

General Terms and Conditions

All orders placed with Cinco.8 distribución Europa SL for goods are governed by the following Conditions of Sale, which shall constitute a binding contract.

1 SCOPE OF APPLICATION

- 1.1 These general terms and conditions shall apply to all offers, quotations, legal acts and Agreements of CINQO8 and the Customer. In case of conflict with these general terms and conditions, Agreements take priority.
- 1.2 Any derogation to these general terms and conditions is only permitted if accepted in advance and in writing by CINQO8.
- 1.3 In the event that any provision of these general terms and conditions is invalid or inapplicable for any reason whatsoever, the rest of these general terms and conditions shall continue to apply and the invalid provision shall be interpreted in such a manner that its purpose and purport shall be retained as far as possible. In the event that an such interpretation does not present a solution, CINQO8 and the Customer shall enter into consultation with each other to agree on new provisions to replace any invalid ones so as to ensure that the purpose and purport of the original provisions are retained as far as possible.
- 1.4 CINQO8 is at all times entitled to amend these general terms and conditions and shall inform the Customer thereof in writing.
- 1.5 Any general conditions of the Customer are expressly excluded from applicability.
- 1.6 The English text of these general terms and conditions constitutes the sole authentic text. In the event of any discrepancy between the English text and a translation into a foreign language, the English text shall prevail.

2 OFFERS

- 2.1 All offers and quotations shall be free of obligation and may be subject to cancellation or modification at any time.
- 2.2 Although the documents constituting part of an offer made by CINQO8 (such as technical specifications, drawings, calculations and so forth) shall be as accurate as possible, they shall not be binding.
- 2.3 Any prices cited in an offer shall be based on delivery "FCA" (Free Carrier) at any of the CINQO8 warehouses in the Netherlands in accordance with the most recent Incoterms. Such prices shall be exclusive of value added tax and packaging.
- 2.4 In the event that the Customer does not accept an offer made by CINQO8, the latter shall be entitled to charge that Customer for all of the costs which it has incurred for the purposes of presenting that Customer with an offer and the Customer shall be required to pay those costs within fourteen (14) days after the relevant invoice date.
- 2.5 An offer shall have a term of validity of fourteen (14) days, unless CINQO8 gives notice otherwise.
- 2.6 An Agreement between CINQO8 and the Customer is considered to be concluded if CINQO8 has expressly accepted an order or instruction from the Customer in writing or has begun fulfilling that order or instruction.

3 PRICES

- 3.1 Payment shall be effected into an account designated by CINQO8.
- 3.2 Agreed prices are exclusive of VAT and other governmental levies.
- 3.3 CINQO8 may pass on an increase due to any changes in cost price determining

factors that occur after the relevant agreement has been concluded to the Customer concerned.

3.4 The Customer shall have a duty to pay any price increase referred to in clause 3.3 at any of the following points in time, such to be determined at CINQO8's discretion:

- (a) when that price increase occurs;
- (b) simultaneously with the payment of the principal sum; and
- (c) together with the next agreed instalment.

4 PAYMENT

4.1 The Customer shall pay any invoices no later than fourteen (14) days after the invoice date.

4.2 The Customer shall not be permitted to set off or suspend their claims against CINQO8, unless the latter is insolvent or the legally stipulated debt rescheduling procedure applies in relation to it.

4.3 Irrespective of whether or not CINQO8 has effected the agreed performance in full, everything for which the Customer is or will be responsible pursuant to the Agreement shall fall due with immediate effect in the event that:

- (a) a deadline for payment is not met;
- (b) an application for that Customer's bankruptcy or a moratorium on payments for it is filed;
- (c) the Customer's assets or claims are attached;
- (d) the Customer's company is dissolved or liquidated;
- (e) the Customer (being a natural person) applies for the application of the debt rescheduling procedure or to be placed in the care of a guardian, or dies.

In the event of late payment, the Customer will be in default by operation of law and will be required to pay statutory interest with effect as from the invoice date.

