

GENERAL SALES CONDITIONS CMO VALVES TECHNOLOGY S.L.

1. GENERAL CONDITIONS FOR THE ORDER

These general conditions apply to all purchasing operations negotiated.

In any case it is understood that the CUSTOMER is aware of and submits to these General Conditions, by accepting our order, sending us goods or performing work that is the object thereof.

Any modification to these General Conditions must be expressly accepted by us and recorded in writing.

The customer states that they know the characteristics and limits of the different materials that make up each of our products, and therefore, they are aware of and know the use and application that can be given to them, the recommended limits for products manufactured by CMO found in our catalogue, whereby the current catalogue is the one published on our website www.cmovalves.com. On the customer's request, CMO VALVES TECHNOLOGY SL will make recommendations for the application of its products in special cases, based on the operating conditions that the customer has sent and communicated to CMO.

2. ACKNOWLEDGEMENT OF RECEIPT

All orders will be acknowledged. The modifications included in this acknowledgement will be considered accepted if no written notification is received from the customer within 48 hours. In the event that the customer wishes to make changes to the order after it has been launched at CMO, the customer will be obliged to let CMO know of their intention to modify the order. These alterations will only be valid in the case that CMO accepts them in writing.

In the event that CMO wishes to make changes to the order after it has been launched, CMO will be obliged to inform of its intention to modify the order. CMO will inform of these alterations in writing.

3. PRICES

Those indicated in the order revised by CMO will be understood at all times as fixed and non revisable.

Any variation in characteristics or specifications made after the order that could lead to setting a new price, must be confirmed and accepted in writing by us.

In the order, at least transportation and assembly, if included, must be itemised.

They will be indicated in EUROS and without VAT, with the corresponding discount in each case already applied. The prices are valid for the total offer; prices may vary in the event of any modification of quantities.

Without prior agreement, the prices will be understood for goods located in our warehouse.

4. DELIVERY TIMES AND COMPLETION OF THE WORK

Delivery times will be indicated in the order and will be considered accepted if no written notification from the supplier is received within 48 hours.

When there are plans pending approval, the delivery time will start from their approval in writing.

The delivery of documentation and requested materials must be made within the established contractual term. If the delivery time of either of them is delayed by more than two weeks, without prior written notification to CMO, CMO reserves the right to cancel the order, informing the supplier in writing.

CMO will not start manufacturing until the drawings are approved and the contract signed by the customer is in its possession, whereby the delivery times will not start until that moment and neither will the penalties if these had been accepted. The drawings to be considered for civil works referring to gates will be those made by CMO, independently of any in the project.

If the assembly is included, the assemblies are considered continued, in a single visit or phase.

If, due to the needs of or non-compliance with the civil works, the assembly of all the materials as a whole cannot be carried out, the pending assembly will be priced in a complementary way to the price initially offered.

5. DELIVERY OF MATERIALS

The materials will be sent with the corresponding delivery note, indicating the CMO order number, description of the material, RRP of the material, supplier data...

When the materials are delivered to our suppliers' warehouses, a copy of the delivery note will be delivered with the goods and another will be sent by email or fax to CMO.

For payment purposes, the materials will not be considered delivered until all the components of the order have been delivered. Therefore all partial invoices will be rejected.

The materials delivered are considered on deposit until their price is paid in full, whereby CMO reserves the domain over them until the full payment of the price. The materials will be sent with the corresponding delivery note, indicating the CMO FO, description of the material, RRP of the material, customer data... If requested, the price may be omitted. Under no circumstances is CMO responsible for transport, even in "carriage paid" sales. The

goods are always shipped and travel at the buyer's risk, even if they are shipped "carriage paid" from the place they are collected for transportation, whichever is adopted.

If the goods present apparent defects not attributable to transportation, they must be indicated by the buyer immediately, by registered letter, under penalty of prescribing within a month of the reception date indicated, depending on the case, on the dispatch or delivery note or on the delivery receipt given to the carrier at destination after unloading. If the goods have been modified by the buyer, no claims will be accepted. In case of a claim made within the term, if the goods are recognized by CMO as defective, CMO is only obliged to replace them, and is exempt from any damages. This replacement will not take place unless the resulting defective material is received at our factory, with our prior agreement.

6. PENALTY

CMO does not accept any penalty that has not been previously agreed in writing. Compliance with the delivery date is subject to contingencies that are sometimes beyond our control, such as strikes, lack of supply, causes of force majeure in general, therefore, orders subject to penalties or cancellation due to delays in the delivery date are not accepted under any circumstances unless previously approved in writing in the negotiation phase of the order. All deliveries are goods placed in our warehouse. The delivery date does not consider the days until the transport arrives at its final destination.

