

Aragon Photonics Labs, S.L.U

Standard Terms and Conditions of Sale

1. ACCEPTANCE

These Standard Terms and Conditions of Sale shall apply to all offers and sales made by ARAGON PHOTONICS LABS, S.L.U., with corporate address at c/ Prado nº 5, local, 50009 Zaragoza (Spain) and VAT number ES-B-99030074 (hereinafter, "Seller") concerning the goods manufactured and marketed by Seller to which this offer refers (hereinafter referred to as the "Equipment")

A purchase order submitted to Seller or the acceptance of goods supplied by the latter shall imply express acceptance of these Standard Terms and Conditions to the exclusion of any other terms and conditions except for special terms agreed on in writing by Seller and Buyer on a case by case basis.

All orders shall only become legally binding upon acceptance by Seller's main office in Zaragoza, Spain, and always after the reception of the L/C

Once a Purchase order has been confirmed, Purchaser undertakes to accomplish reception of goods and to pay the full amount of the invoice according to the terms and conditions agreed on, so Purchaser shall not be entitled to cancel an order as from that moment without Seller's prior written consent.

2. PRICING

The quotation will include a reference to Incoterms® 2010

Unless stated otherwise in the quotation, the prices in Seller's offers shall be valid for thirty (30) days. Prices do not include any tax levied on the Equipment, its use or sale by any jurisdiction

Prices quoted under DDP terms do not include V.A.T (where applicable).

Special terms and conditions agreed between Seller and Purchaser for a particular Purchase order shall not bind Seller for future Purchase orders.

Prices set forth in Seller's quotations are expressed in Euro currency

3. DELIVERY

Deliveries shall be EX Works Zaragoza, Spain, unless stated otherwise in the quotation. Seller will select a carrier to ship Purchaser's order to Purchaser's specified destination, unless Purchaser indicates a specific carrier. Distributed Control System ("DCS") shipments must be via air ride van. Any Equipment that Purchaser obtains from Seller to replace Equipment damaged or lost in transit will be sold to Purchaser at Seller's standard prices in effect at the time of such replacement.

All shipping dates quoted by Seller are ARO (After Receipt of Order) including L/C and its acceptance by Seller, and reflect shipping dates, not delivery dates to

Purchaser's facility. Shipping dates are approximate and are based upon prompt receipt by Seller of all necessary information. Delays due to missing information such as product specification sheets, or credit examination will be in addition to Seller's quoted shipping times and may impact the originally scheduled shipping date. Partial shipments may be made unless specifically prohibited on Purchaser's purchase order. Any shipment date is an estimate. Under no circumstances shall Seller have any liability whatsoever for loss of use or for any special, direct, incidental or consequential damages resulting from delay due to carrier's or third party's failure or to any force majeure event.

Purchaser shall check the goods immediately after receipt and shall note down in the delivery ticket any outstanding defect, notifying Seller in writing of any complaint or claim which may be imputed to the latter. Seller shall not accept any claim after a period of seven (7) days from delivery has elapsed, notwithstanding the product guarantee foreseen in Section 7 hereto.

4. INSTALLATION AND SITE PREPARATION

Seller agrees to supply instructions and drawings for Purchaser to install and operate the Equipment furnished hereunder. Where site preparation is required, Purchaser agrees at Purchaser's sole expense to: (a) Prepare the site in accordance with Seller's written site specifications; (b) provide labor and unpacking and locating the Equipment; (c) assume responsibility for compliance with local laws, electrical codes, etc; and (d) obtain any permits required for installation and use.

5. SOFTWARE

Seller owns and holds the exclusive copyright to any and all computer software to be transmitted as part of the Equipment. Seller, upon delivering the software to Purchaser, grants Purchaser a limited, non-exclusive license to use the software and related documentation in Purchaser's facilities only. Purchaser shall obtain no title, ownership nor any other right in and to the software related documentation nor in or to the algorithms, concepts, designs and ideas requested by or incorporated in the software and related documentation. Purchaser agrees that it shall not, except for a back-up file copy, copy or reproduce, or permit to be copied or reproduced, the software or related documentation for any purpose. Purchaser shall not modify, or attempt to modify, the software. Nor shall Purchaser allow the software to be used on any equipment except that supplied by Seller as part of this order, or for the equipment for which this software is purchased. Additionally, Purchaser agrees that Purchaser will not transfer the software to any other person, except as agreed to, in writing, by Seller. Purchaser may not remove any copyright, trademark or other notice or product identification from the software and must reproduce and include any such notice or product identification on any back-up copy made of the software. Purchaser is further to hold this proprietary software confidential.

6. PAYMENT TERMS

Unless otherwise agreed to by Seller in writing, payment for each item specified in this TCS shall be due at Seller's main office in Zaragoza, Spain, by irrevocable and confirmed letter of credit payable at 30 days from date of shipment ("ICC Uniform Customs and Practice for Documentary Credits" ICC Publication No. 600).

Any payment delay shall entitle Seller to charge the delay interest foreseen under Spanish Law 3/2004 of 29th December, at the rate of 8 % established for the second

semester of 2012, or by any future interest rate published thereafter. Any costs and expenses borne by Seller to collect payments due and accrued shall be reimbursed by Purchaser

Either party may cancel a purchase order without liability if the other party becomes bankrupt, insolvent, or makes an assignment for the benefit of its creditors.

