

COOPERATION AGREEMENT

This Cooperation Agreement (this "Agreement") dated, 2014, is by and among the **Federación Ecuatoriana de Industrias del Metal FEDIMETAL** ("FEDIMETAL") from Quito - Ecuador, and the Karlsruhe Institute of Technology ("KIT"), **KIT Steel & Lightweight Structures from the Research Center for Steel, Timber & Masonry** ("KIT-VAKA") from Karlsruhe – Germany.

NOW, THEREFORE, In consideration of and reliance upon the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

FIRST: BACKGROUND

FEDIMETAL is an institution which offers technical consultancy and technical training to the staff from companies of the Ecuadorian metalworking industry in order to support their development.

KIT-VAKA The Research Centre for Steel, Timber and Masonry, (Versuchsanstalt für Stahl, Holz und Steine, **KIT-VAKA**) was founded in 1921 and consists of the KIT Steel & Lightweight Structures and KIT Timber and Building Construction.

The KIT Steel & Lightweight Structures is managed by Prof. Dr.-Ing. Thomas Ummenhofer.

During its existence, the Research Centre for Steel, Timber and Masonry has established a leading position as a nationally and internationally renowned research institution and testing centre, as well as a high performance partner to industry. This is proven by many scientific publications and dissertations.

ACUERDO DE COOPERACION

Este Acuerdo de Cooperación (éste "Acuerdo") fechado en 2014, es entre la **Federación Ecuatoriana de Industrias del Metal FEDIMETAL** ("FEDIMETAL") de Quito - Ecuador, y el Karlsruhe Institute of Technology ("KIT"), **KIT Steel & Lightweight Structures from the Research Center for Steel, Timber & Masonry** ("KIT-VAKA") de Karlsruhe – Alemania.

AHORA Y POR LO TANTO, En consideración y confianza de los pactos y acuerdos mutuos aquí contenidos, y bajo consideración buena y valiosa, cuya recepción y suficiencia son reconocidas, las partes acuerdan lo siguiente:

PRIMERO: ANTECEDENTES

FEDIMETAL es una institución que ofrece consultoría y capacitación técnica al personal de empresas del sector metalmeccánico ecuatoriano con el fin de apoyar el desarrollo de las mismas.

KIT-VAKA El Centro de Investigaciones para el acero, madera y manpostería, (Versuchsanstalt für Stahl, Holz und Steine, **KIT-VAKA**) fue fundado en 1921 y está formado por el KIT Estructuras de Acero y Livianas y el KIT Construcciones en madera y de edificios.

El KIT Estructuras de Acero y Livianas está dirigido por el Prof. Dr.-Ing. Thomas Ummenhofer.

Durante su existencia el Centro de Investigaciones para el acero, madera y manpostería ha alcanzado una posición de liderazgo a nivel nacional e internacional como un instituto renombrado de investigaciones, centro de ensayos, y también como socio estratégico de la industria. Este aspecto ha sido probado por varias publicaciones científicas y tesis doctorales.

SECOND: GOALS

Through this Agreement, **FEDIMETAL** exclusively agrees to cooperate with **KIT-VAKA** in the following activities:

1. Improving the technical consultancy that **FEDIMETAL** offers to the Ecuadorian metalworking industry.
2. Establishing the **KIT-VAKA** as authorized institution to issue official certifications based on international standards to Ecuadorian companies which are members of **FEDIMETAL**.
3. Establishing the **KIT-VAKA** as authorized institution to offer technical consultancy to the Ecuadorian companies which are members of **FEDIMETAL**.
4. Exchange of technical skills and experience in order to perform mutual projects. The mutual projects can be related with the private industry or with the Ecuadorian government.

THIRD: TECHNICAL TRAINING

FEDIMETAL and **KIT-VAKA** agree to cooperate with each other in the technical training activities which are offered through **FEDIMETAL** to the staff from Ecuadorian companies.