7. CARRIAGE

If there are no specifications in the previous offer, the carriage will be considered due, CMO will not pay any carriage charges that have not been included in the initial offer that originated the order or accepted by the sales rep in subsequent conversations, and must include the name of the latter in the order together with a written confirmation.

8. STORAGE COSTS

Material that is ready for shipment and pending authorizations by the customer that has remained in CMO's facilities for 15 days will incur a cost, to be determined.

9. DEDUCTIONS

The amounts to be deducted from the amounts of the orders can be replaced by a bank guarantee, with a maximum duration of the guarantee period, with the obligation to return it upon completion.

10. DRAWINGS AND DOCUMENTS

Drawings accompanying offers are always for guidance purposes only even when not expressly indicated on the drawing, and the final drawings are those provided when the order is confirmed.

- *Documents generated by the customer.* Drawings and documents relating to an order sent by the customer are the property of the customer and will be stored in the file corresponding to the order in question.

- a. *Documents generated by CMO.* The documentation generated by CMO is the exclusive property of CMO, its reproduction and dissemination being expressly prohibited without CMO's consent.

- b. Drawings and documents belonging to CMO may have modifications, and CMO is not obliged to communicate or disseminate them.

- c. *CMO's standard drawings* are free distribution. For drawings related to a specific issue CMO can provide a quote for them. CMO is not obliged to send the drawings referring to a matter if it has not previously been included in the price of the offer.

All the signs, trademarks and patents made available to the customer, will remain the property of CMO. The term trademark is to be understood by the parties as all the names, provisions, drawings, stamps, letters, logos, shapes of goods and packaging that are being used by CMO.

*In the case of violations of intellectual property rights, the customer must accept the non-actionable payment of 50% of the value of the order, without a demand or notice of judicial procedure, or a fine of 5% of the value of the order per day depending on the duration or continuation of the violation, whereby CMO's right to compensation is understood for present and future damages caused in the above-mentioned terms, as well as the right to terminate the contract that CMO has by means of an extrajudicial written declaration of the violation by one of the parties.

- *Commercial documentation* The commercial documentation between CMO and second parties must be written in Spanish, English or French, any other languages are not admissible.

11. QUALITY CONTROL

CMO bases its Quality Control on the guidelines of ISO 9001

The products supplied are manufactured under internationally recognized quality standards (ISO, DIN, EN, ASTM, etc.)

At the request of the customer, the certificate of compliance supported by the copy of the original from the manufacturer, existing in our files, is delivered.

Any other type of certificate requested, for example 3.1.b, costs €60 for the first 6 lines of articles and €1 more for each line of additional article.

Also, samples, drawings, documents, studies, etc. established or adapted to our interest are our property. They may not be reproduced without written authorization from CMO.

The materials delivered will be in accordance with the drawings, catalogues and other contractual documentation.

CMO is not required to admit Quality audits or external quality certifications

that have not been agreed beforehand via a quote.

Quality inspections by the customer. CMO is not obliged to accept quality inspections in its workshops or on site without prior acceptance of the offer.

12. GUARANTEES

The guarantee period will be 12 months from the delivery of material, which may reach a maximum of 18 months from the dispatch of material from CMO, where this last condition will be established in writing. Additional guarantees agreed upon under quote can be given.

Any guarantee will only take effect if the amount of the material and/or work supplied in is paid in full.

This guarantee is revoked in the case of interventions by third parties not authorized by CMO, lack of maintenance or abnormal inappropriate use.

Commercial elements added in the manufacture of CMO will be governed by their own guarantees.

CMO guarantees all its products, against any defect in the material or its manufacture, whether evident or concealed, provided that the handling, transportation, installation and use has not mediated misuse or abuse, exceeding the conditions for which they were manufactured.

This guarantee covers the replacement of parts recognized as defective. The manufacturing and tolerances are those normally accepted for the type of manufacturing in terms of dimensions, thicknesses and weights. We reserve the right to modify the information in our catalogues and documents without prior notice.

The guarantee includes the repair or replacement of defective parts in our workshops or those of our suppliers, not including in any case the costs of disassembly, assembly and shipping, or travel if necessary by our technical staff, if it is demonstrated that there is a manufacturing defect. The guarantee will be invalid if the goods have been handled by staff not belonging to CMO.

Faults in motors or other components due to entry of water or moisture are not covered by the guarantee. This also applies to burnt motors.

The guarantee is invalidated when the circumstances of the fault are not sufficiently clear, the material does not work under appropriate conditions for its design, the service and maintenance instructions are not followed or the stipulated guarantee period has expired.

