1. SCOPE OF APPLICATION

1.1. These General Terms and Conditions govern the relationship between ITURRI S.A. and/or any company directly or indirectly controlled by it (hereinafter “ITURRI”) and the Supplier for the provision of materials, equipment and services. They will be applied to all Purchase Orders or Orders established to this end, excluding any other terms and conditions that may have established.

1.2. Any exception to any of these General Terms and Conditions proposed by the Supplier will only be valid if it has previously been made in writing and is thus accepted by ITURRI. In this case, the new terms and conditions will only be applicable to a specific Order, with the Supplier unable to apply them to past or future Orders.

2. DEFINITIONS

The following terms are used in these General Terms and Conditions:

2.1. Supplier: natural or corporate person or persons, or groups thereof, with whom ITURRI contracts the supply of materials, equipment and services.

2.2. Order: document issued by ITURRI which contains the agreements between the parties for the provision of materials, equipment and services included in an Order, as well as any additional documents, work and services to which the Supplier is obliged to render or provide.

2.3. Provision: delivery of the materials, equipment and services included in an Order, as well as any additional documents, work and services to which the Supplier is obliged to render or provide.

2.4. Recipient: ITURRI, who carries out an Order for the provision and purchase of materials, equipment and services.

2.5. Delivery Deadline: period of time from the date on which the Order was issued in which the Supplier will provide ITURRI with the elements included in the Order, in the place established and under the agreed terms and conditions.

2.6. Assignment of Order: agreement or action of the Supplier with third parties, natural or corporate, in which the latter parties fulfill or carry out the Order, with the express written consent of ITURRI, taking the place of the Supplier in the legal relationship with ITURRI.

2.7. Subcontracting of Order: agreement or action of the Supplier with third parties, natural or corporate, in which the latter parties fulfill or carry out the Order, with the express written consent of ITURRI, taking the place of the Supplier in the legal relationship with ITURRI.

2.8. Receipt: the delivery of the goods at the agreed destination.

2.9. Falsified material: Material whose origin, age, composition, configuration, labelling, certification or any other characteristic (including the fact that it could have been used previously) have been falsified by: a) Misleading marking of material, its label or packing; b) Misleading documents; or c) Any other form, including the omission of information. Those cases where it has been demonstrated that the supplier or an external supplier within the supply chain did not intentionally seek to mislead are exempted.

3. COMMUNICATIONS AND LANGUAGE

3.1. Any communications, notifications or requests which ITURRI addresses to the Supplier shall take full effect when they have been issued to the address recorded for the latter party on the Order.

3.2. Any communications, notifications or requests issued to ITURRI, unless otherwise stated, must be sent to the fax number stated in the order header or to the email address of the order’s issuer, in the event that the order was sent via such means.

3.3. All documents shall be written in the same language as the Order.

4. SUBJECT OF THE ORDER

4.1. The Order is made up of the acquisition of materials, equipment or services by ITURRI, and the work or services which the Supplier is obliged to undertake in accordance with the terms and conditions of the Order and additional documentation.

Any provisions derived from the Law and uses, particularly those established in these Terms and Conditions, are considered to be implicitly included in the subject of the Order.

4.2. The subject of the Order includes the following whose costs are borne by the Supplier, including, but not limited to:

a. Stockpiling materials and manufacturing in all its stages.

b. Undertaking any inspections, tests and trials and certifications required by the applicable legislation, by these General Terms and Conditions and by the requirements of each material, equipment or service to be supplied in particular.

c. Painting, protection and packaging, for handling, cargo, transport and storage, in accordance with good practice and, therefore, taking particular precautions when required, such as for shipping, delicate materials or materials which cannot remain outdoors, in accordance with the requirements and/or specifications of each particular Order.

d. The preparation and delivery to ITURRI, with the necessary arrangement of any documentation inherent in the fulfilment of the Order such as manuals, instruction booklets, protocols, certificates of receipt, inspection and tests and lists of spare parts and tools; and the original documentation necessary for the dispatch and receipt of the goods for their use by the latter, in the applicable cases and languages.

4.3. The Supplier is obliged to deliver the reference, issued by itself and the supplier and/or manufacturer, of any materials which are not manufactured by it. The reference should be numerical, graphic, concerning the nature of the materials, composition and construction.

4.4. The Supplier must acknowledge receipt in writing upon receipt of the Order and must issue the Order Confirmation, with the acceptance thereof or the corresponding modifications which must be agreed upon and accepted by the recipient. The Order Confirmation must be received by the Recipient within a maximum period of 48 hours. In the event of non-receipt of the Order Confirmation, the recipient will assume that the Supplier accepts and validates any Order term.

5. QUALITY CONTROL; DELIVERY AND RECEIPT

5.1. The Supplier must have a quality management system in place in accordance with Standard ISO 9001:2008, certified by a duly accredited Entity. If this is not the case, it must send ITURRI S.A. the duly filled in and signed internal document: SURVEY OF HOMOLOGATION OF SUPPLIERS (see Annex I).