SEGUNDO: OBJETIVOS

Mediante éste Acuerdo, **FEDIMETAL** acuerda exclusivamente cooperar con **KIT-VAKA** en las siguientes actividades:

1. Mejorar la consultoría técnica que **FEDIMETAL** ofrece a la industria metálmecánica ecuatoriana.
2. Establecer al **KIT-VAKA** como institución autorizada para emitir certificaciones oficiales basadas en normas internacionales a las empresas ecuatorianas miembros de **FEDIMETAL**.
3. Establecer al **KIT-VAKA** como institución autorizada para ofrecer consultoría técnica a las empresas ecuatorianas miembros de **FEDIMETAL**.
4. Intercambio de conocimientos técnicos y experiencia para realizar proyectos comunes. Los proyectos mutuos pueden estar relacionados con la empresa privada o con el Gobierno Ecuatoriano.

TERCERO: CAPACITACION TECNICA

FEDIMETAL y **KIT-VAKA** acuerdan cooperar el uno al otro en las actividades de capacitación técnica que son ofrecidas por **FEDIMETAL** al personal de las empresas ecuatorianas.

FOURTH: SPECIFIC PROPOSALS

This Agreement shall grant no right to assert a claim for any presentation of specific proposals.

According to the needs or requirements proposed by **FEDIMETAL**, **KIT-VAKA** shall be asked to present specific proposals which fulfill the corresponding needs. Any proposals submitted by **KIT-VAKA** should include information such as specific subject matter of assignment, fees, terms, technical and staff requirements, as well as any and all additional relevant information.

FEDIMETAL shall pay any taxes incurred as a result of this **COOPERATION AGREEMENT** and shall reimburse **KIT** in the event **KIT** has the obligation to pay such taxes.

FEDIMETAL shall assume all fiscal obligations of **KIT** in Ecuador, such as required registration or the submission of tax returns, and, if necessary, contract a lawyer or tax consultant at its own expense. **FEDIMETAL** shall keep **KIT** informed of all steps taken.

If **FEDIMETAL** does not fulfill all or part of its obligations according to the previous paragraphs, **FEDIMETAL** shall reimburse **KIT** for any damages resulting therefrom.

CUARTO: PROPUESTAS ESPECIFICAS

Este Acuerdo no otorga ningún derecho a reclamar indemnización por ninguna presentación de propuestas específicas.

De acuerdo a las necesidades o requerimientos propuestos por **FEDIMETAL**, el **KIT-VAKA** será invitado a presentar propuestas específicas que satisfagan las necesidades correspondientes. Toda propuesta emitida por **KIT-VAKA** debe incluir información tal como objeto específico de la asignación, precio, términos, requerimientos técnicos y de personal, así como toda información adicional relevante.

FEDIMETAL deberá pagar todos los impuestos devengados como resultado de este **ACUERDO DE COOPERACION** y deberá reembolsar al **KIT** en caso de que el **KIT** tenga la obligación de pagar los mencionados impuestos.

FEDIMETAL asumirá todas las obligaciones fiscales del **KIT** en Ecuador, tales como el registro necesario o la declaración de impuestos recaudados, y si es necesario la contratación y el pago de un abogado o asesor fiscal a sus expensas. **FEDIMETAL** informará al **KIT** de todas las medidas tomadas.

Si **FEDIMETAL** no cumple con la totalidad o parte de sus obligaciones de acuerdo a los párrafos anteriores, **FEDIMETAL** reembolsará al **KIT** por todo tipo de daños que resulten de este hecho

FIFTH: CONFIDENTIALITY

FEDIMETAL and KIT undertake to treat confidential INFORMATION received from the respective other party hereto, to use it exclusively to evaluate the possibility of concluding individual contracts and not to disclose it to third parties without the prior written consent by the disclosing party hereto unless it is proved that the INFORMATION

- (i) belongs to the public domain,
- (ii) falls into the public domain without any fault of the receiving party hereto,
- (iii) is disclosed to a party hereto by a third party, without the obligation of confidentiality,
- (iv) had already been known to the receiving party hereto prior to disclosure hereunder by the other party hereto, or
- (v) has been or is being developed by those employees of the receiving party hereto who had no access to the disclosed INFORMATION.

