or storage by the buyer will not be accepted. These costs will include only those incurred directly by the buyer, and exclude any caused to other companies, as well as those that other companies have passed on to the buyer.

5. PENALTIES

The buyer shall compensate the seller for all damages, losses, penalties, sanctions, costs and/or expenses incurred by the seller and/or for which the seller is declared liable by a third party, due to a direct and/or indirect action of the buyer.

6. FORCE MAJEURE

A circumstance is considered to be Force Majeure when it is beyond the control of the affected party, it is impossible for business to continue as under normal circumstances and there is no negligence on the part of the affected party, without the latter being able to prevent it in a reasonable manner.

In case that, due to a case of Force Majeure, (strike, riots, wars, business closure, and shortage of raw material on the market, among others...), and the delivery of the products cannot not be carried out because of unforeseen circumstances, TorniPlasa S.L.L. will not be considered responsible nor liable for the delays and interruptions in the delivery of products.

7. APPLICABLE LAW AND JURISDICTION

The legislation corresponding to SPANISH LAW will be applied, being the courts of the city of Vitoria the ones that would have exclusive jurisdiction for any conflict that could arise between buyer and seller.