4.4 CINQO8 shall be entitled to set off its debts owed to the Customer against any claim which CINQO8 or its associated businesses have against that Customer.

Furthermore, CINQO8 shall be entitled to set off its claims against the Customer against any debt which CINQO8 or its associated businesses owe that Customer.

CINQO8 shall be entitled to set off its debts to the Customer against any claim against that Customer's Associated Businesses.

4.5 The Customer shall pay all judicial and extrajudicial costs that CINQO8 may incur due to the fact that the Customer fails to fulfil its obligations properly and on time. Should CINQO8 be held to be in the right in any judicial proceedings, the relevant Customer shall be liable for all of the costs which CINQO8 has incurred pursuant to those proceedings.

4.6 In the event that payment does not occur by the agreed deadline for such payment, the relevant Customer shall be liable to pay CINQO8 all extrajudicial expenses. All extrajudicial expenses will be charged against the actual costs and will be clearly specified to the Customer.

5 INFORMATION PROVISION

5.1 The Customer has a duty to cooperate with CINQO8 and to ensure the timely supply of any information, which is or may be necessary for the execution of the Agreement.

5.2 The Customer is responsible for ensuring that any information supplied is accurate, complete and reliable (also if this is information has been provided by or through another party). CINQO8 may at all times legitimately rely on the information provided

by the Customer and may assume that they are complete and correct for the purposes of its offer and when executing the Agreement. The Customer shall bear any risks involved and be liable for any loss occasioned by any error or defect in the information that they have supplied.

5.3 In the event that the Customer supplies data storage media, electronic files or software and so forth, they shall warrant that such media, files or software are free of viruses and defects.

5.4 The Customer may not derive any rights from advice or information that they receive from CINQO8 if it does not relate to the contract concerned.

5.5 The Customer shall indemnify CINQO8 against any claim made by a third party in relation to the use of any advice, drawings, calculations, designs, materials, samples, models and the like supplied by or on behalf of that Customer.

6 DELIVERY OF GOODS AND DELIVERY TIME; PERFORMANCE OF SERVICES AND PERIOD OF EXECUTION

6.1 CINQO8 undertakes to execute the Agreement to the best of its ability, with due observance of the Customer's legitimate interests, but shall not guarantee the achievement of any result that is envisaged.

6.2 When deciding on a delivery time and/or period of execution, CINQO8 shall assume that it is capable of executing the relevant contract in the circumstances of which it is aware at that point in time.

6.3 A delivery time and/or period of execution shall only commence once agreement is reached on all commercial and technical details, and all of the requisite information, final and approved drawings, and the like are in CINQO8's possession, the agreed payment (or instalment) has been received and the conditions which are necessary for the execution of the relevant contract have been satisfied.

6.4 CINQO8 may make partial deliveries and issue partial invoices in connection with them.

6.5 In the event that circumstances exist other than that CINQO8 was aware of when it decided on a delivery time and/or period of execution by way of an estimate, it may extend such delivery time and/or period of execution by the time that it requires to execute the relevant contract under those circumstances. Where it is impossible to fit any work in CINQO8's schedule, it shall be carried out as soon as that schedule allows.

6.6 Should there be any question of excess work, the delivery time and/or period of execution shall be extended by the time, which CINQO8 requires to supply (or arrange for this to be done) the relevant materials and parts, and to carry out such excess work. Where it is impossible to fit any excess work in CINQO8's schedule, it shall be carried out as soon as that schedule allows.

6.7 In the event that there is any question of CINQO8's obligations being suspended, the delivery time and/or period of execution shall be extended by the duration of that suspension. Where it is impossible to continue any work in CINQO8's schedule, it shall be carried out as soon as that schedule allows.

6.8 Where delivery by a Supplier is delayed, the delivery time and/or period of execution shall be extended by the delay which occurs as a result and, in the event that the work then cannot fit in CINQO8's schedule, it shall be carried out as soon as that schedule allows.