The INFORMATION received may only be disclosed to those employees of the receiving party who need it for evaluating the possibility of concluding a cooperation agreement/establishing business connections.

Any confidential INFORMATION shall be provided in writing indicating the confidential nature of the information within 21 days of disclosure thereof.

The disclosing party hereto reserves all its rights in the INFORMATION disclosed.

The receiving party hereto shall not file for any proprietary right for the INFORMATION received. The parties hereto acknowledge that they themselves and their employees have no rights (e.g. under any national or foreign proprietary right or copyright) in the INFORMATION received. Use of the INFORMATION received shall not establish a right to prior use under any national or foreign law.

QUINTO: CONFIDENCIALIDAD

FEDIMETAL y el KIT se comprometen a tratar la INFORMACION confidencial recibida de la otra parte del presente Acuerdo, a usarla exclusivamente para evaluar la posibilidad de celebrar contratos individuales y a no compartirla con terceras partes sin la autorización previa por escrito de la parte reveladora del presente Acuerdo, a menos que esté demostrado que la INFORMACION

- (i) pertenezca al dominio público,
- (ii) se incluya en el dominio público sin ningún error de la parte receptora del presente Acuerdo,
- (iii) ha sido revelada a una parte del presente Acuerdo por terceros, sin obligación de confidencialidad alguna,
- (iv) ha sido ya conocida por la parte receptora del presente Acuerdo antes de ser revelada por la otra parte del presente Acuerdo, o
- (v) ha sido o esta siendo desarrollada por empleados de la parte receptora del presente Acuerdo los cuales no tenían acceso a la información divulgada.

La INFORMACION puede ser desclasificada a aquellos empleados de la parte receptora, los cuales la necesitan para evaluar la posibilidad de celebrar acuerdos de cooperación o establecer relaciones de negocios.

Toda INFORMACION confidencial debe ser entregada por escrito indicando su caracter confidencial dentro de los 21 días siguientes a la divulgación de los mismos.

La parte reveladora del presente Acuerdo se reserva todos sus derechos en la INFORMACION divulgada.

La parte receptora del presente Acuerdo no reclamará ningún derecho de propiedad sobre la INFORMACION recibida.

Las partes del presente Acuerdo reconocen que ellas mismas y sus empleados no tienen derechos (e.g. de propiedad o de autor, sea bajo leyes nacionales o internacionales) sobre la INFORMACION recibida. El uso de la INFORMACION recibida no constituye un derecho para usarla previamente bajo ninguna ley nacional o internacional.

All INFORMATION written down, recorded or fixed by any other means including objects, as well as any copies made thereof, shall be returned to the disclosing party upon request of the disclosing party.

The parties shall not make any warranty with regard to the INFORMATION disclosed, and in particular they shall warrant for neither the correctness and usability of the INFORMATION disclosed nor the non-infringement upon rights of third parties.

Toda la INFORMACIÓN escrita, grabada o almacenada por cualquier otro medio, incluyendo objetos, así como las copias que se hagan de la misma, se devolverá a la parte reveladora, por petición de la misma.

Las partes no brindarán ninguna garantía con respecto a la INFORMACION divulgada, y en particular no justificarán ni la exactitud ni la utilidad de la INFORMACION divulgada ni sobre la ausencia de daños contra los derechos de terceros.

SIXTH: TERM/PERIOD OF VALIDITY

This agreement does not have a specific term. The validity of **this Agreement** begins when the legal representatives of **FEDIMETAL** and **KIT** underwrite it.

This Agreement may be terminated by either Party upon three months' notice. The notice of termination shall be in writing to be effective.

