

PURCHASING FRAME AGREEMENT

1. SCOPE OF THE AGREEMENT

1.1. General Scope.

Terms included within this PURCHASE FRAME AGREEMENT (PFA) are fully valid for all orders that COMEXI GROUP INDUSTRIES S.A.U. (here in after referred to as COMEXI), and will be understood within the terms and conditions of the PFA.

1.2. Exclusivity.

The present conditions, as well as drawings and product information as they may be, will be an integral part of each and every order, confirmation of order or purchase contract where COMEXI acts as purchaser. PFA terms constitute the exclusive regulation with all suppliers, unless any specific and particular provision has been previously agreed by the Parties. Any provision or general terms included by the SELLER within their correspondence, invoices or delivery notes, will not be considered valid and agreed, even such provision or general terms do not explicitly enter into contradiction with the PFA, unless COMEXI does not expressly accept them in written. PFA, as well as any technical purchase conditions that may apply included in the order are the exclusive terms of the order, even though a delivery with deviations or attended is finally accepted by COMEXI.

1.3. Validity.

PFA will be valid for all purchase orders with suppliers, even though PFA are not expressly referred in the orders. PFA will remain valid, unless substituted by other ones, fact that will be officially advised to all suppliers.

2. ORDERS AND CONFIRMATION OF ORDERS

2.1. Orders.

The content of each PO will be determined by COMEXI, as far as the goods definition, quantity, term of delivery, and any modifications that may be submitted by COMEXI are concerned. Such content will as well determine the validity of the delivered goods, being COMEXI entitled to reject all the delivered goods not in conformity with the content specified in every Order, and/or not in conformity with the required specifications and quality.

2.2. Order confirmation.

Orders will be understood as accepted after 48 hours elapsed from their issuance, unless an express not acceptance statement is sent to COMEXI by the supplier within such period. In the event that such supplier statement includes an amendment of the order placed by COMEXI, or includes additional contractual terms, such amendment or inclusion are to be explicitly highlighted by the supplier (i.e. underlined, capitals, black text).

Amendments will be only understood as accepted and included in the order whenever COMEXI expressly accept them in writing. If they are not expressly accepted in writing will mean disconformity and not acceptance by COMEXI.

3. PRICES

3.1. Price.

SUPPLIER's materials and goods price will be the ones as stated in each PO, in accordance with the ones previously agreed by the SUPPLIER and COMEXI based on the offers submitted by the SUPPLIER. Any Price modifications will require a written previous consent of COMEXI. All prices will be understood on position DDU (Riudellots de la Selva – Girona – INCOTERMS 2000).

4. INVOICING AND PAYMENT TERMS

4.1. Invoices.

All invoices must be received in two originals in the address of COMEXI within the ten following days after delivery date. Delay on invoice reception, will cause the same delay on payment date. Should any invoice be returned to the SUPPLIER because of any miscalculation or other type of errors, the amended invoice is to be delivered within the next ten days period after rejection.

4.2. Payment Terms.

Orders will be paid on the dates and payment day that may be stated by COMEXI in their orders.

All SUPPLIER invoices will include:

a) Name, tax identification number and complete address of COMEXI:



COMEXI GROUP INDUSTRIES, S.A.U.
N.I.F. ES A17005299
Polígon Industrial de Girona
Av. Mas Pins, 135
E-17457 RIUDELLOTS DE LA SELVA
(Girona – Espanya)

b) SUPPLIER's Name, tax identification number and complete address.

c) Corporate Register inscription data (in case of companies or corporations).

d) Invoice number, date and issuance place.

e) Delivery note number, P.O. number, name of the person that submitted the service, supplier given number by COMEXI, material description and code given by COMEXI.

f) Invoice amount and VAT rate and VAT amount are to be set forth separately.

g) Term and payment conditions, as well as maturity date according with the P.O.

h) All references included in one delivery note are to be included in one only invoice, meaning that references of the same delivery note cannot be invoiced in more than one invoice. Should

any of the above referred points are not included as described in supplier's invoice, payment term will be counted from the correct issuance of the invoice.

