

ICM'S GENERAL CONDITIONS OF PURCHASE

This document defines the general conditions of purchase in Integral de Conexión y Montajes, S.L. (hereafter ICM).

These conditions of purchase together with the purchase order (Order), establish the terms of acceptance of supplies, equipment, facilities and / or industrial services included in the purchase order (Order). ICM will not be subject to general conditions of sale of the supplier nor by the conditions that can appear in any proposal, quotation, and list of prices, invoice, delivery note or any other documentation of the supplier that will not be taken into account except there is explicit acceptance of ICM in writing.

1. Contract between the parties

The supplier must send an acknowledgement of receipt and/or acceptance of the Order within three days of the date of receipt of the Order. If no communication is received after this period, or the execution of the Order begins, or the invoice of a possible down payment is received, the Order shall be deemed to have been accepted without reservation by the supplier.

ICM reserves the right to cancel the Order if they do not receive acknowledgement of receipt and/or acceptance of the Order within the afore mentioned period.

After the acceptance of the Order, the terms, conditions or specifications of the Order cannot be modified, unless it has been made in writing and accepted by both parties. Acceptance of the Order shall also imply acceptance without reservation of these general conditions of purchase.

2. Packaging and delivery

The supplier must ensure compliance with the following points:

- a) The goods to be delivered shall be packaged in such a way that no damage occurs during shipment.
- b) Transport and insurance to the address reflected in the Order shall be at the supplier's expense, unless otherwise expressly stated in the Order.
- c) The delivery must be accompanied by all the documentation mentioned in the Order. ICM shall not be obliged to accept any delivery that is received without a delivery note indicating the number of packages, weight of the goods, unit of measure, quantity and reference of the goods and the corresponding Order number, together with the appropriate transport documentation.
- d) When components or assemblies sensitive to electrostatic discharge (ESD) are delivered, the packaging shall be properly identified.

3. Deadlines for delivery

Delivery will be made on the date shown on the Order. The supplier shall notify ICM immediately and in writing of any delay in delivery and shall use its best endeavours to recover and minimise such delay.

In the event of failure to meet the delivery deadline, ICM shall have the right to terminate the Order due to non-compliance by the supplier by written notice.

4. Receipt and acceptance

- a) If during the verification that the supply meets the established requirements, no discrepancy is detected, the merchandise shall be considered accepted by ICM, and such acceptance shall be conditioned on the verification of the material during the production process of ICM. If after a period of two months from the date of delivery of the merchandise, the supplier has not received any notification from ICM, the tacit acceptance of the supply will be understood, except for force majeure duly accredited by ICM.



- b) Any good rejected by ICM for not complying with the requirements of the Order or if the quantity delivered exceeds the quantity requested, may be returned freight collect to the supplier by ICM, in which case the supplier shall be obliged to replace it with goods complying with the Order, in the shortest time possible agreed with the buyer, carriage paid, unless ICM instructs otherwise. The notification of the rejected material will be made by sending the purchasing department of ICM a report specifying the cause of non-conformity and will be treated as indicated in point 16 of this document.

5. Inspection at origin

The representatives of ICM, of its client, of the regulatory authorities or the CCR, shall have the right to go to the manufacturer's facilities, see the manufacturing process or the elaboration of the goods in the Order, as well as to attend the corresponding tests and inspections of the supplier.

ICM shall notify the supplier of its intention to exercise this right, and the supplier shall provide the representatives of ICM with access to its establishments, the means necessary for the said inspection and the punctual cooperation of its employees. The inspections carried out do not imply in any way the acceptance by ICM of the goods or work of the Order.

6. Price, form and terms of payment

- a) Prices shall be deemed fixed, firm and non-revisable unless otherwise agreed in the Order.
- b) In compliance with Law 5/2010 of 5 July, which amends the previous Law 3/2004, establishing measures to combat late payment in commercial transactions, from 1 January 2013 the maximum payment period is 60 days. In order to adapt the aforementioned standard to our accounting operations, the maximum payment period would be 60 days from the invoice date, on the 20th of the month. Payments will be made by transfer within 60 days from the date of receipt of the invoice, with maturity on the 20th day of the month following the 60 days, unless other specific conditions are agreed between the supplier and ICM.
- c) In the event that there is any express approval by ICM, by which the supplier could exercise price review, this may not apply in any case to those deliveries outside the agreed period for reasons not attributable to ICM.