SEVENTH: TERMS AND CONDITIONS

Invalidity of a provision of the present agreement shall not affect the validity of the remaining provisions of this agreement or the agreement as a whole. In this case, the parties shall try to retroactively agree on a new valid provision, the result of which largely corresponds to the invalid provision to be replaced. The same principle applies in the event of any omission in the Agreement.

Amendments and additions to this Agreement must be in writing; the requirement for written form may as such be waived only in writing. All previous agreements between the Parties on the subject of the Agreement are replaced by this Agreement; there are no additional verbal agreements.

The Parties shall make every effort to settle amicably all disputes or difficulties arising from this Agreement without recourse to the courts. In case an amicable agreement cannot be achieved, notwithstanding all efforts made, the Agreement shall be governed by German law to the exclusion of German conflict-of-laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG). In all respects Karlsruhe is agreed as the place of jurisdiction.

SEXTO: PLAZO/PERIODO DE VALIDEZ

Este acuerdo no tiene un plazo específico. La validez de **éste Acuerdo** comienza cuando los representantes legales de **FEDIMETAL** y del **KIT** lo firman.

Este Acuerdo puede ser terminado por cualquiera de las partes con tres meses de anticipación. La comunicación de terminación para ser válida debe ser presentada por escrito.

SEPTIMO: PLAZOS Y CONDICIONES

La invalidez de una disposición del presente acuerdo no afectará la validez de las disposiciones restantes de éste acuerdo, o el acuerdo en su totalidad. En este caso, las partes tratarán de ponerse de acuerdo de manera retroactiva sobre una nueva disposición válida, el resultado de lo cual corresponde en gran parte a reemplazar la disposición inválida. El mismo principio se aplica en el caso de cualquier omisión en el Acuerdo.

Las enmiendas y adiciones a éste Acuerdo deben ser hechas por escrito; se puede renunciar a éste requisito únicamente de forma escrita. Todos los convenios previos entre las partes relacionados con este Acuerdo quedan reemplazados por este Acuerdo; no existen acuerdos verbales adicionales.

Las Partes harán todo los esfuerzos posibles por resolver amistosamente todas las controversias o dificultades que surjan de este Acuerdo, sin recurrir a los tribunales. En caso que no se pueda lograr un acuerdo amistoso, a pesar de todos los esfuerzos realizados, el Acuerdo se rige bajo derecho alemán con exclusión del derecho internacional privado alemán y la Convención de las Naciones Unidas sobre los Contratos de Compraventa Internacional de Mercaderías (CISG). En todos los aspectos se acuerda que el lugar de jurisdicción es Karlsruhe.

The terms and conditions of this Agreement and, if no or no other provisions have been made in them, the "General Conditions of Sale of Deliveries and Services (AVB/LL)" of KIT, of October 01, 2009 according to **Annex 1** shall apply exclusively. Other terms and conditions shall not be part of this agreement or any contract, even if they are not contradicted expressly by KIT. Unless expressly otherwise agreed in writing and notwithstanding paragraph 16.1 of the AVB/LL, the place of performance shall be the Karlsruhe Institute of Technology – Campus South.

EIGHTTH: STATEMENT

On behalf of **FEDIMETAL** and **KIT**, their corresponding representatives declare to understand and accept the conditions of this agreement.

The representatives vow to cooperate with each other in order to obtain mutual benefits of **this Agreement**.

IN WITNESS WHEREOF, each of the parties hereto has executed this Cooperation Agreement, or caused the same to be executed by its duly authorized representative as of the date first above written.

This Agreement is written in English and Spanish. In case of conflict between the English and the Spanish version, the English version shall prevail.

Date:

Signatures

Karlsruhe Institute of Technology (KIT)



Dr. Elke Luise Barnstedt
Vice President



Prof. Dr. Detlef Löhe
Vice President

Los términos y condiciones de este acuerdo y, si no han sido hechas otras disposiciones, las "Condiciones Generales de Venta de Entregas y Servicios (AVB / LL)" del KIT, del 01 de Octubre de 2009, que constan en el anexo 1 se aplicarán exclusivamente.

