



TERMS AND CONDITIONS FOR PURCHASE ORDERS

1. Contract between the Parts.

The reception of the Purchase Order by the supplier, is considered confirmed when receiving an e-mail response from the destination server confirming that the email with the order attached has been displayed. The Supplier has 7 calendar days from the reception of the Purchase Order to express to QP Microwave S.L. (QPmW) objections to the same one, including the present Conditions, after this date it will be understood that the corresponding contract between QPmW and the Supplier has been effective. The date of his effects will be the one of receipt by the Supplier of the electronic Purchase Order, whose terms and conditions will prevail over any others.

2. Packaging and Delivery.

(a) The goods to be delivered will be duly packed to prevent any damage during shipment.

(b) The destination address should be that one defined in the purchase order.

(c) The delivery must include all the documentation detailed in the purchase order. QPmW will not be obliged to accept any shipment received without a delivery note which states the number of packages, the weight of the goods, the unit of measure, the amount and reference number of the goods, the relevant purchase order number, together with the relevant transport documentation.

(d) When the delivery consists of electrical or electronic devices sensitive to electrostatic discharges (ESD), the packaging must be appropriately labelled as such.

3. Delivery Time.

Delivery will take place on the date specified in the order. The supplier will immediately notify QPmW in writing of any delay foreseen as regards the delivery and will do his utmost to make up lost delay and, in any case, to minimize such a delay. In the event of failure to comply with the delivery terms, QPmW will be entitled:

(a) either to deduct or to recover two per cent (2%) of the order price from the supplier for each delay of one week with a maximum of 30% or

(b) to cancel the purchase order due to the non-compliance of the supplier, through written notice addressed to the supplier or

(c) to a combination of paragraphs (a) and (b). All damages affecting QPmW which exceed the amounts collected from the supplier under paragraph (a) will be fully charged to the supplier.

Any delay on the delivery date will be monitored and evaluated by our quality department as part of the supplier evaluation.

4. Reception and Acceptance.

(a) No goods will be considered accepted by QPmW until the QPmW quality inspection service has verified that the supply complies with the requirements set out in the order. For goods with expiration date, QPmW will not accept them in case of shelf lifetime under 80%. If the supplier has not received any notification from QPmW once two months have taken place from the date of delivery of the supply, the goods will be tacitly understood to have been accepted, except in the case of force major duly accredited by QPmW.

(b) Any goods rejected by QPmW due to not meeting the requirements in the purchase order or, if the amount delivered is in excess of the amount ordered, these may be returned by QPmW to the supplier at supplier's expense, in which case the supplier will be obliged to replace these goods by other goods which comply with the requisites of the purchase order within the shortest possible term agreed to with the purchaser, freight prepaid, unless QPmW issues instructions to the contrary.

Any non-conformity on the goods will be monitored and evaluated by our quality department as part of the supplier evaluation.

5. Inspection at Origin.

QPmW, its agents or the representatives of QPmW's clients will be entitled to access the facilities of the manufacturer to view the process for manufacturing or preparing the goods which are the subject matter of the purchase order and to attend tests and inspections carried out by the supplier. QPmW will notify the supplier of its intention to exercise these rights and the supplier will allow the QPmW representatives access to their premises as well as providing the means for such inspection and the specific co-operation of their employees. The inspections carried out will not imply the acceptance by QPmW of the goods or work which are the subject matter of the purchase order.

6. Price, Method and Term of Payment.

(a) Prices will be considered to be fixed, firm and not subject to revision unless otherwise stated in the purchase order.

(b) Payments will be made by wire transfer at 60 days from receipt of invoice, unless other special conditions are agreed to by the supplier and QPmW.

(c) If QPmW has specifically agreed that the supplier may adjust the final contract price by a price revision, in no case may such revision apply to those deliveries made at a later date than the date of the term agreed, for reasons not attributable to QPmW.

7. Warranties.

(a) The goods delivered will be brand new and will comply with the technical specifications set out in the purchase order.

(b) The warranty period on the products delivered will be one year from the date of reception at our premises.

(c) The supplier will indemnify QPmW and its clients with regard to any claims by third parties in the event that the goods delivered involve an infringement of patents, copyrights or any other industrial or intellectual property rights.

(d) The supplier is obliged to indemnify QPmW for all damages caused to it as the result of any non-compliance or claim under paragraphs (a) and (b) of this clause.