6.9 The Customer shall have a duty to pay any costs, which CINQO8 incurs as a result of any delay of the delivery time and/or period of execution if the delay is caused by or can

be attributed to the Customer.

6.10 Under no circumstances shall a failure to meet a delivery time and/or period of execution confer entitlement to compensation or cancellation on the relevant Customer.

6.11 If, for any reason whatsoever, the Customer fails to accept delivery or timely delivery of goods offered for delivery in accordance with the Agreement, all costs incurred in vain by CINQO8 in connection with the offer and any additional costs of transport, custody and storage will be for the Customer's account. The risk will also pass at the time at which CINQO8 offers the goods for delivery in accordance with the Agreement and the Customer fails to accept delivery for any reason whatsoever.

7 PASSING OF RISK

7.1 Delivery shall occur FCA (Free Carrier) from any of the CINQO8 warehouses in accordance with the most recent Incoterms. Any risks associated with materials shall pass at such time as delivery is made to the relevant Customer.

7.2 Irrespective of what is stipulated in clause 8.1, the Customer and CINQO8 may agree that CINQO8 is responsible for arranging transport. In that case, the Customer shall bear the risks associated with storage, loading, transport and unloading. The Customer may insure itself against such risks.

7.3 Where a trade-in occurs and the relevant Customer holds the asset which is to be traded in their possession in anticipation of the delivery of the new assets, that Customer shall bear any risks associated with the asset that is to be traded in until such time as they have placed it in CINQO8's possession. Should the Customer be unable to supply an asset that is to be traded in the condition in which it found itself at the time when the relevant agreement was concluded, CINQO8 may cancel that agreement.

8 RETENTION OF TITLE

8.1 CINQO8 shall retain title to all goods that it delivers until the Customer has fully paid all amounts that the Customer is required to pay to CINQO8 by virtue of the Agreement and/or other agreements, including any interest and expenses.

8.2 Notwithstanding the provisions of clause 9.1, the Customer may dispose of and deliver goods that were delivered subject to retention of title as part of its normal business conduct.

8.3 In such case, the Customer shall inform third parties of CINQO8's retention of title.

8.4 In the event of any failure in timely payment by the Customer, CINQO8 will be entitled to repossess the goods subject to retention of title on its own authority for the account of the Customer, regardless of where they are located. The Customer will be obliged to render its full cooperation for that purpose.

8.5 In the event that CINQO8 cancels all or part of an order, it shall be entitled to recover that part of the relevant consignment which has not been paid for.

Cancellation and/or recovery shall not affect CINQO8's entitlement to compensation.

9 SECURITY

9.1 Irrespective of the agreed terms of payment, when first requested by CINQO8, the Customer shall have a duty to tender security for payment which CINQO8 deems to be appropriate. Should the Customer fail to do so within ten (10) days after first request, they shall be in default. In this case CINQO8 shall be entitled to cancel the relevant agreement and to recover any loss from the Customer concerned.

9.2 After CINQO8 supplies any item to the Customer in accordance with the Agreement and the Customer complies with their obligations, retention of title shall apply again in respect of such item in the event that the Customer fails to comply with their obligations pursuant to an agreement subsequently concluded.

9.3 The Customer shall have a duty to insure any goods that are subject to retention of title and that have been delivered against fire, explosion, water damage as well as theft, to keep them insured, and to present the relevant insurance policy for inspection when first requested to do so.

10 FORCE MAJEURE

10.1 In the event that CINQO8 is prevented from executing an agreement (or continuing to do so) due to force majeure, it shall be entitled to cancel all or part of the relevant agreement (with immediate effect) by means of a written notice to this effect. CINQO8 can do so in the absence of any judicial intervention and without any obligation to provide compensation subject to CINQO8's entitlement to payment by the relevant Customer for any performance which CINQO8 had already effected before there was any question of a situation of force majeure, or to suspend the execution of that agreement (or its continued execution). In the event of such suspension CINQO8 shall as yet be entitled to cancel all or part of the relevant agreement.

