

1. GENERAL

1.1 In these Purchase Conditions:

- a. "Contract" indicates a contract for delivery of products from the supplier in question to "HEAT TRACE ENGINEERING SOLUTIONS SL", ("PROHEAT" from now on).
- b. "Offer" indicates any offer, verbal or written, presented by the Supplier to PROHEAT, including the Supplier's information regarding the products or services, such as price lists, product information, etc.
- c. "Order" indicates the order placed by PROHEAT to the Supplier for the delivery of products / services.
- d. "Purchase Conditions" refers to these General Conditions of Purchase.
- e. "Products" refers to any product including parts, accessories and services, and anything related.
- f. "Supplier" refers to any 'person' who has completed or wishes to enter a contract
- g. "PROHEAT" refers to Heat Trace Engineering Solution S.L.

1.2 These Purchase Conditions will be applied and will be part of any Offer or Contract between PROHEAT and a supplier, and any subsequent continuation, extension, repetition, or agreement resulting from any of the foregoing.

1.3 The general conditions proposed by the Supplier, including conditions of sale, amongst others, will not apply or be binding and will be expressly rejected unless they have been formally accepted in writing by PROHEAT.

2. OFFERS, ORDERS AND CONTRACTS.

2.1 The request for an Offer will not be binding for PROHEAT and will only be considered as an invitation to make an offer. Offers made by the supplier will be binding for the supplier until they are withdrawn. An Offer will only be binding for PROHEAT if it has been made in writing.

2.2 A contract shall be deemed conclusive in the event that: (i) both parties have signed a contract, (ii) PROHEAT has accepted an Offer in writing, or (iii) the Supplier has unconditionally accepted an Order in writing by mail. In the case of (i) The contract shall be deemed to represent this Agreement correctly and in full. In the case of (ii), the order will be considered to represent this Agreement entirely and correctly, and in the case of (iii) the order will be considered to represent this Agreement entirely and correctly.

2.3 If the supplier sends an order confirmation that differs from the Order, the conditions of the confirmation of said order from the Supplier will only be binding if PROHEAT accepts the order confirmation in writing.

2.4 The Contract and the Purchase Conditions establish the full content of the rights and obligations of both parties and replace all written or verbal agreements, declarations and /or previous reports made by each of the parties. If there is contradiction or inconsistency between the Contract and the Conditions of Purchase, the Contract will prevail.

3. PRICES

3.1 All agreed prices will be fixed and will be based on the delivery conditions indicated in point "5.1-Delivery".

4. DELIVERY DATE

4.1 Delivery will be made on the date and time established in the Contract unless PROHEAT agrees to an alternative.

4.2 If PROHEAT requests the Supplier to postpone the delivery, the Supplier will do so and they will store, secure, and guarantee the products for a maximum period of 60 days, confirming that, as expected, they are correctly packaged and clearly marked and separated for delivery to PROHEAT. After 60 days, the supplier is entitled to claim an additional 1% of the value of the cargo for each additional week in his warehouse.

4.3 As soon as the Supplier suspects or knows that it will be impossible to deliver on the date and time agreed, notwithstanding the obligation of the Supplier to deliver on the specified date, the Supplier must inform PROHEAT in writing of the impossibility of delivery on the agreed date, specifying the reasons for the delay and the new estimated delivery date. Without detriment to PROHEAT's rights according to these purchase conditions, each party will consult with the other to determine how the given situation can be resolved to PROHEAT's satisfaction.

5. DELIVERY

5.1 Unless otherwise agreed in writing, the delivery will be made under DDP conditions to the PROHEAT warehouse in Constantí (Tarragona) or any other place of delivery requested by PROHEAT.

5.2 Each delivery will be accompanied by a document stating the description of the products supplied, the quantity and/or number, the country of origin, the net and gross weight per package and total weight, the serial numbers, customs tariff number, documents required by law, and product information (e.g. technical data sheets, safety sheets).

5.3 A partial delivery will only be made if PROHEAT has previously agreed to it in writing.

5.4 If the Supplier delivers to the wrong address, the supplier will assume any additional costs.

5.5 Regardless of the payment method, the title and rights of the products will be assigned to PROHEAT upon delivery.

6. PACKAGING AND TRANSPORT

6.1 PROHEAT by requisition, will define the type of packaging and transportation means for the supply. The products will be properly packaged and marked in accordance with the applicable European and International laws and Regulations and will be sent to their destination in good condition by the most appropriate means of transport. The Supplier will insure and guarantee the products appropriately. The Supplier will be responsible for any damages caused by improper packaging and transport.

6.2 PROHEAT can refuse delivery if the packaging does not meet the conditions set out in article 6.1.

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6.3 PROHEAT will not be obliged to return the packaging or any packaging to material to the Supplier unless otherwise agreed in writing.

7. QUALITY

7.1 The Supplier agrees that, once ISO 9001 or similar accreditation is obtained, PROHEAT can examine the procedures to ensure the supplier's quality control. The Supplier will use all reasonable means to maintain said standard.

7.2 The inspection or approval of the products, or its absence, will not affect PROHEAT's right to make a claim, the validity of the guarantee and / or any obligation on the part the supplier stated in the contract.

