

GENERAL CONDITIONS OF SALE

1. The present contract will be regulated by the Portuguese law, whereby the content of its clauses shall be interpreted according to their meaning when written in the Portuguese language.
2. Regarding the stipulated in the previous number, in case of any interpretation doubt related with the contract clauses, the Portuguese language should prevail.

I – Introduction

- 1 All order underwritten and accepted by CUDELL – Outdoor Solutions, S.A. (OS) implies the Customer's acceptance of these conditions of sale, which supersede all provisions of the orders or correspondence from Customers contrary contained to those contained in these General Conditions of Sale, unless accepted by OS in writing, except as provided by law.
- 2 The sale of goods by OS is subject to the inclusion of these General Conditions of Sale in individual contracts and their acceptance by the Customer, therefore assuming its careful reading, understanding and prior acceptance. OS is prepared to clarify all doubts submitted to it on its meaning.
- 3 All orders addressed to OS are considered underwritten and accepted after written confirmation of its Management.

II – Prices

- 1 Prices of OS are considered rigorously net for material present in its warehouses, material which will be transported from its warehouse to the place of delivery at Customer's own expense and risk.
- 2 Even when transportation costs of goods may be included in the price, the goods will always be transported at Customer's own expense and risk, therefore OS will not accept returns or complaints for goods damaged in transit or loading and unloading operations.
- 3 The net price agreed shall be subject to Value Added Tax (VAT) at the applicable rate in force on the date of the sale, or any other tax which, under the terms of the law, is or may become due to the State.
- 4 Prices may be changed by OS at any time and without prior notice.

III – Delivery Time

- 1 Except when expressly informed by OS, the supply deadlines are provided as mere indication, not being therefore essential for the compliance of the contractual obligation, except as provided by law.
- 2 For such reason, the failure of merely indicative supply deadlines will not justify the cancellation of the order by the Customer, nor constitute grounds for any claim of compensation from OS, except as provided by law.
- 3 Similarly, OS declines any responsibility for delays in the supply of goods, when this results from cases of force majeure or occasional cases not caused by any wilful act or gross negligence of OS, which prevent the manufacturing of materials at their origin, their shipment or delivery in Portugal, and also in situations of strike, fire, floods, severe accidents with materials or tools, wars, epidemics, acts of vandalism, sabotage, terrorism, interruption in transportation or abnormal weather conditions.

IV – Reservation of Ownership

- 1 All sales on credit are made under reservation of ownership of the goods sold in favor of OS, until full payment of the corresponding price.
- 2 Consequently, the right of ownership of the materials supplied will only be transferred to the Customer after payment of the full price, and until then the Customer is not allowed to assign the use of the materials, charge for, alienate or move them, or use them in any other way, in any case, without obtaining prior authorization from OS for such purpose.

V – Warranties

- 1 OS ensures the functioning of the goods supplied against all manufacturing defects, for a period of one year counting from the date of actual delivery of the goods to the Customer.
- 2 However, whenever mandatory law may impose a larger period of warranty, the valid period will be that imposed by law.
- 3 If the goods are not picked up immediately by reason attributable to the Customer, the period shall run from the date of issue of the corresponding invoice or written information of availability for delivery of the goods.
- 4 The warranty provided for in the preceding paragraph is not applicable to replacements and repairs resulting from normal wear and tear of the material, deterioration or damages resulting from negligent use, lack of supervision, maintenance or faulty use, as well as the use of products under extreme conditions and out of those conditions considered normal and, as well, of a use of the products different from the purpose for which it was manufactured or sold. It is also non-applicable should the Customer interfere with the equipment, particularly by repairing or attempting to repair it in any way or for any other purpose.
- 5 The existence of a defect must be recognized by the technical services of OS and at its facilities. In the event of a defect, the Customer shall be entitled to all rights provided by law, namely the right to repair or substitution of the defective product, which he may exercise, without any additional charges, within the warranty period provided for above.
- 6 To exercise the rights granted under this Clause, the Customer must notify the seller of the lack of conformity within 30 days or two months counting from the date in which the defect was detected, depending on whether the material is used for commercial or personal purposes, respectively.
- 7 The parts to be replaced, under the terms of the above mentioned warranty, must be returned to OS.
- 8 OS is not responsible for the consequences of the inoperability of the equipment where the component to be repaired or replaced under the warranty is integrated, nor does it assume the responsibility that may eventually accrue to the Customer by the lack of such equipment, including breaks in production, penalties charged for delays or any other reasons resulting from the lack of the equipment during the repair or replacement under the warranty, except as provided by law.
- 9 Repair under the warranty will be performed at OS' facilities.
- 10 OS will not be held responsible for damages caused by actions of its representatives or assistants, in case of minor fault.

VI – Technical Assistance

- 1 Except for the rights of the Customer, during the above mentioned warranty period, any technical assistance or services provided by OS must be paid by the Customer.
- 2 Except for the rights of the Customer, during the above mentioned warranty period, any material requiring substitution or repair must be delivered to the Irrigation Shops of OS at the expense of the Customer.
- 3 The Customer which requests technical assistance or supervision of OS and makes available employees or personnel to the latter, whether these are subcontracted or temporary workmen and remunerated by the Customer, will be required to have, in respect of these workers, valid insurance contracts for labor accidents, as well as to observe applicable safety rules.
- 4 OS is not responsible for the consequences of the inoperability of the equipment where the component to be repaired or replaced under the warranty is integrated, nor does it assume the responsibility that may eventually accrue to the Customer by the lack of such equipment, including breaks in production, penalties charged for delays or any other reasons resulting from the lack of the equipment during the repair or replacement under the warranty, except as provided by law.
- 5 The Customer also undertakes to respect the norms of environmental law, health, hygiene and safety in force.