10.2 CINQO8 shall also be entitled to invoke force majeure in the event that the circumstances which prevent its compliance (or further compliance) occur after it should have complied with its obligations.

10.3 Force majeure is understood to mean any circumstances as a result of which CINQO8 cannot (or can no longer) reasonably be expected to comply with its obligations, including but not limited to weather, earthquakes, pandemics, health hazards, power failures, losses, the theft or loss of equipment or materials, import or trade restrictions, road blockades, strikes or work stoppages and any inability by suppliers, contractors working for CINQO8 or transporters whom it has engaged to comply with their obligations or to do so on time

11 CHANGES TO THE WORK

11.1 A change to the work may at any rate result in excess work or a work shortfall where:

- (a) a change is made to the design or specifications;
- (b) the information supplied by the relevant Customer does not correspond to the actual situation;
- (c) there is a derogation of more than 10% from the estimated quantities.

11.2 Excess work shall be calculated on the basis of those cost determining factors which are applicable when that excess work is carried out. A work shortfall shall be calculated on the basis of the cost determining factors which were applicable at the time when the relevant agreement was concluded.

11.3 The Customer shall have a duty to pay the price of any excess work referred to in clause 11.1 at any of the following points in time, such to be determined at CINQO8's discretion:

- (a) when that excess work occurs;
- (b) simultaneously with the payment of the principal sum;
- (c) together with the next agreed installment.

11.4 Should the sum of the work shortfall exceed that of the excess work, CINQO8 may

charge the Customer 10% of the difference as part of the final bill. This clause shall not apply in the case of a work shortfall which is due to a request made by CINQO8.

12 LIABILITY

12.1 Under no circumstances shall CINQO8 have a duty to provide compensation to the Customer for damage that it has suffered directly or indirectly pursuant or due to defective goods, services or work supplied or performed by CINQO8, the Customer and/or any other party, or the failure of any goods and/or services supplied or to be supplied by CINQO8, the Customer and/or any other party to function or to do so properly or on time, except in the case of a wilful act or omission or gross negligence on the part of CINQO8 or its supervisory staff.

12.2 Should CINQO8 not be entitled to rely on the limitation stipulated in clause 12.1, its liability for compensation shall remain confined to no more than 30% of the total value of the Agreement (exclusive of VAT), up to a maximum of EUR 1.000.000. Where an agreement makes provision for parts or part deliveries, its liability for compensation shall be confined to no more than 30% of the total value of the Agreement payable for that part or part delivery (exclusive of VAT), up to a maximum of EUR 1.000.000.

12.3 The following shall not qualify for compensation:

(a) consequential damage whatsoever may have caused it. "Consequential damage" is deemed to refer to, amongst other things, a delay of the delivery time for goods and services, any damage due to the disruption of business or lost productivity, loss of earnings, transport costs and/or travel and accommodation expenses;

(b) damage to property held in custody. "Damage to property held in custody" is deemed to refer to, amongst other things, any damage that is inflicted on property on which work is performed or which is located within the vicinity of the site where work is carried out as a result of or during the performance of that work; and/or

(c) any damage due to a deliberate act or omission, or willful recklessness on the part of CINQO8's assistants or non-supervisory subordinates.

12.4 CINQO8 shall not be liable for any damage inflicted on materials supplied by or on behalf of the Customer as a result of them not being treated properly by the Customer or on behalf of the Customer.

12.5 The Customer shall indemnify CINQO8 against any claim made by a third party on the grounds of product liability due to a defect in a product which that Customer has supplied to such third party and which consists of (or partly so) products and/or materials supplied by CINQO8. The Customer shall have a duty to provide compensation for any loss which CINQO8 suffers in this respect, including all of the costs involved in defending itself.

12.6 CINQO8 shall not be liable for a faulty electrical installation nor for any harmonic current emissions, inrush peaks or other dirty power in the Customer's electrical installation.

12.7 CINQO8 shall not be liable for exceeding the contractual capacity which the Customer has agreed on with its energy supplier and/or grid manager.