Otros términos y condiciones no serán parte de este acuerdo o de cualquier contrato, aun cuando el KIT no las contradiga expresamente. A menos que se acuerde expresamente lo contrario por escrito y no obstante el párrafo 16.1 de la AVB / LL, el lugar de ejecución será el Instituto de Tecnología de Karlsruhe - Campus Sur.

OCTAVO: DECLARACION

En nombre de **Fedimetal** y del **KIT**, sus correspondientes representantes declaran entender y aceptar las condiciones de éste acuerdo.

Los representantes se comprometen a cooperar entre sí a fin de obtener beneficios mutuos de **éste Acuerdo**.

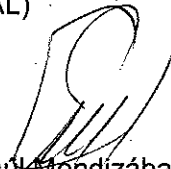
EN FE DE LO CUAL, cada una de las partes presentes ha ejecutado éste Acuerdo de Cooperación, o ha causado el mismo que será ejecutado por su representante debidamente autorizado en la fecha arriba señalada.

Este Acuerdo está escrito en Inglés y Español. En caso de conflicto entre el Inglés y la versión en español, la versión en Inglés prevalecerá.

Lugar y fecha: Quito,

Firmas

Federación Ecuatoriana de Industrias del Metal
(FEDIMETAL)



Ing. Luis Raul Mendizábal Garzón
Presidente



Ing. Guillermo Rafael Pavón Pérez
Director

Standard Conditions of Sale of Deliveries and Services (AVB/LL)

8. Claim for Damages

8.1 The contractor shall only be liable for damage other than that of the subject of delivered/service – for whatever legal reasons –

- in case of intent and gross negligence;
- in case of a willful injury of life, body, and health;
- in case of fraudulent concealment of defects;
- if a quality or durability guarantee has been granted, with the liability being limited to the direct scope of validity of the guarantee, however;
- in case of defects of the subject delivered/service, if liability is subject to the Product Liability Act for personal or property damage;
- in case of the willful violation of major contractual obligations, including simple negligence, with liability amounting to the contract value at the maximum, but being limited to the typical, foreseeable damage at the time of the conclusion of the contract.

8.2 Any other claims shall be excluded.

8.3 In case liability of the contractor is excluded or limited, this shall also apply to the personal liability of representatives, employees, and other subcontractors of the contractor.

9. Limitation

9.1 The limitation period for claims based on defects of the subject matter of the contract shall be one year from the beginning of the legal limitation period, except as provided in Section 9.2. This shall also apply to consequential damage based on defects.

9.2 Claims of damages based on tort according to the Product Liability Act or other provisions related to the injury of life, body, and health shall be subject to the legal periods of limitation.

9.3 The limitation period for other claims based on the violation of obligations not related to defects shall be two years from the beginning of the legal limitation period.

9.4 To suspend the period of limitation due to current negotiations according to Article 203, Clause 1, Civil Code, the customer shall be obliged to raise the claims in writing.

10. Confidentiality/Publication

10.1 Any documents and information obtained by the parties during the execution of the contract shall be treated confidentially.

10.2 The customer shall agree to the publication of the results obtained within the framework of the contract by the contractor.

10.3 The parties shall be obliged to keep the operation secrets transmitted to them in connection with the contract and to disclose them to third parties only to the extent necessary for the execution of the contract.

10.4 The parties shall be obliged to keep secret any economic and technical details of their mutual business relation, as long as these have not become common knowledge.

10.5 The parties shall impose on their subcontractors the same confidentiality obligations as those listed in Sections 10.1, 10.3, and 10.4.