The Supplier must fulfil current legal regulations as well as others such as those of The International Labour Organisation’s Fundamental Conventions, relating to working rights and social security. The Supplier/Contractor must comply with as many provisions, regarding the Environment, Safety and Hygiene, as are currently in force and applicable to the Order/Contract and, in any case, those established in the ITURI Group’s internal regulations and practice, with particular emphasis on:

- Child labour/Forced labour
- Freedom of association and right to collective bargaining
- Non-discrimination
- Disciplinary measures

5.2. The Supplier bears sole responsibility for the quality control of the equipment, irrespective of the inspections and tests carried out or required by ITURRI by its own means or by those of a third party.

This obligation is autonomous and is completely independent of ITURRI’s ability to review it, and it shall affect all quality inspections ran by the company or contracted with its providers, whether recommended or not by ITURRI.

5.3. With each delivery the Supplier must include any technical documentation and test protocols and additional documentation outlined in the Order directly or indirectly (mention attached documents in Order).
5.4. El proveedor, adicional a la documentación, debe certificar que los materiales, su composición y tipos de componentes son idénticos a los acordados.

5.5. Todos los materiales y componentes deben estar marcados, identificados y etiquetados para su correcto manejo, transporte y almacenamiento, acompañados por la correspondiente etiqueta de la orden de compra en la que se establezcan el número y cantidad de unidades.

El documento debe contener al menos la siguiente información:
- Número de orden ITURRI.
- Código de proveedor ITURRI.
- Número de serie o código de parte.
- Dimensiones o medidas.
- Peso bruto/bruto.
- Número de caja de las cajas de envío.
- Número total de cajas.

5.6. La entrega al destino será organizada por el proveedor, excepto que se estipule un diferente incoterm en la orden de compra, el transporte y/o entrega se entenderá como entregadas una vez que se comunique a la empresa en el lugar designado en la orden de compra. En el caso de que el proveedor no lo haya notificado, el proveedor será responsable de informar al transportista de la carga.

5.7. La entrega debe realizarse dentro del plazo establecido en la orden de compra. Si no se especifica el plazo, se calculará a partir del día de aceptación de la orden.

5.8. Si no se establece un plazo en la orden, pero se especifica un plazo final, la entrega se entenderá como cumplida en el plazo indicado.

5.9. Si no se especifica el plazo de entrega en la orden, pero se especifica un plazo final, la entrega se entenderá como cumplida en el plazo indicado.

5.10. El plazo de entrega no puede ser extendido, excepto que se establezca de manera previa en la orden de compra.

5.11. Las fechas de entrega no pueden ser retrasadas, y los plazos no pueden ser extendidos, salvo que así lo acuerde el contratista.

5.12. En el caso de que se requiera una entrega anticipada, excepto que se establezca de manera previa en la orden de compra.

5.13. El proveedor debe estar al tanto de la información ITURRI sobre el lugar de entrega, así como de la identificación de la carga.

5.14. El proveedor se informará en la comunicación de cualquier problema detectado por ITURRI o sus clientes en los materiales, equipo o servicios proporcionados.

5.15. Si el contrato se relaciona con un contrato entre ITURRI y el Ministerio de Defensa, el cumplimiento de los requisitos de la orden de compra será objeto de un control de calidad. La empresa será informada de los actividades que se llevarán a cabo.

"All requirements of this contract can be subjected to AOC (Official Quality Control). You will be notified of any AOC activity that will be undertaken"
8. ISSUING PAYMENTS

8.1. Payment will be carried out by BS Confirming Payer or bank transfer.

8.2. The due date of the payments shall be in accordance with the period duly agreed on with the supplier, buyer and financial department.

8.3. General terms and conditions of payment date 90 days from the invoice date, with payment on 10th and 25th of each month.

8.4. In the case of international suppliers the payment date will be calculated from the date of receipt, according to the Incoterm agreed on, and provided that the invoice has been authorised.

8.5. Payment of the price does not imply that provision of goods to have been correctly carried out by the Supplier, without prejudice to the payment made.

8.6. The supplier shall pay the total amount of any penalty imposed by the client due to reasons attributable to the former (late delivery, faults in the quality, etc.).

9. WARRANTIES

9.1. The Supplier warrants to ITURRI:

a) That all the materials and equipment are new and original and do not contain any used or reconditioned pieces, nor any falsified elements.

b) That all of the materials and equipment: comply with the specifications, regulations and statute of limitations agreed on; are fit for the purpose for which they are intended; comply with the required quality; have not been used; comply with the uses and rules of good practice.

c) The perfect functioning of the equipment, with regularity and the specified performance, capacity and other characteristics.