VII – Studies, Projects and Intellectual and Industrial Property Rights

All studies, drawings, designs and documents, of any nature whatsoever, provided by OS to the Customer, are of its property, being the owner of all their existing intellectual and industrial property rights, and the Customer can not reveal them to third parties or use them for any other purpose than that assigned to them by OS, without obtaining its prior written consent, and such studies, drawings, designs and documents are to be returned to OS as soon as it requests them from the Customer in writing.

VIII – Credit

- 1 Supplies on credit will only be made after the Customer has requested to open a current account and provided the necessary elements of identification, as well as all information requested for review and approval by the credit insurance and the credit control services of OS.
- 2 The credit limit is the maximum value that the amount of supplies awaiting payment may reach, including responsibility for dated checks or letters, which only after actual payment are considered settled. The credit limit assigned is communicated to the Customer.
- 3 Should the Customer not comply, isolated or repeatedly, with the agreed payment deadlines and conditions, or have reached the limit of credit set, supplies shall be automatically be suspended, and the credit will be immediately blocked into the computer system of OS.
- 4 The purchase and sale contract shall not be considered functional or otherwise linked to the credit agreement, being independent of each other.

IX – Payments

- 1 All invoices must be paid, except as provided by law, at the head-office of OS.
- 2 Should the payment be made in installments, the lack of timely payment of one single installment, by the Customer, determines the immediate maturity of the following installments, without prejudice to mandatory law providing otherwise.
- 3 Failure to pay an invoice, in accordance with the conditions provided for by contract, grants OS the capacity to immediately suspend any further deliveries.
- 4 Should the Customer incur in delay in meeting any installment, interest at the statutory commercial rate plus five percentage points, shall be applied to the amount outstanding for the period that the delay continues.
- 5 For supplies of value equal or inferior to **€100.00**, payment must be made upon delivery of the products, whether or not the client has or not an assigned credit.

X – Reception of material

- 1 Whichever may be their destination, the risk of deterioration or perishing is transferred to the Customer as soon as the goods leave the facilities of OS, without prejudice to the law on the rights of the Customer during the warranty period. However, should the material remain at the facilities of OS for Customer's convenience, or because of a delay in taking in, the risk is immediately transferred.
- 2 Without prejudice to the rights of the Customer during the warranty period, transportation, packaging, insurance and customs costs, if any, as well as those relating to the dispatching of the materials, are Customer's responsibility.
- 3 Materials sold, even if sent by prepaid postage, shall be transported at Customer's own expense and risk, who shall exercise its rights, in the event of lack, loss, damage or delay, against the carrier.
- 4 In case of lack, loss or malfunction of the material, its state shall be verified at the time of its download, and all notices applicable are to be made immediately, on the transport document, with the signature of the carrier or its legal representative, under the terms of the applicable law.
- 5 Notices must be confirmed by the Customer by registered letter to send to the carrier, within eight calendar days counting from the date of receipt of merchandise.
- 6 Should the above mentioned formalities not be complied with, OS will not be held responsible for any damages.
- 7 Whenever the goods sold by OS are not delivered to the Customer at its facilities, but elsewhere, the clauses of these General Conditions of Sale shall be interpreted, for all purposes, as referring to OS' facilities.

XI - Cancellation / Return of orders

- 1 Without prejudice for defects of the goods sold, if the customer wishes to cancel or return an order he must always communicate first and in writing to OS. All returns are subject to previous acceptance/authorization by OS.
- 2 In case of accepting the cancellation or return of an order, OS will notify the customer in writing about the conditions of acceptance of such demand, and may charge up to 20% of the total order related to administrative expenses. Costs related to the return may be charged to the customer (receiving; inspection; repair). These will be assessed on a case to case basis.
- 3 The OS may deny the cancellation or return of the order, subject to certain conditions, namely when:
 - a) The material is ordered exclusively for the client;
 - b) The material is not from stock and was purchased exclusively for the client;
 - c) The material was supplied over 15 days before;
 - d) The material has been used or shows signs of mishandling;
 - e) The material shows signs of bad packaging when it is received at OS premises.

XII – Duty to inform

The Customer who exports, intends to export or resell the goods purchased from OS to a third party in the United States of America, Canada or Mexico, must first inform OS of such intent of resale / export, so that OS may adapt the sale of the goods to the terms of its insurance policy and in its turn inform the Customer of such fact.

XIII – Communication between the parties

Written notifications addressed by OS to the Customer shall be sent to the address indicated in the order, and OS is to be informed immediately of any change. Written notifications addressed by the Customer to OS shall be addressed to its registered office. When registered, written communications of either party are considered received, unless proven otherwise, on the third day after dispatch, or the first following working day, if this is not one.

XIV – Termination of the contract

- 1 The purchase and sale contract may be terminated by OS, should the Customer fail to pay any of the installments of the price it is obliged to pay, without damage to mandatory law disposing differently.
- 2 In such a situation, the Customer is obliged to return the material provided, within eight calendar days after the date on which the OS will communicate in writing the decision to terminate the contract and shall reimburse OS for any transportation costs and, as well, for any losses suffered by the material in question.

XV – Jurisdiction and applicable law

- 1 The Court of Porto will have jurisdiction over resolving any matters arising from these general conditions, with express waiver of any other, without prejudice to mandatory law providing otherwise.
- 2 The law applicable to the sale and purchase contracts signed under the terms of these General Conditions of Sale is the Portuguese law.

XVI – Communication and information

- 1 These General Conditions of Sale are informed to the Customer by being inserted in the proposal, order confirmation or in the transport and sale documents (delivery note and invoice).
- 2 Any questions the Customer may wish to see clarified about the terms of these General Conditions of Sale are to be addressed to OS by letter sent to its registered office or by e-mail at info-os@cudelloutdoor.pt.