5. DELIVERY DATES

5.1. Date of Delivery.

Within each PO, COMEXI GROUP will determine the term of delivery, and can only be postponed by written authorization. It is of the essence for this PFA the strict fulfilment of the purchased delivery terms. In this sense the supplier is fully aware that PO are part of COMEXI equipment to be supplied to COMEXI GROUP customers, and that purchased goods delivery date is fully linked with COMEXI equipment delivery term. Whenever a delay on delivery is produced, COMEXI will hold all rights to claim any liquidated or consequential damages that any delay may cause to COMEXI.

5.2. Delivery dates breaches.

In case that the supplier does not meet the delivery date, COMEXI will hold the right, to either:

- a) Obtain a discount of the goods price of 5% per every 5 days of delay from the third day delayed on, or to ask for any other liquidated or consequential damages, as resulting damages may be.
- b) Obtain a new payment term for the delayed goods invoice, equal to the delay period occurred on the last line of the received order.
- c) Resolve wholly or partially the order, and any order that may be currently pending of delivery.

6. DELIVERY TERMS

6.1. Delivery notes requirements.

SELLER will submit together with the delivery of each order, a Delivery Note stated the description of the delivered goods as well as the following items:

- a) Delivery note number, clearly marked in all cases.
- b) Goods price per unit, and global price for the order.
- c) P.O. number/s to which is referred all delivered goods and materials, as well as the Supplier number as given by COMEXI within the P.O. Otherwise, the goods will not be receipt and accepted.
- d) COMEXI's code for each and every goods and materials as stated in the P.O.
- e) Delivery Note will be attached to the box or packaging by a protection plastic bag placed in the outer part of the package.

6.2. Transportation.

Delivery will take place in the address of COMEXI, unless otherwise specified by COMEXI.

6.3. Unloading.

Time frame to unload goods and materials will be the one determined by COMEXI. In any case, no material will be accepted whenever it will not be unloaded by COMEXI. COMEXI will not receive any goods outside the unloading time frame. Whenever any supplier foresees that time

frame may not be attended, COMEXI purchasing department representative must be advised for special authorization. In such a case, delivery note will include COMEXI purchasing department representative contacted. Working days will be deemed to be the ones agreed in Metallurgical Labour Agreement for Girona Province. For special cases such as holidays, COMEXI will advise in advance writing the correspondent time frame for unloading.

6.4. Packaging.

All goods are to be delivered properly packed in order to avoid damages during transportation, having special care for treated and painted parts, and bearing in mind whether transportation modality will be sea or land transportation, to avoid additional damages and corrosions.

Packaging will be borne by the supplier. Goods will not be unloaded should it is not properly packed. Goods will be delivered properly identified with labels sent electronically by COMEXI. Identifying labels are to be located in very visible places. For all goods packed with boxes, labels are to be placed in one outer side of the box. Goods will not be unloaded should they are not properly identified, or delivery note is not properly attached. All goods are to be delivered grouped by codes, in order to facilitate verifications process when received. All machined parts are to be delivered marked with the drawing number as indicated in the P.O., the supplier code, and when applicable quality number.

In the event of hazardous materials, the correspondent safety form is to be attached, otherwise will not be unloaded.

7. QUALITY

7.1. Compliance of specifications.

All goods and materials will comply with all the technical specifications required and set-forth or referred to in the PO, and will respect the drawings supplied to COMEXI for that particular good. Whenever the delivered goods do not meet the drawings or specifications as stated in the PO, they may be returned totally or partially by the reception department, or even after reception, should the breach of specifications can not be detected at arrival.

In those cases, COMEXI will be entitled to either require a new material, to reject the order or to require the correspondent repair.

a) Rejection of the goods. COMEXI will reject all default goods and will require them to be shipped back at suppliers' cost. Whenever the goods are returned, their price will be deducted from any pending invoice. Credit note for those default goods will include the original invoice number. In case there were not pending invoice, COMEXI will require the correspondent refund.

b) Repairs done by COMEXI. Whenever reparation done by COMEXI is the agreed solution for a default good, suppliers will pay and bear all repair costs. Manpower will be charged at standard hourly rate, yearly revised.

