

**GENERAL TERMS AND CONDITIONS APPLICABLE TO CONTRACTS SIGNED
BY PROINSO AS THE SUPPLIER OF MERCHANDISE**

1. ONE. Payment for the Merchandise

1.1 The method used to pay the price agreed in the Sales Offer (hereafter, the "Offer") shall be as follows:
1.1.1 The Purchaser shall pay the % stipulated in the Offer of the Total Price of the Merchandise forming the subject of the Contract, plus VAT at the rate payable on the date on which the Contract is signed, by way of a down payment in confirmation of the Contract.
1.1.2 The Purchaser shall pay the remaining % of the price of each batch of Merchandise agreed in the Contract, plus the applicable VAT, in the period or date stipulated in the Offer, and it can receive a pro-forma invoice from the Supplier in this regard.
1.2. The Purchaser shall make the aforementioned payments by depositing the amount in the current account number reflected in the Offer, held by the Supplier, or, where applicable, in any other account that the Supplier notifies to the Purchaser in advance.
1.3. Once the Purchaser has paid the Supplier the price of the batch of Merchandise in full, as provided for in this General Condition One, the Supplier shall issue the relevant final invoice for the total cost of the batch of Merchandise in question, and send it to the Purchaser's address or email.
1.4. The Parties agree that if the cost of raw materials increases from the current rate on the date when the payment is due, any additional increase beyond the original cost shall be borne by the Purchaser.
1.5. The Parties agree that if the exchange rate depreciates from the current rate on the date when the payment is due, any additional percentage increase beyond the current date shall be borne by the Purchaser.
1.6. The Parties agree that if the cost of freight increases from the current rate on the date when the payment is due, any additional increase beyond the original cost shall be borne by the Purchaser.

2. TWO. Transfer of risk

2.1. The risk of accidental loss or damage to the Merchandise shall be transferred to the Purchaser according to the Incoterm terms (i.e. at the time the Product is shipped if the Offer is EXW and upon delivery if the Incoterm in the Offer is DDP) regardless of whether the Purchaser accepts or refuses to accept the said Merchandise.
2.2. By way of exception to the contents of General Condition 2.1, the risk attached to the Merchandise shall not be transferred to the Purchaser in the event that the Merchandise delivered by the Supplier to the Purchaser fails to comply with the terms agreed in the Contract (General Condition 5.1) in an evident and serious manner.

3. THREE. Delivery and Placement of the Merchandise at the Purchaser's Disposal

3.1. The Delivery and Placement of the Merchandise shall be understood to have occurred according to the Incoterms published by the International Chamber of Commerce of Paris as specified in the Offer, being applicable in any case its latest version at the time of conclusion of the Contract, and at the address indicated to this end in the Offer.
3.2. The Supplier's obligation to deliver the Merchandise to the Purchaser shall be understood to have been met, in all cases, from the moment that the Placement of the Merchandise at the Purchaser's Disposal has occurred, pursuant to the terms of this General Condition Three, regardless of whether the Purchaser accepts or refuses to accept the said Merchandise.
3.3. In the event that the Purchaser fails to pay the price agreed in the Contract for any of the batches of Merchandise in the manner set out in these General Terms and Conditions, the Supplier shall not be obliged to deliver the said batch of Merchandise to the Purchaser or any other batches whose delivery is contractually scheduled at a later time, until the Purchaser has paid all the amounts owed to the Supplier.
3.4. If, after the Placement of the Merchandise at the Purchaser's Disposal under the terms of this General Condition Three, the Purchaser does not take receipt of the Merchandise for reasons that cannot be attributed to the Supplier, the Supplier may submit a claim to the Purchaser, to cover warehousing costs, of 0.1% of the price agreed for the batch of Merchandise in question for each day that receipt is delayed. The Supplier may also consign the Merchandise to the courts, at the Purchaser's disposal and expense, and the Supplier shall thus be released from any duty of custody or safekeeping for the said Merchandise.

4. FOUR. Termination of the Contract due to a breach by the Purchaser

4.1. The Purchaser shall purchase all the Goods set forth above and make the payments accordingly. The Contract cannot be cancelled. Therefore, if the Purchaser fails to make the agreed payments the Purchaser shall pay liquidated damages amounting to at least 100% of the total price of the order.
4.2. The Purchaser's serious or repeated breach of any of the obligations assumed under the Contract and, in particular, its obligations to pay for and take receipt of the Merchandise, shall entitle the Supplier to terminate the Contract.
4.3. The Purchaser's breach shall in all cases be classified as serious when the Supplier has sent the Purchaser a demand requiring it to remedy its contractual breach and the said breach is not remedied within seven (7) days following the date on which the said demand is delivered to the Purchaser's address or email.
4.4. In the event of the Contract's termination under the terms of this General Clause Four, the Purchaser shall reimburse the Supplier for all the costs and expenses incurred by the Supplier due to the breach of the Contract, as well as for the total cost of the order. In the case of late payment, the Supplier retains the right of liquidating the merchandise to a third party.
The Supplier cannot be held responsible for any consequential damages that may be incurred by the Purchaser.

