

General Sales Conditions

1. – GENERAL

- 1.1. CELO, S.A. (herein, the Seller) shall deliver the products object of this Sales Proposal in accordance with the following Sales Conditions, which shall have prevalence, in the case of conflict concerning any purchase conditions of a third party (herein, the Purchaser), that may arise or have been sent to the seller enclosed with and/or contained in any purchase order.
- 1.2. Without prejudice to aforementioned Clause 1.a., no purchase order received from the Purchaser shall be perceived as a binding agreement with the Seller except in the case that it is sent in writing and acknowledgement of receipt is confirmed in writing by the Seller.
- 1.3. No changes to the Sales Conditions referred to herein shall oblige and/or bind the Purchaser and/or Seller, except in the case that both parties mutually agree to and do so in writing.
- 1.4. Where the Seller promotes the products through a catalogue and/or similar document, the Seller reserves the right to modify any designs, specifications and/or technical features of the same.

2. – PRICES

- 2.1. Sales prices shall be those included in the offer and/or sales proposal.
- 2.2. If during the duration of the sales contract and/or delivery programme, there is an increase in labour costs, and/or materials and/or other cost increases related to packaging manufacture, the Seller reserves the right to increase the price of said products proportionally according to the aforementioned and the final price shall be the quantity accepted and paid for on the part of the Purchaser.

3. PAYMENT TERMS

- 3.1. All products shall be paid for in accordance with the conditions agreed upon with the client, or by default, within 30 (thirty) days following receipt of the corresponding invoice. In the case that payment is not made on the part of the Purchaser within the aforementioned period, the Seller shall have the right to demand and receive 20% (twenty per cent) interest from the invoice date until full payment is received for the amount due.
- 3.2. If the Purchaser does not proceed to pay the total amount due within the terms agreed upon in Clause 3.a., The Seller shall have the right to adopt, without exclusion of any other legal right, the following measures: (i) to stop all pending deliveries to the Purchaser until the total amount due has been paid in full and/or (ii) to cancel all production, which will delay future delivery and will remain in effect for the total number of days of delay in payment in full of the amount due and/or (iii) to cancel the purchase order and receive compensation for the costs and/or expenses arising from all of the damages and/or losses suffered up to the date of said cancellation.

4. TRANSPORT AND DELIVERY

- 4.1. Unless the Seller states otherwise on the sales proposal and/or offer, all products shall be shipped at the Purchaser's risk and expense, the latter being completely responsible for total transport costs. Any additional costs deriving from the delivery of the products to the Purchaser shall be the total responsibility of the latter.
- 4.2. If the Purchaser does not accept delivery of the products in the period agreed upon and, in any case, the content of the sales offer made on the part of the Seller, it shall be considered that the Seller made the products available to the Purchaser within the period agreed upon and that the Purchaser refused delivery of the same. If this is the case, the products shall remain in the possession of the Seller at the Purchaser's risk and expense, the Purchaser being responsible for any storage and handling costs, etc. incurred, except where the Purchaser has previously agreed a new delivery date for the products with the Seller and the Purchaser shall expressly accept the additional costs that the Seller invoices the Purchaser for as a consequence of the initial refusal.
- 4.3. Delivery dates agreed upon that extend over a long-term period and conform to a forecast calendar shall not be altered, under any circumstance, for more than one month longer than the initial forecast dates. In any case, the Seller's express written authorisation shall be necessary for such changes to come into effect.
- 4.4. Any delivery date agreed upon and/or contained in the offer and/or sales proposal shall be interpreted, uniquely and exclusively, as an estimated delivery date. Under no circumstance shall the Seller be responsible for any direct or indirect loss, damage, expenses and/or cost resulting from a delay in product delivery.
- 4.5. The Seller reserves the right to deliver to the Purchaser those quantities of products that do not exceed, or are by default 10% (ten per cent) of the quantities requested by the Purchaser or through the purchasing order and/or accepted at the time by the Seller through the sales proposal. This margin shall be expressly understood as accepted by the Purchaser, who waives any action and/or right against the Seller for such circumstance.

5. QUALITY AND DEFECTS

- 5.1. If any defect is detected in the products deriving from faults in material and/or in workmanship, provided that the Seller has been notified of the aforementioned within an maximum period of two weeks from the date of delivery of the products to the Purchaser, the Seller shall replace the defective parts within a reasonable time which shall not exceed three months. In any case, this obligation shall only take effect in the event that the product defects have previously been verified and confirmed by the Seller directly.