8. PAYMENT

8.1 Payment of the Products supplied will be made within the period established in the contract or, if the delivery is postponed in accordance with article 4.2 of the Purchase Conditions, within the same period from the actual date of delivery, provided that the Products comply with the requirements established in article 9 (Warranty).

8.2 If no payment term has been included in the contract, PROHEAT will pay the invoice in relation to the products supplied within 60 days of (i) the date PROHEAT receives the corresponding invoice from the Supplier, or (ii) the actual delivery date of the Products providing the Products comply with the requirements established in Article 9 (Warranty).

8.3 PROHEAT can compensate payment to the supplier against any amount owed by them.

8.4 In the event that PROHEAT makes a claim in relation to compliance on the Suppliers part, payment can be delayed until the Provider has fulfilled, to PROHEAT's satisfaction, its obligations stated in the Contract and these Purchase Conditions.

8.5 Making payment does not imply the waiver of PROHEAT's rights to submit a claim relating to compliance, delivery or any other matter.

9. GUARANTEE

9.1. The Supplier guarantees that the Products supplied:

- a. Are destined for the intended purpose that is known or should have been known from the nature of the delivery and have all the features and qualities that PROHEAT can reasonably expect.
- b. They are in full compliance with the requirements established in the product specifications, drawings, samples, orders and / or other requirements established in the Contract.
- c. They will comply with the applicable requirements established by Spanish and European Law and Regulations and those of any other country.
- d. They will be of good quality and will not contain any type of defects, including, but not limited to construction, manufacturing, assembly, design or defects in material.

9.2 If a defect is detected or arises in the products within a period of twelve (12) months from the date of delivery, the Supplier will immediately repair or replace the Products. The Supplier will assume all expenses related to the repair and / or replacement of the products and also the start-up of these.

9.3 After delivery of the replaced or repaired Products, the warranty period related to the corresponding products will begin again.

9.4 If the Supplier fails to comply with its obligations in a timely manner or in accordance with the Contract, PROHEAT may request the performance of the necessary work from third parties at the Supplier's risk and expense, provided the latter has been informed of this as soon as possible.

10. RESPONSABILITY AND COMPENSATION

10.1 The Supplier will fully compensate PROHEAT for damages and losses (including those caused as a consequence) caused to PROHEAT, its employees, its buyers and / or third parties as a result of the products supplied by them; for breach by the supplier of its obligations, illegal or improper acts by the Supplier, its workforce and / or persons hired by PROHEAT in order to comply with the Contract and / or the use of the products for a buyer for whom PROHEAT is responsible.

10.2 The supplier will indemnify and absolve PROHEAT from any responsibility on claims made by third parties (including Supplier's personnel and / or any other persons hired for the contract) or for the damages, losses and grievances mentioned in Article 10.1 including defects in the quality of the products supplies and losses and damages caused by a deliberate act or conscious imprudence on the part of PROHEAT executives.

10.3 The Supplier will contract the appropriate insurance against the responsibility stated in this article and will allow PROHEAT to check said policy at any given time and if necessary.

10.4 PROHEAT will not be liable for damages or losses suffered by the Supplier, its employees or third parties contracted in order to fulfil the Contract.

10.5 To the extent that PROHEAT could be responsible for the payment of damages or losses to the supplier or to third parties according to the principles of reason and fairness and / or despite the provisions of the corresponding Contract and the Conditions of Purchase, the supplier acknowledges that PROHEAT's responsibility, contractual or otherwise, will be limited to the price of the contract. PROHEAT will not in any case be liable for indirect damages or costs.

11. BREACH OF CONTRACT

11.1 According to the Law, the Supplier will be deemed to have breached the Contract in any of the following cases:

- a. The Supplier, contrary to the obligations of Article 4.1 or Article 4.3, does not deliver the ordered Products at the agreed time and date.
- b. The Supplier, prior written notification of the breach by PROHEAT, partially or totally fails to comply with its legal obligations or those under the Contract.
- c. The Supplier files bankruptcy, declares bankruptcy, transfers its assets to satisfy its creditors, requests a payment in default or if part or all of the Supplier's assets are seized and said embargo is not lifted within a period of ten days after its imposition.
- d. The Supplier resolves or proceeds to liquidate the business, ceases activity, transfers a significant part or all its business or due to interest in a new or existing company, modifies the object of the business or dissolves it.

11.2 In the situations described in article 11.1 of these Purchase Conditions, PROHEAT can carry out the following action without incurring in this way the obligation to pay compensation, without detriment to the rest of its contractual or legal rights, without having to notify the breach and without the need for the intervention of a court of law:

- a. Defer compliance with the obligations it may have towards the Supplier until the latter has fulfilled all its obligations towards PROHEAT.
- b. Dissolve all or part of the Contract by providing other suppliers with written notification for this purpose.

11.3 Regardless of PROHEAT's right to refuse subsequent deliveries in case the supplier is breaching the contract or its right to return deliveries made on behalf of the Supplier, PROHEAT will be entitled to compensation for the damages and losses suffered as a result of the breach and the possible dissolution of the Contract.