11. Inventions/Property Rights/Rights of Use

11.1 Except for the patentable work results, the results obtained from the contract shall be available to the customer.

11.2 At the customer's request and subject to a specific agreement, the contractor, within a period of six months upon the application for a property right, shall be ready to grant to the customer the rights of use of the patentable results achieved in the execution of the contract.

11.3 Any rights in drawings, drafts, and plans made by the contractor and in particular patent rights, copyrights and inventor's rights shall be due to the contractor exclusively.

11.4 Any property rights and copyrights in information supplied by the customer – also in electronic form – shall remain with the customer.

12. Non-performance, Impossibility, Inability

In case of a general impossibility of rendering the service and of the inability of the contractor of doing so, the contractor's rights of rescission and of claiming damages shall be subject to the legal provisions (in particular Articles 275, 323, 326 Civil Code). Sections 8 and 13 shall apply accordingly.

13. Force Majeure

13.1 Any party shall not be liable for non-compliance with one of its obligations, if this non-compliance is due to a reason beyond its control or one of the following reasons: Fire, natural catastrophe, war, embargo or other administrative measures, general shortage of resources, limitation of energy consumption, labor conflicts, or violations of the contract by subcontractors due to one of these reasons.

13.2 Any party shall have the right to terminate the contract by written notice, if its execution is suspended by more than six months according to 13.1.

14. Other Responsibilities of the Contractor

Unless expressly stated by the present AVB/LL, any other contractual or legal claims against the contractor, in particular those for rescission, reduction or compensation of damage of any type, including damage that has not occurred on the subject delivered/service itself, shall be excluded.

15. Miscellaneous

15.1 Any modifications, amendments, and other agreements related to the present AVB/LL or to contracts concluded shall be in writing to be effective.

15.2 The customer shall be entitled to set off or hold back payments only with respect to undisputed or legally established claims. The customer shall only be entitled to hold back payments, if they are based on the same legal relationship.

16. Place of Performance, Jurisdiction, Applicable Law

16.1 The place of performance shall be the Karlsruhe Institute of Technology (KIT) – Campus North.

16.2 Any disputes arising from contracts on the basis of the present AVB/LL shall be referred to the court having jurisdiction in Karlsruhe. German law shall apply, but not the UN Convention Relating to a Uniform Law on International Sale of Goods.

17. Data Processing

The contractor and enterprises associated with him shall be entitled to store and process data related to the business carried out in accordance with German law.

Standard Conditions of Sale of Deliveries and Services (AVB/LL)

1. General

1.1 The relationship between the customer and the Karlsruhe Institute of Technology (KIT) (hereinafter referred to as "contractor") shall be subject to the standard conditions of sale outlined below, unless other provisions are specified in writing in the respective individual contracts.

1.2 Acceptance of the contractor's offer by the customer shall imply the latter's acceptance of the present terms and conditions. Any different terms and conditions and in particular the customer's standard terms and conditions shall apply only, if they have been acknowledged in writing by the contractor. This shall also hold in cases of the customer referring to his standard terms and conditions in his invitation to tender or in his contract.

1.3 Ineffectiveness of any of the present standard conditions of sale shall not affect the validity of the rest of provisions. In this case, the ineffective provision shall be replaced by a corresponding legally effective provision.

2. Subject Matter of the Contract, Pricing, Payment

2.1 The subject matter of the contract shall be defined in each individual contract.

2.2 Documents belonging to an offer, such as figures, drawings, weights, dimensions, specifications, and other descriptions, as well as other information on contractual products and services shall only be binding, if agreed upon in writing. Reference to standards or agreed specifications alone shall reflect the products or services in more detail only and not imply the assumption of special guarantees.

2.3 All prices shall be understood to be plus the legally valid value added tax.

2.4 The price agreed upon shall cover all contractual costs to be borne by the customer. Clause 2.6 shall remain unaffected.

2.5 Unless agreed differently, net payment shall be made by the customer upon the execution of the service and invoicing.