12.8 CINQO8 shall not be liable for any harm caused to the Customer by its staff and/or any supplier engaged by it on any grounds or due to any cause whatsoever, except in the case of a culpable, deliberate act or omission, or gross negligence on the part of CINQO8. Under no circumstances shall its liability extend further than the cover as stipulated in clause 12.2.

12.9 CINQO8 shall not be liable for a loss of any nature whatsoever which occurs due to or is the result of the improper, careless or incompetence use of any goods supplied by CINQO8 or their use for anything other than their normal purpose.

13 WARRANTIES AND OTHER ENTITLEMENTS (GENERAL)

13.1 Unless otherwise agreed in writing, whether in these general terms and conditions or otherwise, and confirmed by CINQO8 in writing, the latter shall warrant proper performance as agreed for a period of one (1) year after date of delivery. In the event that a different term of warranty is agreed to and confirmed by CINQO8 in writing, the other clauses of this article shall also apply.

13.2 Should CINQO8 fail to effect performance as agreed, it may elect to ensure that it does so or it may credit the Customer for a proportionate part of the invoice concerned. In the event that CINQO8 elects to effect proper performance, it shall itself determine the manner in which and time when this is to occur. Where the agreed performance consists (partly or otherwise) of the treatment of materials supplied by the Customer, the Customer shall be required to supply new materials at their own risk and expense.

13.3 The Customer shall be, after contact with CINQO8, required to send CINQO8 any parts or materials which the latter is to repair or replace.

13.4 The Customer shall bear all costs related to:

- (a) transport or shipping costs;
- (b) the costs involved in assembly and disassembly;
- (c) travel and accommodation expenses.

13.5 In all cases the Customer shall be required to afford CINQO8 an opportunity to remedy any defect or carry out the relevant treatment again within a reasonable period of time.

13.6 The Customer may only invoke a warranty after they have complied with all of their obligations towards CINQO8.

13.7 No warranty shall be provided in the event that a defect is due to:

- (a) normal wear and tear;
- (b) improper use;
- (c) maintenance which has not been carried out or not appropriately;
- (d) installation, assembly, alterations or repairs carried out by the relevant Customer or any other party;
- (e) any defective or unsuitable item sourced from or stipulated by the relevant Customer;
- (f) any defective or unsuitable ancillary or other materials used by the relevant Customer;
- (g) any information that has been provided by the customer in accordance with Article 6 of these general terms and conditions.

13.8 No warranty shall be provided for:

- (a) any item supplied that was not new at the time when it was delivered;
- (b) the inspection and repair of an item belonging to the Customer, that has not been delivered by CINQO8;
- (c) any part in respect of which a manufacturer's warranty has been granted.

13.9 The provisions of clauses 13.2 to 13.8 shall apply mutatis mutandis in the case of the Customer's entitlements pursuant to default of performance, non-conformity or any other grounds what so ever.

14 CONDITIONS GOVERNING THE APPLICABILITY OF WARRANTIES (IN GENERAL)

14.1 A warranty shall only apply:

I. provided that what has been supplied has been properly wired and installed, and operates in accordance with the relevant electrical parameters, operating range

and environmental requirements stipulated in the specifications, instructions, any document supplied with the consignment or in IEC standards;

II. provided that, where the installation work is carried out by the relevant Customer, a certified low voltage equipment inspector inspects the relevant electrical installation and records their findings in an inspection report;

III. provided that a consignment has not been incorrectly used, misused or abnormally or improperly used contrary to any applicable standards, codes or instructions, including but not confined to any contained in the most recent electrical and/or safety and industry standards for the relevant region(s); and

IV. provided that the relevant Customer's installation is fitted with a timed meter which CINQO8 deems to be durable. In the event that a complaint is submitted, the relevant Customer shall be required to submit convincing evidence of the number of operating hours and circuits per day at CINQO8's request.

14.2 The term of the warranty on fixtures stipulated in Articles 17 and 19 shall commence at the time when it is put into service or by no later than one (1) month after the fixtures have been shipped from one of the CINQO8 warehouses, whichever occurs first.