7.2. Non-conformities procedure.

In all cases, COMEXI will issue a report of non-compliant material (NCR). To partially cover administrative costs caused by non-conformities, COMEXI will invoice the cost for each report issued noncompliant material. Invoice will be sent to and paid by the supplier. Likewise, in relation to delays resulting in non-compliance, the content established in 5.2 point, provision

here in shall apply. COMEXI may require the supplier the patterns of control that must be delivered to the Quality Department together with the delivered goods or via email.

8. WARRANTY AND PRODUCT LIABILITY

8.1. Warranty.

Supplier warrants during a period of 24 months from order acceptance by COMEXI, that all the goods supply are brand new, manufactured by the highest quality equipment and workmanship and free of any quality defect, and free of any performance defect to achieve the technical standards and performance for what they were acquired, that they meet the CE regulations, or whenever specified, the country where they are going to be installed regulations. During the warranty period, supplier is to repair or to replace at COMEXI option, all default equipment, part or component, and will bear all costs for such repair or replacement of the goods, as well as all related costs such as transportation, travel expenses, etc. This warranty also covers any supply that may be subcontracted by the supplier to any third party.

A new and same warranty period of 24 months will be granted for all replaced goods and materials.

8.2. Technical standards.

Supplier warrants that all goods and materials comply with all the technical specifications required and set-forth or referred to in the PO, and will respect the drawings supplied to COMEXI for that particular good. In all cases, all the goods supplied will achieve the technical standards and performance for what they were acquired, that they meet the CE regulations, or whenever specified, the country where they are going to be installed regulations. The SUPPLIER will, at their cost and risk, replace all defected goods.

8.3. Product liability.

Supplier will show evidence of a valid and currently paid insurance policy that covers enough indemnity to be determined by COMEXI, as far as product liability is concerned to cover any damage the supplied goods may cause to either COMEXI's personnel or goods, or third party persons or goods arisen out from the supplied goods.

8.4. Industrial and intellectual property rights.

Supplier will manage under their full responsibility and with total indemnity to COMEXI, the use of registered industrial and intellectual property rights that applies to the supplied equipment, parts, instruments or devices, as well as to the software supplied with them. The supplier will hold responsibility of any intellectual right, property right or patent infringement. All expenses that may arise out of any claim regarding such infringement, as well as any liquidated or consequential damages incurred thereof will be born by the supplier.

9. JURISDICTIONS AND APPLICABLE LAW

In case of disagreements over the interpretation and/or execution of this FPA the parties hereby accept the rulings of the Courts of Girona (Spain), accepting the Spanish law as the governing law, and expressly renounce any other jurisdiction, commercial and complementary law being applicable. Execution allocation for these PFA obligations will be COMEXI address.

10. MISCELANEA

The parties herein agree that the obligations between them exclusively are the ones regulated in this Agreement, and the ones expressly stated in each P.O. Notwithstanding, parties must show good faith and mutual collaboration during PFA development.

In compliance with the organic law 15/1999 of 13 of December of protection of data of Personal character (LOPD), GRUP COMEXI *, has adopted the technical and organizational measures to ensure the security, integrity and confidentiality of the personal data.

For purposes of compliance with article 5 of the data protection act, we inform you that data of the contracted party, those designated people to keep in touch with us, or his representative, of the persons responsible for each area, as well as those workers who receive training from our company, will be integrated into the files of COMEXI GROUP *, with the purpose of managing our contractual relationship.

We inform you that you may exercise the rights of access, rectification, cancellation and opposition in Av. Mas Pins, 135 (Pol. IND. Girona), 17457 Riudellots de la Selva (Girona), through written communication and photocopy of the ID card indicating the LOPD reference or through the e-mail address: <mailto:comexi@comexigroup.com>.

* GRUP COMEXI is formed by: Comexi Group Industries, sau, Comexi Group, s.l., Foneria Girona, s.l., Neopack, s.l. and M. C.T. Xifra Boada SLU