8. Confidentiality and Industrial Property.

(a) The technical, financial or commercial documentation supplied verbally or in writing by QPmW to the supplier under the purchase order will remain the exclusive property of QPmW and its delivery will not grant any licence or assignment of QPmW's industrial or intellectual property rights to the supplier.

(b) The supplier may only use this information for the exclusive purposes of the purchase order and will restrict its internal disclosure to employees who require access such information. The supplier will not disclose any information supplied by QPmW to third parties without prior written authorisation from QPmW.

(c) Any invention, design, documentation or technical information created or generated by the supplier under the purchase order will be the property of QPmW and the supplier will assign all the relevant rights to QPmW free of charge.

(d) The supplier will notify QPmW of any improvement made to the goods which are the subject matter of the relevant purchase order.

9. Maintenance of registers and documents.

The supplier will keep registered and filed all the data and documents related with test and inspection, certificates and any control data involved with the product production or the service processes. All these data and documents will be kept for at least 10 years after the delivery of the product or the service and could be kept in electronic support after the first two years. At the end of the period, the supplier will ask QPmW for allowance to destruct these documents.

10. Suspension and Cancellation.

(a) QPmW is entitled at any time to totally or partially suspend the execution or supply contained in the purchase order for a maximum term of six months through written notification forwarded to the supplier. The supplier will immediately stop all work subject to the suspension order until QPmW authorises the supplier to resume the work or definitively cancels the order. In both cases, QPmW will pay the supplier any direct, duly evidenced cost incurred by the supplier as a result of the suspension of the purchase order.

(b) If the supplier fails to comply with any of his obligations under the order, comes under temporary receivership, becomes bankrupt or cannot pay his debts, QPmW will be entitled to totally or partially cancel the order with immediate effect, through written notification addressed to the supplier. The supplier will indemnify QPmW for all damages resulting from the cancellation of the purchase order.

(c) QPmW will have the right to cancel the order totally or partially at its convenience and at any time. In such cases, the supplier will have the right to charge for all the goods delivered to QPmW in accordance with the prices in the purchase order, and all the costs incurred up to the effective date of the cancellation. Such payment will be the sole compensation the supplier has the right to as a result of the cancellation and in no case must this accrue in excess of the order.

11. Assignment or Sub-Contracting.

(a) The supplier will not be entitled to assign any part of the purchase order to a third party without the written authorisation of QPmW.

(b) The supplier will not have the right to sub-contract work which exceeds 10% of the value of the order without the prior written authorisation of QPmW.

12. Property of QPmW.

Any tool, equipment, part or material loaned from QPmW to the supplier under the purchase order will remain the property of QPmW and will be used only for the purposes of the purchase order. The supplier will identify each of the goods as the property of QPmW and will return each of them in good condition at the request of QPmW at any time. The supplier will insure these goods all risk, against damages, theft or loss and will full indemnify QPmW in such an eventuality.

13. Changes.

Through a written notice, QPmW will be entitled to make changes to the goods or services to be supplied or rendered by the supplier or to modify the delivery date. In the event that these changes involve an increase or reduction in the cost of the supply in order to comply with the purchase order, the effects of this impact will be negotiated by the parties and the resulting agreement will entail the amendment of the purchase order. Until this agreement is reached, the supplier will continue to execute the order, including the change.

14. Labor Security.

The supplier agrees to send together with the equipment or material supplied the instructions for use, storage and any other that is necessary for the proper prevention of occupational hazards arising from the use and manipulation of such equipment or material and shall be governed by the provisions, regulations and legal standards that are in force in matters of Safety, Hygiene and Health at Work and are applicable to the request.

15. Protection of the Environment.

QPmW recommends that its suppliers comply with the applicable environmental standards as well as using the best resources and practices to prevent or, possibly, rectify actions which negatively affect the conservation of the environment. Any specific requirement of the environmental legislation may be included in the purchase order.

16. Export Compliance.

The Supplier hereby declares to comply with all applicable export regulations:

(a) Local laws from the Supplier

(b) Spanish export licenses, which may be required and granted pursuant to Law 53/2007 and Royal Decree 2061/2008 for export control of defence and dual-use materials or any other applicable or superseded applicable law,

(c) European export regulations and

(d) Applicable Export regulations in the Goods origin country as well as any Government regulation applicable to the export, re-export or disclosure of the Goods by the Supplier. In particular, in the United States ITAR and EAR. The Supplier agrees to indemnify and hold QPmW harmless from any loss, claim and / or expenses incurred by QPmW because of the breach of the Supplier's obligations.