14.3 The term of the warranty on parts which are not complete fixtures as referred to in clause 14.2 shall commence at the time when CINQO8 ships them from any of the CINQO8 warehouses or in case of direct shipment from the warehouse of one of the suppliers of CINQO8.

14.4 The remaining term of the relevant warranty shall apply in the case of any fixtures or components which are replaced.

15 WARRANTY ON HIGH PRESSURE SODIUM (HPS), CERAMIC METAL HALYDE (CMH), ULTRA VIOLET (UV) OR ANY OTHER TYPE OF FIXTURE FITTED WITH ELECTRONIC BALLAST

15.1 The warranty stipulated in this article shall apply in respect of electronically controlled fixtures fitted with an electronic ballast.

15.2 The term of the warranty on HPS, CMH, UV or any other type of fixture fitted with electronic ballast shall amount to one (1) year unless stated otherwise in the Agreement.

16 WARRANTY ON DEFECTIVE ELECTRONIC BALLASTS AND LAMPS

16.1 The term of the warranty on any type of electronic ballast delivered by CINQO8 shall amount to one (1) year unless stated otherwise in the Agreement. Mechanical or water damage, or any damage due to over or undervoltage shall not be covered by a warranty.

16.2 The term of the warranty on any type of lamp delivered by CINQO8 shall amount to one (1) year unless stated otherwise in the Agreement. Breakage, pollution and mechanical damage shall not be covered by a warranty.

16.3 The aforementioned warranty terms for electronic ballasts and lamps shall only apply provided that they are incorporated into a fixture as a system produced by the same manufacturer. Where they are not fitted as a system produced by the same manufacturer, the term of the warranty on both types of components shall be one (1) year unless stated otherwise in the Agreement.

17 WARRANTY ON LAMP LIGHT OUTPUT

17.1 The warranty stipulated in this article shall apply in the case of lamps intended for

electronic and electromagnetic fixtures.

17.2 The warranty on a lamp's light output shall only apply in the case of a comprehensive Customer project (new or after batch replacement) subject to a minimum of five hundred (500) items.

17.3 In the event that the Customer claims a light output shortfall, CINQO8 shall be entitled to verify this based on a random sample of no less than fifteen (15) lamps selected by it and taken from that Customer's affected site, and such verification shall occur in a standard test configuration.

17.4 Should CINQO8 be of the opinion that the average light output is less than that warranted by the relevant manufacturer, CINQO8 shall pass on the claim to the manufacturer of the lamps in question.

17.5 In the event that a manufacturer declares that a claim is well-founded, it will present a compensation proposal on a pro rata basis. CINQO8 shall present such a compensation proposal to the relevant Customer.

17.6 A manufacturer's conclusion that a claim is well-founded or not shall be binding. Under no circumstances shall any lamp sent to a manufacturer be returned. CINQO8 shall not be liable for any costs if a manufacturer rejects a claim.

17.7 Based on the compensation proposal as named under clause 18.5, the relevant batch from the affected Customer project will be replaced using lamps produced by the manufacturer of the lamps in question.

17.8 The validity of any compensation offered by a manufacturer shall be limited to one (1) month after the date on which CINQO8 passes on the compensation proposal to the relevant Customer.

17.9 The light output guaranteed by a manufacturer may differ from one manufacturer, one type of lamp and one year of manufacture to the next.

18 WARRANTIES ON FIXTURES WITH A LED LIGHT SOURCE

18.1 The warranty stipulated in this article shall apply to fixtures fitted with a LED light source.

18.2 The term of the warranty on fixtures fitted with a LED light source shall amount to one (1) year, unless otherwise stated in the Agreement, in a quotation and/or mutual signed order confirmation.

18.3 A warranty shall be granted provided that the light output of the complete fixture has diminished by more than 10% compared with the specified light output within one (1) year, unless otherwise stated in the Agreement.