7. Guarantees

- a) The goods delivered shall be newly manufactured and shall comply with the technical specifications requested in the Order. The guarantee of the delivered products shall be in accordance with the provisions of Law 23/2003 (repealed).
- b) The supplier will indemnify ICM and its clients for any claim from third parties in the event that the delivered goods cause an infringement of patents, copyrights or any other industrial or intellectual property right. In this case, in addition to committing to the afore mentioned compensation, the supplier will ensure, through negotiations with the interested parties, the free use by ICM and its clients of the affected goods. If this is not possible within a period of time acceptable to ICM, the supplier shall offer another good free of encumbrances and which could comply, in the ICM's opinion, with the initial purpose of the good that is the object of the Order.
- c) The supplier undertakes to indemnify ICM for all damages suffered by the latter as a result of any breach or claim under paragraphs (a) and (b) of this clause.

8. Confidentiality and industrial property

- a) The documentation provided verbally or in writing by ICM under the Order to the supplier, of a technical, financial or commercial nature, shall be the exclusive property of ICM and its transmission does not constitute any license or assignment of industrial or intellectual property rights from ICM to the supplier. The supplier will only use such information for the exclusive purpose of the Order, will restrict its internal

dissemination to employees who need access to it, and the supplier will not disclose any information provided by ICM to third parties without the express prior written permission of ICM.

- b) The supplier shall not advertise the Order or its contents without the prior written consent of ICM.
- c) Any invention, design, documentation, or technical information created or generated by the supplier under the Order shall belong to ICM, and the supplier shall assign all corresponding rights to ICM, free of charge.
- d) The supplier shall inform ICM of any improvement implemented on the good that is the object of the corresponding Order.

9. Suspension and termination

- a) ICM shall be entitled at any time to suspend in whole or in part the execution or supply of the Order for a maximum period of six months, by written notification to the supplier. The supplier will immediately stop all work subject to the suspension of the Order, until ICM authorises its restart or definitively resolves the Order. In both cases, ICM shall pay the supplier any direct and demonstrable costs incurred by the supplier as a consequence of such suspension of the Order.
- b) In the event that the Supplier breaches any obligation under the Order, suspends payments, is bankrupt or is unable to meet its debts, ICM shall be entitled, by written notice to the Supplier, to terminate the Order, in whole or in part, with immediate effect. The supplier shall indemnify ICM for all damages suffered as a consequence of the termination of the Order.

10. Assignment and subcontracting

The supplier will be able to assign jobs included in the Orders of ICM with advance written authorization, and shall not divulge any information, material, personal or confidential data third parties without previous written authorization and always under agreements of confidentiality with the third parties reviewed by ICM.

11. Property of ICM

Any tool, tooling, part, or material loaned by ICM to the supplier under the Order shall remain the property of ICM and shall be used only for the purpose of the Order. The supplier shall identify each good as the property of ICM and return it in good condition at the request of ICM at any time. The supplier shall insure such goods against damage, theft or loss and indemnify ICM for such eventualities.

12. Modifications to the order

ICM may make modifications to the goods or services to be supplied or their delivery date. In the event that such modifications cause an increase or reduction in the cost of the supply to comply with the Order, negotiations shall be held between ICM and its supplier and the resulting agreement shall lead to the modification of the Order. Until such an agreement is reached, the supplier shall proceed with the execution of the Order including the modifications.

13. Occupational safety

The supplier undertakes to send together with the equipment or material supplied, the instructions for use, storage, and any other necessities for the proper prevention of occupational hazards arising from the use and handling of such equipment or material, and shall be governed by the provisions, regulations and legal standards that are in force in the area of Safety, Hygiene and Health protection at Work and apply to the Order.

14. Protection of the environment

ICM has a commitment to the environment transmitted in their environmental policy, inviting their suppliers and subcontractors to respect current environmental legislation, as well as the use of the best possible practices to prevent and control the potential environmental impacts that may arise from their industrial activities. ICM's will

preferably purchase and subcontract with companies that have been certified by a third party environmental management system recognised at European level.

All the environmental requirements that are applicable in the ICM's Orders will be obligatory for suppliers and subcontractors, as this can lead to it being a unilateral cause of cancellation of the Orders that contain these requirements by ICM in the event of non-compliance with these requirements. The ICM's environmental impact prevention policy includes compliance with European regulations such as REACH and RoH's, which must be complied with by the ICM's suppliers and subcontractors, assuming the ICM's environmental commitment.

15. Law and jurisdiction

The contractual relations (firm order) between the companies of ICM and their suppliers will be subject to the Spanish legislation in force, resulting in the Courts of the Community of Madrid being the only authority for the resolution of any dispute. Any change in these conditions must be registered in a contract framework, special order conditions or special purchase conditions agreed with the supplier.

16. Retention of records

The retention time of the records kept by the supplier will generally be 10 years for ICM. When the period of retention of records is different from those previously determined, they will be clearly defined in the corresponding Order of ICM or will be communicated by electronic or physical means to the supplier or subcontractor.