2.6 In case the contractor realizes that the contract cannot be executed within the period of time and/or at the price agreed upon, the contracting parties shall reach an additional agreement on the continuation of work and the payment of the respective costs.

3. Contract Execution

The contractor shall execute the contract with due and proper care and diligence according to the state of the art.

4. Dates of Delivery, Default, Rescission

4.1 The dates of delivery given shall be binding only, if agreed upon expressly and in writing.

4.2 The period of delivery shall start on the date of the confirmation of the order by the contractor, but not before the customer has submitted the samples, documents, certificates, permits, and other papers required.

4.3 In case contract execution is delayed for reasons lying in the responsibility of the contractor, the customer shall be entitled – after having proved the loss caused to him – to claim a compensation in the amount of 0.5 % – at the maximum 5 % – of the value of the service due after the expiry of two weeks for any further complete week of delay. With this, any other claims based on default shall be excluded. The provisions outlined in Section 8 shall not be affected.

4.4 In case the maximum amount of compensation according to 4.3 is reached, the customer, after having granted an appropriate period for the execution of the service, shall have the right to rescind the contract with respect to the service still due in accordance with the exceptions

and provisions outlined by law, unless the contractor has fulfilled the contract before.

5. Delayed Acceptance by the Customer

5.1 The customer shall bear the costs resulting from a delayed acceptance. In the absence any further evidence, he shall be obliged to pay per week of delay 0.5 % of the contract value, at the maximum 5 %.

5.2 The contractor shall be entitled to fix in writing an appropriate period of time for acceptance by the customer, if the latter does not accept the service at the time of execution. The right of the contractor to claim the payment agreed upon in the contract shall remain unaffected. Upon the expiry of the said period of time, the contractor shall be entitled to completely or partly rescind the contract by written notice and to claim damages.

6. Retention of Title

6.1 The contractor shall retain the title to any items delivered until the complete payment agreed upon has been made.

6.2 In case of the resale of items delivered or their processing or installation in a plot of land, the customer already now shall assign to the contractor the counterclaim to which he is entitled in legal connection with the resale, processing or installation up to the amount of the immovable share of the payment to which the contractor is entitled to protect his claim to receiving payment under this contract. Payments not transferred to the contractor shall be set off against the share of claims not assigned to the contractor, unless the payer expressly makes different arrangements.

6.3 To the extent to which claims have been assigned to the contractor, the customer shall be obliged to provide the contractor with information and deliver to the contractor any and all documents. Until revoked, the customer shall be authorized to collect the claim on behalf of the contractor. The right of the contractor to collect shall remain unaffected by this provision.

7. Claims Based on Defects (Material Defects and Defects of Title)

7.1 (Obligation to inspect and complain) In case of a delivery/service that is not in agreement with the contract, the customer shall only be entitled to make claims based on defects, if he has properly fulfilled his obligations to inspect and complain (Article 377, Commercial Code).

7.2 (The customer's obligation to accept) Even if it has minor, insignificant defects, the delivery/service shall be accepted by the customer without prejudice of his rights outlined in the following sections.

7.3 (Remedy, substitute-delivery/service, rescission, compensation)

7.3.1 In the case of a defect, the contractor shall be free to choose between a remedy by eliminating the defects or a substitute delivery/service.

7.3.2 In case remedy is unreasonable for or refused by the contractor, or if subsequent performance is delayed beyond an appropriate period of time or if it fails, the customer shall be entitled to either rescind the contract or reduce payment. Claims of damages based on defects shall be excluded. The provisions outlined in Section 8 shall remain unaffected.

7.3.3 The extent of liability for substitute deliveries / services and remedies shall be the same as for the original subject delivered / service, but limited in time until the expiry of the limitation periods for defects of the original subject delivered/service. The period of liability for defects of the subject delivered/service shall be extended by the period needed by the contractor to inspect and eliminate the defects.

7.4 (Reduction of payment) In case of a minor defect, the customer shall only be entitled to reduce payment.