19 INTELLECTUAL PROPERTY RIGHTS

19.1 All intellectual property rights in respect of the goods and services shall vest in CINQO8 and shall remain CINQO8's property irrespective of whether or not the Customer has been charged for their production. Without CINQO8's prior permission in writing, the Customer shall not reproduce, publish or imitate the goods in whole or in part.

19.2 The Customer may trade in goods originating from CINQO8 only under the brand, logo, trade name and specifications under which the goods were delivered to the Customer. The Customer may not change the quality of the goods it purchased from CINQO8, including their labelling, imprints and instructions.

19.3 The Agreement does not contain any assignment of any intellectual property rights as part of the delivery of the goods to the Customer or the services rendered to

the Customer and the related documents.

19.4 The Customer shall be liable to pay CINQO8 a penalty, payable with immediate effect, of EUR 25,000.00 (twenty-five thousand euros) for each contravention of this article.

19.5 When first requested to do so, the Customer shall be required to return any data referred to in clause 20.1 which has been supplied to them by a deadline stipulated by CINQO8. In the event of a contravention of this clause, that Customer shall be liable to pay CINQO8 a penalty, payable with immediate effect, amounting to EUR 1,000.00 (thousand euros) per day. Such penalty may be sought in addition to compensation pursuant to the law.

19.6 The Customer shall indemnify CINQO8 against any claim made by a third party in relation to intellectual property rights to materials or data supplied by the Customer which are used by CINQO8 for the purposes of executing the relevant contract.

20 CONFIDENTIALITY

20.1 All information originating from CINQO8 with regard to the Agreement which the Customer can reasonably assume to be confidential may not be disclosed. The Customer shall impose the same obligation on its employees or third parties that it has engaged in the performance of the Agreement.

20.2 The confidentiality obligation referred to in clause 21.1 does not apply to information, which must be disclosed by the Customer pursuant to the law, any provision or regulation of a body approved by the government, or a binding and final decision of a court or other public authority.

20.3 If a party fails to fulfil any of its obligations under Article 21, it forfeits an immediately due and payable penalty of EUR 100,000 per breach and EUR 1,000 for each day that such breach continues, without prejudice to the other party's right to claim specific performance and/or damages and without prejudice to the rights that the other party may have by virtue of law or the Agreement.

21 DUTY TO SUBMIT A COMPLAINT

21.1 The Customer shall inspect the goods immediately after delivery and shall verify whether the services have been rendered in a satisfactory manner.

21.2 The Customer is required to take reasonable measures to avert or minimise claims. Compensation claims made by the Customer for a defect will expire by limitation one year after delivery of the product, unless specified otherwise in other statutory regulations.

21.3 To obtain the right for compensation, the Customer must, within fourteen (14) days after which a defect has been discovered, give written notice of the claim to CINQO8, specifying the nature of the claim in reasonable detail.

21.4 Any complaint of the Customer regarding incorrect or incomplete fulfilment of an order shall be submitted to CINQO8 in writing within fourteen (14) days of the date on which the goods were or should have been delivered or the services were or should have been rendered. If the complaint is not submitted to CINQO8 within this term, the Customer no longer has claim against CINQO8 regarding incorrect or incomplete fulfilment of an order.

21.5 The Customer may no longer invoke defective performance, if they fail to submit a written complaint to CINQO8 in writing within fourteen (14) days after they discover or reasonably ought to have discovered the defect.

21.6 A complaint concerning a warranty (manufacturer's warranty or otherwise) must be submitted to CINQO8 in writing by registered mail within fourteen (14) days, subject to the condition that CINQO8 is reasonably able to lodge a complaint with the relevant manufacturer within the term of the warranty stipulated by the latter.

21.7 The Customer shall include a clear and accurate description of the complaint. Lodging a complaint shall not relieve the Customer from its payment obligation.

21.8 If CINQO8 considers a complaint to be well founded, it will, at its option, either repair or replace the delivered goods or rendered services, or credit the purchase price paid by the Customer in connection with the delivered goods or supplied services, and, as the case may be, take back the delivered goods.