7. WARRANTIES AND LIMITATIONS OF DAMAGES AND REMEDIES

All Equipment sold hereunder is warranted to be free from defects in material and workmanship at the time of shipment to Purchaser and for one year following the date of shipment. Defective Equipment or component parts thereof will be replaced or repaired, at the option of Seller, at Seller's facility in Zaragoza, Spain, with transportation charges prepaid by Purchaser. Purchaser shall first contact Seller and obtain a Return Authorization (RA) number prior to returning any defective Equipment or component parts thereof, and shall clearly mark the return package with the RA number.

This warranty is subject to the following LIMITATIONS:

- 1) This warranty does not extend to any of Seller's Equipment which have been subject to misuse, accident, abuse, neglect, normal wear and tear or improper installation, storage, maintenance or application, nor does it extend to products which have been repaired or altered outside of Seller's plant unless authorized in writing by Seller or unless such installation, repair or alteration is performed by an authorized representative of Seller.
- 2) "Consumable products," including but not limited to thermocouples, RTDs, pH electrodes, conductivity cells, O₂ cells, and recorder consumable products, such as charts, ribbons and ink pens (retained in their original sealed package), are not covered by this warranty.
- 3) If there is no defect discovered or the defect is not covered by the warranty, then Purchaser shall be liable for the service call charges incurred at the Seller's published rates.
- 4) This warranty is intended solely for the benefit of Purchaser and is not transferable or assignable by Purchaser without the express written consent of Seller.
- 5) Should Purchaser fail to fully compensate Seller for any and all other material, labor, service or work, whether existing now or arising in the future, such shall release Seller from any obligation established herein until Seller is fully compensated, during which time the above-identified warranty periods shall not be tolled.
- 6) Third party-supplied hardware/software or components is warranted only to the extent of the stated warranty by the original manufacturer.

Seller shall not be liable for any loss of profits, indirect, special, incidental or consequential damages, or other similar damages.

This warranty is given and accepted in lieu of all other liability or warranties on the part of Seller, express or implied, in fact or in law. All implied warranties and specifically the implied warranties of merchantability and fitness for a particular purpose are expressly excluded and disclaimed.

This warranty shall constitute Purchaser's sole and exclusive remedy and Seller's sole and exclusive liability with respect to this Agreement. Seller shall have no further obligation or liability upon the expiration of the warranty periods set forth above.

Seller's liability to Purchaser (or that of Seller's Agent/Representative) arising out of the supplying of the Equipment, or its use, whether based on warranty, contract, negligence (including without limitation strict liability) or otherwise shall not, in any case, exceed the cost of correcting defects in the Equipment as herein provided but shall, in all events, be limited to a maximum of the purchase price.

8. INTELLECTUAL PROPERTY

Neither the purchase nor use of any of the Equipment shall entitle Purchaser to any rights arising out of any of Seller's patents, copyrights or trademarks associated with the Equipment.

9. INDEMNIFICATION

Purchaser shall indemnify and hold Seller and its parent corporations, subsidiaries, affiliates, suppliers, manufacturers, subcontractors, officers, directors, employees and agents harmless from any liability or damage whatsoever, including any court costs and attorney's fees, arising out of or related to the use of the Equipment or software, including, but not limited to, any use in or with any nuclear installation or activity.

10. DISPUTE SOLUTION

Seller and Purchaser, waiving any other right they may have, expressly agree that any controversy, dispute or claim, of whatever kind, arising out of or relating to this Agreement, be definitely solved by and in accordance with the Commercial Arbitration Rules of the Spanish Arbitration Court, in Madrid (Spain) as from time to time amended and in effect. Any litigation or arbitration arising out of this Agreement shall be brought, maintained and administered in Madrid, Spain, by one arbitrator appointed by the Spanish Court of Arbitration, the language of the arbitration process being English. The parties hereto expressly agree to fulfill the arbitration award, whose acceptance and execution in the country of the unsuccessful party shall be obtained by means of the proceedings established in the bilateral or multilateral Covenants affecting the intervening Parties, should they exist by the time of signing this agreement, or whatever may exist in the future. The successful Party shall be entitled to recover its litigation or arbitration expenses, including attorney's fees. Any controversy, dispute, or claim that Purchaser may have against seller must be initiated no later than one (1) year after the claim originated.

11. APPLICABLE LAW

This Agreement shall be construed according to and governed by the laws of Spain,

12. FAILURE TO FULLY COMPENSATE SELLER

Should Purchaser fail to fully compensate Seller for any and all other material, labor, service or work, whether existing now or arising in the future, such shall release Seller from any obligations herein or otherwise until Seller is fully compensated.

13. WAIVER

The waiver by Seller of any term, provision, or condition hereunder must be in writing and shall not be construed to be a waiver of any other term, condition, or provision hereof, nor shall such waiver be deemed a waiver of a subsequent breach of the same condition or provision on this order or on future orders.

14. AUTHORITY OF SELLER'S AGENTS

No agent, employee, or representative of Seller has any authority to bind Seller or form a part of the basis of this bargain to bind Seller or form a part of the basis of this bargain with any affirmation, representation, or warranty concerning the Equipment sold under this Agreement, unless such affirmation, representation or warranty made by an agent, employee or representative of Seller is specifically included within this written Agreement and accepted in writing by an officer of Seller.

15. RETENTION OF TITLE

Seller shall retain title of supplied Equipment until complete payment of price has been accomplished by Purchaser and shall therefore be entitled to exercise any action to protect its rights.