5. FIVE. Returns Policy

5.1. PROINSO shall not replace or refund any Merchandise for any reason, unless the Merchandise does not conform to the terms of the contract (please see section 6).
5.2. As stated in section 7, the manufacturer may agree to a replace or a refund of the Merchandise, as determined under the manufacturer's warranty.

6. SIX. Delivery of Merchandise that does not conform to the terms of the Contract

6.1. It shall be considered that the Merchandise supplied does not conform to the terms of the Contract when it is not in line with the characteristics set out in the technical specifications for the said Merchandise available on request.
6.2. The Purchaser is obliged to examine the Merchandise at the moment at which it receives it.
6.3. In the event of external or obvious faults or defects on delivery, the Purchaser shall clearly state on the delivery note the hereinbefore mentioned problems and shall inform the Supplier. On the contrary the Purchaser loses its right to claim the faults or defects.
6.4. The Purchaser shall conduct an open-package inspection and shall notify the Supplier in writing of any evident deficiency, omission, damage or non-compliance in the Merchandise supplied no later than five (5) days from delivery. The Purchaser must notify in a reasonably time frame of any internal or hidden faults or defects.
6.5. In the event that the Purchaser fails to comply promptly with its obligation to notify under General Condition 5.3 and 5.4, it shall lose its entitlement to seek the remedies from the Supplier provided for in General Condition 5.6.
6.6. Remedies that may be sought from the Supplier due to the non-compliance of the Merchandise:
6.6.1. The Supplier shall be entitled to choose between replacement or repair of the non-compliant Merchandise, being obliged to carry out such replacement or repair within a reasonable period.
6.6.2. In any case, the Purchaser must exercise the remedies provided for in the event of the non-compliance of the Merchandise within a maximum of two (2) years following the date of Placement of the Merchandise at the Purchaser's Disposal. Once this term (which may only be interrupted by means of a claim filed at court) has elapsed, the Purchaser shall lose its right to exercise any such remedy vis-à-vis the Supplier.

7. SEVEN. Warranties

7.1. The Purchaser shall have the manufacturer's warranty for the Merchandise, available on request.
7.2. The said warranty may solely be enforced against the manufacturer. In the event that the Purchaser enforces the warranty that way and the manufacturer agrees to replace or repair the Merchandise supplied to the Purchaser, the Supplier shall not assume any liability for any damage that may be caused by or as a consequence of the replacement or repair of the Merchandise.
7.3. Price, specification, and terms are subject to change without notice. The Supplier is not responsible for errors in typography and/or photography.

8. EIGHT. Delay in compliance with the obligation to deliver the Merchandise

8.1. The Supplier shall inform the Purchaser about the delivery date of each batch of the Merchandise as well as about any delay but in no event the Supplier shall be liable for any delay or the consequences of this.
8.2. After the deadline for payment of the invoice to PROINSO, if the payment has not been made by the Buyer, PROINSO shall be entitled to charge an amount equal to 7 % of the debt in concept of admin fee, plus the corresponding interests for the late payment.
The interest to be collected will be the interest that has accrued the debt from the deadline for income, plus the interest that has accrued the surcharge applicable at the time of payment. The rate of the interest for late payment will be seven percent (7 %).

9. NINE. Limited liability of the Supplier

9.1. In the event that the Contract is terminated by the Purchaser due to a breach of the Supplier, the Purchaser may not make any claim from the Supplier other than: (i) repayment of the amount paid to the Supplier for Merchandise that is not delivered or is non-compliant pursuant to the terms of the Contract; in all circumstances Supplier's maximum liability is limited to the purchase price of the products sold.
9.2. The Supplier shall not, under any circumstances, be liable upon a claim or action in contract, tort, indemnity or contribution, or other claims relating to the products it sells which exceeds this liability limit. The Supplier shall not be liable for claims for damages against the customer, or for malfunction, delays, loss of profit, loss of production, loss of opportunities to sign contracts with third parties or for any other form of direct or indirect damage resulting from contractual breaches by the Supplier

10. TEN. Reserved ownership

10.1. In the event that, by way of exception, the Supplier decides to deliver a batch of the Merchandise to the Purchaser despite the fact that the Purchaser has not previously paid the Supplier in full for the said batch of the Merchandise, the Supplier shall reserve ownership of all the Merchandise included in the said batch until the Purchaser has paid the relevant price in full.
10.3. As a consequence, in the circumstances provided for in General Condition 9.1, the Purchaser may not sell, transfer, pledge or offer as surety the delivered and unpaid Merchandise, and it shall be obliged to return the said Merchandise immediately to the Supplier following a simple request from the Supplier.
10.4. In the event of an attachment, requisition, seizure or any other procedure or circumstance that may potentially have an effect on the Merchandise ownership or a Purchaser's loss of possession of Merchandise that belongs to the Supplier under the terms of this General Condition Nine, the Purchaser shall inform the Supplier of this circumstance without delay, and it shall also notify the third party connected with the procedure or circumstance that may potentially have an effect on the ownership or loss of possession of Merchandise regarding the reserved ownership of the Merchandise.