The guarantee does not include faults due to normal wear and tear, inappropriate work, incorrect handling, discharges, thermal or chemical influences, oxidation, connections, lack of maintenance, assembly errors or incorrect commissioning.

13. AFTER-SALES SERVICE

Claims on the guarantee must be made immediately after the fault has occurred.

All requests for technical assistance or request for spare parts must be made in writing to provide a quote for assistance or repair. If the fault is covered by the guarantee, the part to be supplied will be free of charge (shipping, travel and subsistence allowance are not included - see guarantee conditions, point 12). If it is not covered by the guarantee, an order must be issued for the initial quote.

For the supply of any defective part, the delivery time will depend on the manufacturing process or the supply of the CMO suppliers.

Under no circumstances will the delivery time be less than 10 days.

Under no circumstances does the purchase of equipment or spare parts grant the right to:

- a. Free commissioning.
- b. On-site checks.

The commissioning or technical assistance requests will be attended upon receipt of the corresponding order in CMO, which implies the express acknowledgement of the conditions of CMO's after-sales service.

It is recommended that all installed equipment be equipped with spare parts to avoid delivery delays.

The geared motors and control cabinets will not be repaired on site, so in the event of any faults they must be sent to CMO for repair.

14. ELEMENTS NOT INCLUDED IN ORDERS-ASSEMBLIES

- Penalties / Deductions
- Inspections / Testing in the presence of the customer at our facilities or on site.
- If they are required, they will be quoted separately. In all cases the tests will be carried out after the completion of the works.
- Transport. / Assembly
- Unloading crane and assembly NOT included.
- Additional trips for reasons beyond CMO's control / - Starting-up
- Installations or electrical connections for assembly.
- Wiring from valves or gates to electrical cabinets.
- No type of civil works, infilling or sealing.
- Conditioning of the supply to civil works.
- Plan for health and safety in assembly
- Cleaning of enclosures before assembly, water drainage, etc. (Dry assembly)

- Pumps or any element for tests (water, special fluids, gas...)
- Replacing material due to theft / Surveillance of material on site
- Special lifting equipment / Scaffolding / Lifting platforms
- Storage at CMO / Storage on site
- Definition of welding required on site and whether it has some type of non-destructive testing.
- In the event that tests are required (destructive or non-destructive) they will be informed prior to the order and will incur an extra cost.
- Special packaging for land / maritime transport.
- Additional assemblies on site. In the event that they are required they will be informed before they are started and will incur an extra cost.

15. PACKAGING

CMO considers standard packaging to be included in its order, consisting of europallets, standard packaging tape, standard strapping and cardboard boxes.

Under quote, it can be packed according to the customer's specifications, as long as there is an order signed by the customer regarding the special packaging.

16. PAYMENT TERMS

The payment terms will be covered individually with each customer. No exception of any kind may be invoked by the buyer, taking as pretext faults, defects or irregularities of the goods, in order to not make or delay payment of the invoice, which must be made at the supplier's address, as stipulated on the invoice or acknowledgement of receipt.

Failure to pay an invoice when it is due or not withdrawing the material within the agreed deadline, fully presupposes the termination of the transaction, with damages if any, unless we prefer the executive action of the case. If the transaction consists of several supplies, we also reserve the power to suspend deliveries pending. All payments are insured.

-First operation: until there is risk coverage by the credit risk company and approval by CMO, no material will be supplied, without prior payment.

-For orders for amounts of less than €200 a €25 surcharge will be charged as handling fees.

CMO will not accept extensions in payment, and all delays will be declared to the credit risk company.

According to legislation in force.

First operation for cash payment. In the case of advance non-standard material.

For orders less than €500 cash payment. In the case of advance non-standard material.

No return of non-standard material made to measure will be accepted.

The invoice will be issued once manufacturing is complete at CMO or after its inspection, which cannot be carried out more than 15 days after the end of the manufacturing date.

CMO insures all its operations.

In the event that the operation is insured, payment can be made in the following ways:

- By transfer
- By promissory note
- By confirming
- By accepted letter
- Letter of credit
- ...

In the event that the operation CANNOT be insured, Technical service and AFTER-SALES service, payment will be made in the following ways:

- Technical service and AFTER-SALES service: Advance payment before the staff leaves the factory
- Advance payment before the start of production - Non-standard manufacturing
- Cash payment before the withdrawal of the material - Standard manufacturing

Deductions cannot be greater than 5% of the value of the contract and must be replaced by a bank guarantee for the duration of the guarantee. This guarantee will be established in the contract with start date and end date.