17. Notifications to ICM

The supplier shall notify ICM through the buyer (a) non-conformities in product (b) approvals for disposal of non-conforming product (c) changes in product/process, suppliers, location of facilities and, if required, obtain approval from ICM (d) taking into account point 10, steer to the supply chain the applicable requirements, including customer requirements.

18. Supplier evaluation

ICM carries out a follow-up of its suppliers, measuring their performance by means of the conformity of the products/services supplied and the achievement of the delivery dates thereof, communicating the result of this follow-up when this is unfavourable to the supplier or ICM considers it opportune. When a supplier or subcontractor does not pass the evaluation made by ICM, corrective actions will be determined with them, and if the negative evaluation of the supplier or subcontractor persists, ICM reserves the right to cancel all the Orders in progress with prior communication to the supplier.

19. Corporate Social Responsibility (CSR)

ICM practices a Corporate Social Responsibility (CSR) policy that includes among other commitments, alignment with its clients' policies.

This alignment achieves quality assurance, transparency in management, eradication of any form of corruption, non-discrimination for any type of diversity and other principles of CSR. In this way, the CSR policy of the companies in ICM in turn becomes a guarantor of the CSR policy of its customers.

On the other hand, the products and services of the suppliers of ICM and subcontractors are integrated into the products and services that ICM provides for its customers. Therefore, the ICM's responsible commitment to its customers would be broken if the ICM's suppliers and subcontractors did not, in turn, practice equivalent CSR principles in their business activities.

For this reason, ICM requests its suppliers and subcontractors to adopt and make explicit a CSR policy, which may be the object of an audit.

20. Prevention of counterfeit parts

The vendors and suppliers of ICM shall supply components, parts and original products that are not falsified, manipulated or used, maintaining registered traceability, assured by objective evidence, to the original manufacturer, authorised manufacturers or authorised distributors. If supplied components, parts or products are falsified, or are suspected to be falsified by the suppliers or subcontractors of ICM, they shall be returned to the supplier carriage paid and must be replaced carriage paid with authentic product, parts or components immediately with documentation that ensures the authenticity of the same.

ICM reserves the right of retention of the products that are detected as falsified and the communication to the pertinent authorities and original manufacturers of the product. The supplier will have seven days to remove the counterfeit product and, after that period, ICM will consider the appropriate actions to get rid of the product.

21. Sensitisation of workers

The supplier will assume the commitment to communicate and to sensitise their workers regarding the importance that their tasks have on the quality of the product or service supplied, as well as their influence on the safety of the product supplied to the companies of ICM. In order to do so, it will guarantee the communication of these purchase conditions within its organisation for the knowledge of them by its workers involved in the supply chain of ICM.

22. Protection of personal data

The purchase order and any other information provided by ICM are confidential. The supplier will maintain the strictest confidentiality of the mere existence of the Purchase Order, as well as with all the information of the nature that is revealed in the commercial relationship with ICM, its clients or suppliers, or its mercantile activities.

The use of such information shall only be permitted for the execution of the Order. The supplier shall apply all reasonable and proportionate safeguards to protect confidential information. It shall limit access to confidential information to workers, agents involved and subcontractors. Confidentiality conditions will continue indefinitely once the execution of the Order is completed.

23. Classified documentation

Suppliers undertake to follow the ICM's action procedures regarding classified documentation in the event that they are required to do so by the ICM's clients. In these cases, ICM will inform the supplier of the use of this documentation and the procedures that are necessary for its management.

24. Conflict minerals

The ICM's suppliers will ensure that the products, components and parts supplied shall not be composed of any Conflict Minerals mined in conflict zones such as the Republic of Congo and neighbouring countries involved in the armed conflict. These conflict minerals are Tantalum (in the form of Columbite, Tantalite or commonly known as Coltan or its derivatives), Tungsten (in the form of Cassiterite or Wolframite and its derivatives), Gold, and Tin. ICM reserves the right to require a declaration from suppliers and subcontractors to ensure the non-use of the conflict minerals mentioned above and others that may exist in other armed conflict areas.

25. Management of items under ITAR/EAR regulation

The ICM's provider that supplies items under ITAR/EAR regulation must declare to comply with all the regulations applicable to the export, for example:

- a) local laws of the provider;
- b) Spanish export licenses, which may be required and granted in compliance with Law 53/2007 and Royal Decree 2061/2008 for export control of defence and double use material or any other law that is applicable or that replace the previous ones;



- c) European export regulations and (d) regulations applicable to exports in the United States, in particular the ITAR “International Weapons Traffic Regulations” and EAR “Administrative Export Regulations” regulations, as well as any government regulations applicable to the export, re-export or disclosure of the Goods by the Supplier”.