

GENERAL SALES TERMS AND CONDITIONS–TUBOS DE PRECISION DELMAS S.L.-

1. General Information

1.1. These General Sales Terms and Conditions (hereinafter, “the Terms and Conditions”) for TUBOS DE PRECISION DELMAS, S.L. (hereinafter, “the Seller”) shall be applicable to all commercial sales made by the Seller.

1.2. These Terms and Conditions are the sole ones whereunder the Seller sells, and they shall be incorporated into the Contract with the exclusion of any other term or condition, including those set forth or cited in the Customer order and all other Contract documents.

1.2.1. These Terms and Conditions may solely be modified with the Seller’s express consent by means of a document signed by the Seller which shall be sent to the Customer.

2. Orders

2.1 Orders shall be binding for both parties from the moment the Seller confirms its acceptance in writing, from which time the corresponding Contract of bargain and sale may be deemed entered into by the parties of the Contract and formalized.

2.2 The price and estimated date of delivery of the Order to the Customer shall be confirmed within the acceptance in writing.

2.3 For the Customer to make any changes to an order after the Seller accepts it, it shall need the Seller’s written acceptance which, if applicable, shall include the corresponding modification to the price and estimated delivery date. No modification shall be binding on the Seller unless it has been expressly accepted by it in writing.

2.4 Should the Customer cancel an order subsequent to the Seller’s confirmation, this latter one will be entitled to choose between demanding fulfillment of the contract or its termination, without prejudice of its right to receive compensation for the damages caused in either case.

3 Delivery

3.1 Goods shall be delivered at the place stipulated in the Contract or at the one subsequently expressly agreed upon by the parties. Delivery terms shall be determined and interpreted in accordance with Incoterms 2010.

3.2 The estimated delivery time shall be the one indicated in the acceptance document. Such term shall be estimated in weeks, and Friday shall be deemed the last business day of the week, provided that the departure of the goods is confirmed by the Seller. In any event breach of the estimated delivery times shall be considered a breach of contract by the Seller which is always subordinate to the quality and the reception in time of the raw material by the Seller.

3.3 Unless expressly otherwise agreed, the Seller may make partial deliveries, issuing an invoice for each such shipments.

3.4 Advance deliveries shall require the contracting parties’ express written consent. Written confirmation shall include, where appropriate, the effects that advance delivery may have on accrual of payment of the price and its amount.

3.5 If non-delivery was due to reasons attributable to the Customer, it must make the agreed payments as if the delivery had been made. Regardless of other rights that may be provided by contract, the Seller may proceed to store the Goods at Customer’s own risk, and following its request, to insure them, in both cases, provided the Customer pays the foreseeable storage and insurance expenses in advance.

4 Passing of risk

4.1 In the case of an EXW sale (*Ex Works*, Incoterm 2010) passing the risk to the Customer due to damage or loss to the goods shall take place when said goods are made available to it at the Seller’s premises. In the case of a CIP or CIF sale, the risk shall be passed as determined in Incoterm 2010 rules.

4.2 For sales in Spain, the risk shall be passed to the Customer: (a) With delivery to the first carrier if the Contract includes shipping of Goods and (b) In other cases, since they are made available to the Customer.

5 Receipt of goods

5.1 The Customer is bound to receive the acquired goods, even in the case of partial deliveries. Should the Customer refuse to accept the goods, the Seller will be entitled to choose between requesting fulfillment or termination of the contract, with compensation, in both cases, of the damages incurred. All expenses incurred by the Customer’s refusal to accept the goods (such as warehousing or shipping, among others) shall be borne by the Customer.

6 Force Majeure or Acts of God

6.1 When, due to force majeure or an act of God, either party is unable to fulfill its contractual obligations, their performance shall be suspended until the cause preventing them from being fulfilled disappears. The party claiming force majeure or an act of God grounds shall immediately notify the other of such circumstance, indicating how their fulfillment is affected as well as the new delivery schedule once the cause disappears. The Seller may terminate the contract in case of extended force majeure or act of God grounds on the Customer’s part who under no circumstances can claim force majeure and/or act of God grounds to delay fulfillment of its obligations.

7 Quantity, Quality and Warranties

7.1 The Seller shall deliver the goods in accordance with the quantity, quality, and packaging set forth in the “Specification sheet” of “TUBOS DE PRECISION DELMAS S.L.’s”. In the absence of express provision, the Seller shall use the regular packaging employed for this type of goods upon filling the order. Notwithstanding the foregoing, the Goods shall be subject to the Seller’s internal quality regulations.

7.2 From the time the goods are received, the Customer shall notify in writing to the Seller within a period of three (3) calendar days any apparent defect in the goods, and within fifteen (15) calendar days to notify in writing to the Seller any latent defect. The notice shall describe the defect that the goods bear and under no circumstances shall the Customer be entitled neither to suspend, nor to delay the fulfillment of its obligations. After such terms, the goods shall be deemed accepted in accordance to the Customer’s satisfaction. By such acceptance, the Customer waives all and any right or claim that may arise under the Contract against the Seller.

7.3 Should the goods have suffered any damage during the shipping, such event shall have been recorded on the carrier’s delivery note. In the event that a defect is found, the goods shall not be processed. In any event, the Customer is obliged to lessen the damages that the goods may suffer, whereby it must store them and make them available to the Seller so that it may make the relevant examination. Any other Customer action with respect to the defect will involve the Customer’s loss of the right to claim it.