11. ELEVEN. Assignment of the Contract

11.1. The Purchaser may not transfer or assign the rights and obligations arising from the Contract, under any title, without the Supplier's prior written consent.
11.2. The Supplier may assign its position under the Contract to any company belonging to its corporate group, though the assignee must inform the Purchaser of any such assignment in order for the assignment to be enforceable vis-à-vis the Purchaser.

12. TWELVE. Duty of Confidentiality

12.1. The Supplier and the Purchaser shall treat as strictly confidential all the information to which they gain access as a result of the negotiations and the signing of the agreement between them, both (i) as regards the existence and contents of the Contract and the documents to which it refers, and (ii) as regards any negotiations relating to the Contract or the documents to which it refers.
12.2. Furthermore, the Parties herein undertake that their managers, employees and advisers shall comply with the contents of this General Condition Eleven.
12.3. Notwithstanding the foregoing, the Supplier may state that the Purchaser is one of its customers in the context of its own commercial strategy.

13. THIRTEEN. Protection of personal data

13.1. In compliance with the contents of Spanish Personal Data Protection Act 15 of 13 December 1999, and Royal Decree 1,720 of 21 December 2007, which approved the Regulations for implementation of the said Act, the person who signs the Contract in representation of the Purchaser (the "Purchaser's Representative") is herein informed that his or her data shall be included in a file for which the Supplier is responsible and which has been entered in the Spanish Data Protection Agency's General Register. The purpose of the said file is to maintain, comply with, perform, monitor and implement the terms of the Contract for which the said data were provided.
13.2. The Purchaser's Representative may at any time exercise his or her rights of access, rectification, cancellation and objection in respect of the processing of the said data, where relevant, by sending the Supplier a notification in which he or she must indicate which of the said rights he or she is exercising. The said notification must be accompanied by a photocopy of his or her National Identity Document (DNI).

14. FOURTEEN. Notifications and demands between the parties

Any notification or demand sent by the Supplier to the Purchaser or vice versa in relation to the Contract must be made in writing and sent to the addresses respectively set out in the preamble to the Offer or, where applicable, to the address or email for notification purposes indicated in writing, after the Offer has been signed, by the contracting party in question to the other party.

15. FIFTEEN. Modification of the Contract

Any modification to the Contract must be made in writing and signed by both the Supplier and the Purchaser in order to be regarded as validly made.

16. SIXTEEN. Provision of accessory services by the Supplier

16.1. The services that, where appropriate and in accordance with good faith, use and the law, are strictly accessory to the supply of the Merchandise object of the Contract will be provided by the Supplier to the Buyer subject to the provisions of the previous General Conditions and, in particular, to the liability regime established in the Seventh General Condition.
16.2. In the event that the Buyer requires the Supplier to provide additional services to those indicated in the preceding paragraph, the Buyer and the Supplier shall agree, by entering into a written contract, the terms and conditions relating to the provision of such additional services.

17. SEVENTEEN. Applicable law and jurisdiction

17.1. Applicable Law. The Contract shall be governed and interpreted in accordance with Spanish law.
17.2. Jurisdiction. In the event that the Purchaser's registered office is in a country other than Spain, the Purchaser and the Supplier herein submit expressly to the courts and tribunals of the place in which the Supplier has its registered office for the resolution of any dispute that may arise in relation to the Contract, and they thus waive any other jurisdictional right to which they may be entitled in law.

18. EIGHTEEN. Force Majeure

"Force Majeure" shall mean all events which are beyond the control of the Parties, and which are unforeseen, unavoidable or insurmountable, and which prevent total or partial performance by either Party. Such events shall include earthquakes, typhoons, flood, fire, war, strikes, riots, acts of governments, or any other instances which cannot be foreseen, prevented or controlled. This shall not grant any right to the Parties for the termination of this Agreement. However, in the event that the force majeure shall continue during a period of two months, any of the Parties affected by the breach may terminate this Agreement.

19. NINETEEN. Export Controls; Availability; Laws

19.1. The Merchandise may be subject to export controls under the laws, regulations and/or directives of the United States and various other countries. The Purchaser must comply with such laws and regulations and not export, re-export or transfer the Merchandise to any country to which such export, re-export, or transfer is forbidden or without first obtaining all required authorizations, permits and/or licenses.
19.2. Due to government regulations and product availability, not all goods sold by the Supplier may be available in every area.
19.3. The Purchaser hereby warrants and represents that it will comply with any and all Laws with respect to the purchase, use, and operation of the Merchandise. For purposes hereof, "Laws" means any international, multinational, national, foreign, federal, state, municipal, local (or other political subdivision) or administrative laws, constitutions, statutes, codes, ordinances, rules, regulations, requirements, standards, policies or guidance having the force of law, treaties, judgments or orders of any kind or nature whatsoever, including, without limitation, any judgment or principle of common law.