17. RETURNING GOODS

When due to work circumstances there is an excess of unused goods, they will be returned to the supplier with the following conditions: the goods returned will be unused and in the original packaging. The return carriage will be paid and must be made within a maximum period of 6 months. Any return of material that is not due to causes attributable to manufacturing reasons by CMO, must be requested, accepted and will be sent to us carriage paid. For used materials, the return must always be consulted before sending.

In all cases, a written agreement from CMO will be required before making any return.

No claim/refund will be accepted for alleged error in quantities or measurements after 7 calendar days have passed from the date of delivery of the goods. No return of products manufactured and specified in the customer's order / contract will be accepted. In situations in which, at our discretion, and subject to prior agreement in writing, the aforementioned is modified, CMO will apply the deductions detailed below:

-Return of the material within 15 days after delivery. 20% of the value of the goods returned.

<p>-Return of the material within 90 days after delivery. 25% of the value of the goods returned. The above points only apply when the goods reach us in perfect condition, whereby any material in bad condition will not be accepted. 90 days after the delivery, no returns will be accepted. Any product considered as specially manufactured by CMO will not be accepted as indicated above.</p>
<p>18. REJECTION OF GOODS Goods will be a rejected when they do not meet the standards given by CMO. All replacement costs will be paid by the supplier.</p>
<p>19. CANCELLATION OF ORDERS Any order for products that involve a manufacturing process, handling, special technical studies, incurs a cost to the buyer that will be applied at the time of cancellation, both temporary and definitive, as follows: -After the reception and introduction in the system. 25% of the value of the cancelled goods. -During manufacturing. 75% of the value of the cancelled goods. - Once the completion of tests has been informed. 95% of the value of the cancelled goods.</p>
<p>20. EXPIRY OF ORDERS Any order, for which a period of 6 months has elapsed without any evolution from the customer, will be considered automatically cancelled and if they wish to proceed with it later, the customer must send a new order for which the prices, conditions etc. will be reviewed, if it is considered appropriate.</p>
<p>21. SAFETY STANDARDS The safety standards to apply for CMO orders are those reflected in the CMO Safety Manual.</p>
<p>22. SUBMISSION TO COURTS Both parties waive their own jurisdiction and domicile, if different, and expressly submit to the jurisdiction of the Courts and Tribunals of the city of San Sebastián/Tolosa.</p>
<p>23. SECRET The supplier may not disclose to third parties any information that has come to their knowledge, in the framework of a contract already signed or to be signed with CMO and that is not public, unless CMO has given its written approval for this purpose. In the event that this prohibition is violated, the customer must assume the non-actionable payment of 50% of the total value of the order, as well as a fine of 5% of the value of the order per day whilst the violation continues, without prejudice of CMO to other rights or actions as a result of non-compliance.</p>
<p>24. END OF CONTRACT The suspension or paralysis of the work due to causes beyond the contractor's control or not does not exempt the contractor from compensation in favour of CMO. The contract signed by the parties can be immediately dissolved by CMO in the following cases: In the event that, - the customer declares bankruptcy - the customer declares to be in a situation of suspension of payments. - the customer fails to comply with the obligations stipulated in the contract. - the customer has an indefinite work stoppage. - CMO's credit insurance company does not cover a minimum of 80% of the total value of the order. - in the cases indicated in Article 18/19 of the General Conditions of purchase.</p>
<p>25. FORCE MAJEURE a. In the event that the supplier cannot fulfil its obligations due to force majeure and in accordance with the contract, they will be obliged to inform CMO immediately of this situation. b. In the event that this situation of force majeure may last more than 30 days, CMO may dissolve the contract immediately, without prejudice to its rights to be compensated for the damages caused.</p>
<p>26. CMO'S LIABILITY CMO has a Civil Liability insurance policy, to cover circumstances of this nature that may be caused by the supply of its products, during the guarantee period It is very important to bear in mind that CMO manufactures valves and elements for the conduction of fluids in special applications, so the following must be taken into account: - The application of a valve or element manufactured by CMO in a place not expressly indicated in writing by CMO, will not give rise to any type of claim, either directly by the customer, or indirectly by insurance companies. - The customer-user is responsible for choosing the valve model or element to be installed in their installation, depending on the fluid and performance that they want to obtain from the product.</p>

- As a manufacturer of various models of valves and elements for fluid conduction, CMO has the technical staff to inform about and ensure the operation of its products.
- CMO gives acknowledgement of receipt of orders, which under no circumstances means that it is aware or agrees to the application given to its products, whereby this is the total responsibility of the customer-user.
- CMO guarantees its products in the applications and limits established in writing.

27. JURISDICTION

Spanish law will be applied in case of dispute regarding these General Conditions for Purchase or those connected with other Conditions and / or those applicable to the contract signed with CMO.