17. Provision of counterfeit goods.

It is essential to QPmW's activity to ensure the supply of genuine and non-counterfeit goods; therefore, the supplier shall guarantee QPmW the supply of only new, unused and genuine products.

Counterfeit Goods are those copies or substitutes produced, sold or distributed without consent from the production, sale or distribution rights legitimate owner, or those about which false statements have been made by the supplier (or any of the participants in the supply or production chain) about their materials, capacities, Identity or characteristics. Identity means any information including but not limited to, the original manufacturer, trademark or other intellectual or industrial property rights, number of parties, date code, lot number, class, quality certificates, quality statements, geographical origin, brand of origin, performance and tests it has been subjected to and the results thereof, inspections it has been subject to, documentation, warranties, origin, modifications or alterations, manipulations, recoveries, recycling, property history, packaging, physical conditions and previous uses or history of rejections, etc.



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If under the Order goods that are described using a supplier part number or a description of the product or specification or an industry standard are supplied, the supplier warrants and is responsible for the supply of spare parts fulfilling all the requirements of the Order. The supplier will only purchase goods directly from Original Component Manufacturers (OCM) or authorized distributors (for example franchises).

Supply of goods from other sources is not authorized by QPmW, unless first agreed in writing including an express reference to this clause. In the latter case, the supplier must submit to QPmW sufficient justification of the supply traceability (e.g., documentation that guarantees the supply chain traceability to the OCM) and include the specific actions taken to ensure that the goods supplied in this way are new, unused and authentic.

If Counterfeit Goods or Suspect Counterfeit Goods are included or are among the goods supplied according to the Order, QPmW may return the goods to the supplier, freight due, and the supplier will be forced to replace them freight prepaid, for acceptable goods to QPmW in accordance with this clause in the shortest possible time agreed with the purchaser. Furthermore, QPmW may, at its discretion, turn the goods over to the competent authorities so that an investigation can be initiated and request its replacement.

The supplier will liable for all costs related to the seizure, collection, replacement and any other QPmW cost in relation to goods supplied in breach of this clause. QPmW reserves the right to withhold payments of any Order that include Counterfeit Goods or Suspect Counterfeit goods that have been returned or are being investigated until the investigation is completed, the return or replacement for other goods is made and all costs incurred by QPmW are paid.

The supplier shall maintain a traceability method that ensures the supply chain is followed up to the producer of all goods included in the Order. This method shall clearly identify the name and location of all intermediaries in the chain, from the producer up to the direct source from which the supplier is obtains the goods and shall include the lot and serial number from the supplier as well as the notes, series or other identifications. In any case, they shall remain at the disposal of QPmW, who may request them at any time during the term of the contract and for the entire period during which responsibility for the goods supplied can be claimed, all the documents related to certificates of conformity, orders, contracts, test data and inspections and certifications of Original Component Manufacturers (OCM) and authorized distributors (e.g. franchises) thereof.

The supplier will transfer to his supply chain these requirements for all the goods that he intends to supply to QPmW. It is expressly stated to the supplier that the conscious and voluntary act of falsifying, concealing, modifying or altering a fact, or any manifestation or warranty, explicit or implicit, false, fraudulent or fictitious in relation to the performance or characteristics of a good may be pursued in accordance with the current legislation.

The supplier must inform the employees or representatives involved in the supply of goods, prior to delivery, that there is a risk of liability in connection with any falsification, concealment, modification or alteration of a fact or manifestation of any of the supplied goods.

The supplier shall include the following sentence printed on each certificate of conformity issued and supplied to QPmW in relation to the goods and / or the Order: #Note: the existence of false, fictitious or fraudulent statements or data in this document may constitute an offense in accordance with the applicable law #. The supplier must include in all the contracts / orders that it subscribes with its suppliers for the acquisition of goods related to or included in the Orders from QPmW, all the contents of this clause, including the previous sentence. Any refusal or difficulty encountered by a provider of the supplier to subscribe a clause with a content similar to this one must be immediately notified to QPmW, who may request the QPmW purchase order cancellation without obligation to assume any damage or cost.

18. Ethical code.

(a) QPmW considers the fulfilment of its ethical code to be of the utmost importance and, as a result, has developed an ethical code applicable to all its suppliers and published on QPmW's website: <https://www.qpmw.com/tc/ec.pdf>.

(b) The Supplier is hereby informed and agrees to abide by this Code of Ethics in all its terms.

(c) The Supplier further agrees that this ethical code may be modified by QPmW at any time and will deem itself notified of any change on it by the mere publication of the ethical code new version on QPmW webpage.