7.4 The Warranty to be provided by the Seller is limited to replacing the goods, or, where appropriate, and at the Seller’s discretion, the issuance of a credit note for the value of the goods. In both cases, the goods are to be collected at the same condition it was delivered and within its original packaging. Under no circumstances will be warranted any good modified or processed by the Customer (cut/sliced/bent tubes)

8 Limitation of Liability

8.1 The Seller shall not be liable for damages that the Customer may suffer as a consequence of actions and omissions of the Customer, its employees and/or its representatives, in relation to the Contract or to the goods, that exceed the amount of the purchase price of the goods being claimed, excluding taxes, customs duties, insurance premiums and any other costs other than that the cost of the Goods themselves.

8.2 The Seller shall not be liable for any indirect damage of any kind (including interruption of production) or lost profits that the Customer or any other third parties may suffer as a consequence of the actions and omissions of the Customer, its employees and/or its representatives in relation to the Contract or the goods.

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9 Billing and Payment

9.1 Payment of the price of the Goods shall be verified in the period and method agreed upon, and the Customer shall bear all expenses arising from the chosen method of payment. In the absence of agreement, payment shall be made in cash in the Seller's premises no later than thirty (30) calendar days from the date of the relevant invoice.

9.2 In the event that the Goods are subject to complaint by the Customer, it shall likewise verify payment in the agreed upon method and period. The Seller will independently resolve the complaint, and, where appropriate, it will cancel them pursuant to its internal rules. The corresponding invoice shall be issued on the date the goods are made available.

9.3 Unless otherwise agreed, prices do not include any tax or expense regarding the sale or the delivery of goods. Prices mentioned in the bids, estimates, or any other documents issued by the Seller prior to acceptance of any order are not binding on the Seller. The final price shall be the one applicable on the date of the order acceptance and shall be valid exclusively for the entire order accepted, and under the accepted conditions.

9.4 The amounts owed by the Customer in payment of the goods not made on the agreed date shall accrue default interests until said payment is made by the Customer and verified by the Seller. The interest rate shall be applied on the total amount of the invoice issued and will be the one resulting from the sum of the interest applied by the European Central Bank to its most recent main financing operation, increased by seven (7) percentage points. In addition, the Customer shall compensate the Seller for any damage and expense caused by the breach of the contract.

9.5 Should the Seller have sufficient reasons to consider that the Customer shall not be able to cope with the obligations arising from the Contract, it shall be authorized to suspend fulfillment thereof at any time, unless the Customer immediately pays the total amount of the price or provides a bank guarantee or a guarantee of another kind, for the same amount, and it is acceptable to the Seller. The Seller shall immediately notify the Customer of the suspension, granting it a reasonable period to make the payments or provide the guarantee. In the event that the Customer does not make the payment or provide any guarantee, the Seller will be authorized to terminate the contract as well as to claim for the damages that the Customer's nonpayment may have caused.

9.6 Unless expressly otherwise agreed, the Customer is not entitled neither to compensate nor to deduct any of the amounts owed by the Seller, whether arising from the relevant contract or from any other concept.

10 Reservation of title

10.1 Goods not paid in full, whether or not they are in the Customer's possession, will continue to be the Seller's property. The Customer will not become the owner of the goods until the Seller has verified payment in full thereof. The Customer shall assume full liability for any damage or loss that the goods in its possession may have suffered.

11 Industrial property rights

11.1 Sale of the goods hereunder does not imply, under any circumstance, any transfer whatsoever of *know-how* used by the Seller that may have been disclosed to the Customer. In any event, the Seller reserves all industrial and intellectual property rights of its own.

12 Confidentiality agreement

12.1 Any information and/or documentation provided by the Seller to the Customer in the context of the business relationship shall be secret and confidential, and the Customer shall abstain from spreading and/or disclosing it to third parties. Should the Customer breach this confidentiality agreement, it will be liable to compensate the Seller for any and all damages suffered as a consequence thereof.

13 Nullity

13.1 Should any of these Terms and Conditions set forth herein be null or voidable, in full or in part, under Spanish law, it shall be held as unrecorded. Under no circumstances will be affected the validity of the rest of the Terms and Conditions.

14 Notifications

14.1 Any notice or communication due to the Contract must be made in writing, sent by any means that leaves a record of the date, contents and receipt thereof by the recipient. Furthermore, it must be addressed to the persons and places set forth in the Contract or those expressly indicated subsequently by the parties. Communications and other Contract documents shall be written in the language of the Contract.

15 Jurisdiction and applicable law

15.1 The Contract shall be governed, and interpreted, by Spanish law. Any controversy due to the Contract shall be resolved before the Courts of Granollers, and the Customer expressly subjects itself to said jurisdiction, with an express waiver to any other jurisdiction that might be applicable to the corresponding controversy arising from the Contract. In no case shall the United Nations Convention on Contracts for the International Sale of Goods, done at Vienna on April 11, 1980 be applicable, nor does any other that replace it.

15.2 Notwithstanding the foregoing, the Seller reserves the right to go to the Courts in the Customer's country to claim any amount that it may owe it.