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5.2. The Purchaser shall provide the Seller, in the event that verification of the defects takes place at the facilities of the Purchaser, with each and all the costs estimated for such verification, as well as the number of parts selected, returning those parts that are finally declared as defective to the Seller. The aforementioned procedure shall require, in any case and so as to be declared valid, prior written authorisation of the Seller, as well as the subsequent control and later results approval. Transport for returning the defective products shall be organised by the Seller.

5.3. If the Seller is informed of the product defects more than two weeks after being received on the part of the Purchaser, the Seller is under no obligation with the Purchaser regarding the state and/or condition of the products.

5.4. If the products subject to return have already been paid for on the part of the Purchaser, the Seller shall reimburse the corresponding invoice to be sent by the Purchaser once conformity of the same has been received. Under no circumstance shall the Purchaser deduct the total cost of the amount reimbursed for the defective products from other pending invoices payable to the Seller.

5.5. The Seller shall undertake all the necessary measures to ensure the quality and technical specifications of the products, adjusting the aforementioned to the legal requirements as established for the products habitual use, allowing for error margins in PPM according to ISO-16426. However, and always when product end use is beyond the scope and control of the Seller, feasibility of the same shall not be construed as a guarantee for different uses of the product other than habitual use.

5.6. The Purchaser shall compensate the Seller for all claims the Seller receives regarding any damages, injury, losses, loss of earnings and/or similar, either directly or indirectly, deriving from product use and/or application other than habitual use that may be undertaken by the Purchaser or third parties.

5.7. The Seller is under no responsibility to the Purchaser regarding the products according to the aforementioned clauses (Clauses 5.a., 5.b., 5.c., 5.d., 5.e. and 5.f.), and the Purchaser waives any action and/or rights as established by the aforementioned clauses. Under no circumstance shall the Purchaser compensate the Seller with a value greater than 10 per cent of the total value invoiced annually between both parties.

6. OWNERSHIP

6.1. The products are considered at the Purchaser's risk and expense from the point that the Seller hands over the products to the contracted transport service that carries out delivery.

6.2. The Seller shall be considered the rightful legal owner of the products until full payment has been made on the part of the Purchaser.

6.3. Once the agreed payment date for the products has been reached, and total payment has not been made on the part of the Purchaser, the Seller may repossess the products at any time, informing the Purchaser of such event in writing. In this case, the Purchaser shall expressly accept to return all the products to the Seller, and the Purchaser shall be responsible for all costs and risks concerning transport and return of said products.

6.4. The Seller's rights as established in Part 6 of this document shall be interpreted as not endangering, under any circumstance, the rights pertaining to the Seller concerning the Purchaser as established by applicable law.

7. PENALTIES

7.2. The Purchaser shall compensate the Seller for all damages, injury, penalties, fines, costs and/or expenses incurred on the part of the Seller and/or for the aforementioned if the Seller is declared responsible by third parties for director and/or indirect activities concerning the Purchaser.

8. FORCE MAJEURE

8.1. If any of the parties (Purchaser and/or Seller) causes a delay or does not comply with delivery and/or reception obligations of the products for the sale to third parties as a consequence of industrial action, demonstrations, business closures and/or for any other similar circumstance beyond the control of any of the parties, each of the parties shall be considered free of obligation as Purchaser and/or Seller given that the non-compliance of obligations have been considered as hindered, impeded and/or made impossible as a consequence of the events of some of the aforementioned circumstances. In this event, the Purchaser shall reimburse the Seller for all costs and/or expenses incurred by the Seller for works carried out and/or for the materials previously used prior to the aforementioned events taking place.

8.2. In the event that the Purchaser (or part thereof) is sold and/or transferred to a third party, the Purchaser shall undertake all the necessary and sufficient measures to ensure that the acquiring entity complies with all their corresponding obligations as Purchaser of the products subject of the sales proposal, guaranteeing that the Seller may fulfil their legitimate claim as supplier.

8.3. The Purchaser shall not, without the express written consent of the Seller: (i) offer any guarantee regarding the Seller's products, (ii) sell the products using the name of the Seller and/or (iii) use any logo and/or denominations which imply they are an agent of the Seller.

9. JURISDICTION AND APPLICABLE LAW

9.1. Spanish Law is applicable to this sales proposal and to the courts of the city of a Barcelona, whom shall have exclusive jurisdiction regarding any conflict arising from the same between the Purchaser and the Seller.