22 ITEMS NOT COLLECTED

22.1 Upon the expiry of the term of delivery and/or the period within which performance is to be effected, the Customer shall have a duty to collect the item or items which are the subject of the Agreement at the agreed place.

22.2 The Customer shall be required to provide every assistance which may reasonably be expected of them, so as to enable CINQO8 to effect delivery.

22.3 Any items that are not collected shall be stored at the Customer's risk and expense.

22.4 In the event of a contravention of the provisions of clause(s) 23.1 and/or 22.2, the Customer shall forfeit a penalty to CINQO8 amounting to EUR 250 (two hundred fifty euros) per day subject to a maximum of EUR 25,000 (twenty-five thousand euros).

23 CANCELLATION OR TERMINATION OF THIS AGREEMENT

23.1 The Customer shall be deemed to be in default by operation of the law and their debt (or remaining debt) shall fall due immediately in the event that:

(a) the Customer fails to comply with any obligation pursuant to the relevant agreement, in particular, to effect payment or fails to do so on time;

(b) CINQO8 has good grounds to fear that the Customer will be in default and the latter fails to heed a written reminder – setting out those grounds – to declare that they will comply with their obligations within a reasonable period of time as stipulated in that reminder;

(c) the Customer files for bankruptcy, is declared bankrupt, enters into a judicial composition with the surrender of its assets, files an application for a moratorium on payments, their assets are attached and the attachment is not lifted within ten (10) days after that attachment is effected;

(d) the Customer proceeds or decides to close down or transfer their business or a significant part thereof, which is deemed to include bringing their business into a company which already exists or which is to be incorporated, or proceeds or decides to amend the objects of their business, or to dissolve it;

(e) the Customer, being a natural person, dies;

(f) the Customer is requested to tender security to ensure compliance with their obligations pursuant to the relevant contract when it is concluded and such security is not forthcoming or is inadequate.

23.2 In the cases referred to in clause 23.1, CINQO8 shall be entitled to do the following in the absence of any duty to provide compensation, subject to any rights which it holds, such as rights in relation to costs or interest already due and entitlement to compensation, and without the need for any notice of default or judicial intervention:

Cinco.8 distribución Europa SL

Av. Sot de les Vernedes 8, 08396, Sant

Cebrià de Vallalta, (Barcelona) Spain

www.cinco8.com



(a) to declare the cancellation of all or part of the relevant agreement by means of a written notice addressed to the relevant Customer to that effect; and/or

(b) to suspend all or part of its obligations pursuant to the Agreement; and/or

(c) to immediately demand full payment of any amount owed by the Customer to CINQO8 and/or to exercise any right to retain ownership that has been established.

23.3 In the event that the Agreement is terminated or cancelled in any way whatsoever, the provisions governing non-disclosure, cancellation, termination, governing law and disputes shall continue to apply in full. Furthermore, CINQO8 shall remain entitled to seek compensation for any loss that it has suffered.

24 ASSIGNMENT; OUTSOURCING

24.1 The Customer may not assign or transfer any of its rights and obligations under the Agreement, contract out the performance thereof to third parties or encumber any of its rights and obligations under the Agreement with a lien by or for the Customer without the prior written permission of CINQO8.

24.2 CINQO8 is entitled to engage persons who are not associated with it for the purpose of executing the Agreement. CINQO8 is not liable for damage or loss caused by acts or omissions of these other persons engaged by it.

25 APPLICABLE LAW AND JURISDICTION

25.1 In order to solve any disputes related to this contract or the activities carried out on it, Spanish legislation will be applicable, and the parties expressly agree to submit to the aforementioned. The Courts of Barcelona will be competent for the resolution of any conflicts arising or related to the use of this website.

25.2 All the aforementioned conditions shall be governed and construed in accordance with Spanish legislation, regarding any issue not expressly set forth herein. Cinco8 Distribucion Europa SL. and the user, accept the jurisdiction of the Courts of Barcelona for the resolution of any disputes that may arise from the provision of products and services subjected to these conditions.