11.4 PROHEAT may terminate the contract, in whole or in part, by notifying the Supplier in writing before delivery of the Products or part of the delivery, without being obliged to pay any compensation.

12. PENALTIES

PROHEAT will apply the following penalties in case of delays:

| | CRTITICAL Documentation (*) | Delivery of material |
|---------------------------------------|-----------------------------|--------------------------|
| As a result of the delay | 1 % of the order /WEEK | |
| During the first 2 weeks of the delay | - | 1 % of the order /WEEK |
| From the first 2 weeks of the delay | - | 2,5 % of the order /WEEK |
| MAXIMUM PENALTY | 10% of the order | |

(*) To be indicated with the order

13. FOURCE MAJEURE

13.1 Neither party will be liable if it under the contract it cannot fulfil its obligations or meet the obligations related to the term as a result of circumstances beyond its control that could not be reasonably foreseen.

13.2 The party claiming the Force majeure must give notice of it, including the reason for it, to the other party as soon as possible.

13.3 The party which receives such notification may terminate the contract, in whole or partly, or defer the fulfilment of its own obligations without incurring the obligation to pay compensation.

13.4 The late delivery of materials, utilities or services to the Supplier or its suppliers, the shortage of labour or cash and / or the lack or defects in raw materials, strikes, labour disputes, illness or disability on the part of the Supplier employees or executives, riots, difficulties or failures in transportation, import and / or export prohibition, government measures, bad weather conditions, communication line failure, lack of energy and similar catastrophes will not be considered as a situation of Force Majeure by the Supplier.

14. INTELLECTUAL AND /OR INDUSTRIAL PROPERTY RIGHTS

The supplier guarantees that the Products comply with the intellectual and / or industrial property rights of third parties. The Supplier will fully indemnify PROHEAT in the case of any claim submitted by third parties in relation to the breach of their intellectual and / or industrial property rights for the Products or their delivery. The Supplier will reimburse PROHEAT for any expenses, damages or interests incurred as a result of said noncompliance or a direct claim for noncompliance.

15. TRANSFER AND SUBCONTRACTING

15.1 Unless PROHEAT has given consent in advance, the Supplier will not be authorised to transfer or subcontract the Contract or any part thereof to third parties or to change its suppliers.

15.2 PROHEAT'S concession of conformity in accordance with article 15.1 will affect the Supplier's responsibility towards PROHEAT under these purchase conditions.

16. MODIFICATIONS

16.1 The Supplier will not modify the contract in any way without prior written consent from PROHEAT.

16.2 The Supplier will accept any possible modification of the contract requested by PROHEAT. If the modification results in a different Price or delivery time, the Supplier will inform PROHEAT in writing 14 days after submitting the modification request.

16.3 If PROHEAT has not approved in writing a modification that results in a different price and / or delivery time, the Supplier will comply with the original contract without amendment.

17. NULLITY

17.1 If any provision of these Purchase Terms becomes null and void, then the parties will comply with that provision as much as possible. The resto of the provisions of the Purchase Conditions will continue to apply and the parties will replace the invalid or unenforceable provision with one or more new provisions which will be as similar as possible to the original.

18. APPLICABLE LAW

18.1 These Conditions of Purchase, the Contract and any agreement resulting from or related to the Contract shall be governed by Spanish law.

18.2 Any dispute arising from these Conditions of Purchase, the Contract and any agreement resulting from or related to the Contract will be presented exclusively to the competent court in Tarragona (Spain), unless prohibited by a mandatory legal provision or unless PROHEAT presents the matter before a competent court in the place of residence of the Supplier,

18.3. The United Nations Convention on Contracts for the International Purchase of Goods (UNCED April 11, 1980, Vienna) shall not apply to these Conditions of Purchase, the Contract or any agreement resulting from or related to the Contract.

19. CONFIDENTIALITY

19.1 The Supplier will not disclose confidential information about PROHEAT to third parties, including, amongst others, technical and commercial information that came to the Supplier's notice as a result of this agreement. The supplier will not disclose this confidential information to third parties without the written consent of PROHEAT, except for third parties contracted by the supplier in relation to the fulfilment of the Contract. The supplier will require confidentiality of its employees and third parties hired under the same conditions and ensure that they respect this confidentiality.

19.2 In the case of breach of the obligations described in article 15.1 of the Purchase Conditions, the supplier will immediately pay a fine, without been notified, to PROHEAT of 50,000 € for each breach, and 5,000 € for each day that said breach continues. This affect the rights of PROHEAT to demand full compensation when the fine is exceeded.

19.3 PROHEAT ensures compliance with EU REGULATION 2016/679 April27, 2016, regarding the protection of the processing of personal data. Therefore, if you hire our services, we will comply with the contract you supply for treatment of personal data, through which we will evaluate our relationship regarding data protection. The client can exercise their rights at the address admin@heattraces.com or at the following address: C/ Reus nº 14 Edificio A, Local Bajos, 43120, Constantí Tarragona. You can consult our data protection policy at <http://www.heattraces.com>. From the moment the client requests the petition he/she commits not to disclose it without prior consent from PROHEAT.