9.2. To comply with its warranty the Supplier is obliged to:

a. Substitute any materials and equipment which do not comply with the terms agreed on, are unfit or of poor quality. These materials and equipment shall remain in storage at ITURRI until they are replaced, it being understood that ITURRI is entitled to use the rejected material whilst the new material is in the process of being supplied.

b. Adjust, repair or replace any equipment which presents any fault in the design, materials, labour, manufacture, functioning or performance.

9.3. Any adjustments, repairs or substitutions must be carried out within 72 hours. If this is not the case ITURRI may undertake this itself or through third parties with the costs borne by the Supplier, without invalidating the warranty. The Supplier is also obliged to reimburse ITURRI for any damages caused.

9.4. The Supplier’s warranty is valid for the term stipulated in the Order and, failing this, for a period of 3 years, calculated from the date of the delivery orders.

10. FALSIFIED MATERIAL

10.1. The Supplier needs to develop, implement and maintain effective methods and appropriate processes in order to reduce to a minimum the risk of introducing falsified materials and equipment into the equipment, materials or services supplied.

10.2. In case of falsified material being detected, ITURRI will be notified immediately and the material in question will be excluded from the supplied material.

10.3. The Supplier will have the obligation to acquire materials directly from the producer or from distributors authorised by the producer. ITURRI does not authorise the supply of articles with another origin, unless this has been previously agreed upon in writing with an express reference being made to this clause. In such case, the Supplier will need to present convincing proof that justifies the traceability of the supply and which includes all adopted measures in order to guarantee that the materials or equipment acquired are thus new, have never been used and are authentic.

10.4. The Supplier will need to apply this requisite to its supply chain, especially, but not limited to, its electronic and raw Materials suppliers and distributors.

10.5. The Supplier is reminded that any deliberate and conscious act aimed at falsifying, concealing or altering a material fact or any declaration or fake or fictitious affirmation, concerning the execution of work related to the Order, can be sanctioned in accordance with applicable laws and regulations.

11. INSURANCE

The Supplier must take out insurance at its own expense for the whole time taken to fulfil the Order, providing sufficient cover for its civil liability for any damages caused, by itself or its staff and that of its suppliers or sub-contractors, to ITURRI, its staff or goods and/or third parties.

12. ANTICORRUPCIÓN

12.1. In the framework of current contractual relations, the Supplier is obliged to abstain from all practices which could lead to penal responsibility derived from fraud or embezzlement of funds, insolvency crimes, violation of the rules of defence of free competency, undue influence of positions of illicit advantage, payment or acceptance of bribes and other crimes of corruption, committed, both by the Supplier's employees, or third parties who are related to them and this current Contract.

12.2. In the case of breach of what is indicated in the above paragraph, the recipient has the right to end all existing juridical relationships with the Supplier and all types of negotiations that, at any moment, may exist between them.

12.3 Without prejudice to the above, the Supplier is obligated to comply with all the applicable laws and legislation, as well as with this document, and this current contractual relationship with ITURRI.

13. FORCE MAJEURE

13.1. Neither of the parties shall be considered liable for any breach of its contractual obligations due to the delay or default in performing hereunder as a consequence of force majeure events.

13.2. Only those stated below are considered force majeure events:
• Earthquakes, tidal waves, fires of catastrophic levels or flooding officially declared as catastrophic.

• Damage caused by acts of terrorism or caused in times of war or due to sedition or riots.

• Legal strikes which go beyond the scope of the Supplier’s company and whose end does not depend on a decision thereof.

11.3. In all cases of force majeure, the affected party shall inform the other party in writing within a maximum of 5 days, making use of any means and documentation at its disposal.

11.4. The stipulated delivery deadlines shall be extended for a period of time equal to the time lost due to any delay so caused. In the event that the force majeure event lasts longer than six months the Order shall be cancelled, unless otherwise mutually agreed by the parties.

14. APPLICABLE LAW AND DISPUTE SETTLEMENT.

12.1. The Order and any matters which may arise between the Parties with regards thereto shall be exclusively governed by Spanish Law, to which the Supplier and ITURRI expressly submit themselves.

12.2. In the event of a dispute regarding the Order, the Supplier and ITURRI submit to the jurisdiction of the Courts of Law of Seville, with express waiver of any other forum which might correspond to them.

15. ENTRY INTO FORCE

The entry into force of these general terms and conditions of purchase, as well as any future modification, is immediately effective from this communication, and any other previous conditions which may exist are no longer valid.
Annex I

List of Companies governed by these General Terms and Conditions of Purchase:

- ITURRI Portugal Industrial y Segurança, S.A. (Portugal)
- ITURRI S.A. (España)
- PROTEC-FIRE S.A. (España)
- TEXTULAN S.A. (España)
- ITURRI FRANCE (Francia)

Annex II

Survey Supplier Homologation Questionnaire:

Cuestionario de evaluación V.3-28.0