

ITURRI S.A. General Terms and Conditions for the Purchase of goods, equipment and services.



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Version 012

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 it 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, equipments and services.

2.2. Order: document issued by ITURRI which contains the agreements between the parties for the aforementioned provision which has been received and accepted by the Supplier.

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 certain materials, equipment or 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 fulfil 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 participate in the fulfilment or carrying out of the Order, the legal relationship between the parties who granted the aforementioned Order still subsisting.

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, 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 II).

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 Iturri 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 to 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. The Supplier, in addition to the previous documentation, must certify that the raw materials, materials and makes and types of components are identical to those which were approved.

5.5. All equipment and materials must be duly marked, referenced and labelled for their proper and easy receipt and identification, accompanied by the corresponding order slip on which the Order number and order quantities will be clearly stated.

- ITURRI order number,
- Supplier's Iturri code
- ITURRI product code
- Complete name of the ITURRI reference
- Size/Colour/Measurements
- Quantity per box, weight of box
- Box number out of total number of boxes.

The documentation must not contain any reference to monetary value.

5.6. Transportation to the destination will be organised by the Supplier, except if a different Incoterm is stated on the Order, the sale or delivery being



considered complete upon delivery of the goods at the destination stated on the Order. In the event that it has not been stated, the Supplier shall request that ITURRI states the delivery place with sufficient notice to avoid any delay in delivery, which will be authorised by signing the corresponding slip. The Recipient will be responsible for unloading the goods.

5.7. The delivery must be carried out on the date or within the deadline agreed on to this end in the Order Confirmation. The Supplier is obliged to comply with the final delivery date and any partial delivery dates, where applicable. The delivery date will not be considered fulfilled until all the goods and any additional requirements (certificates, etc) are in the agreed delivery place.

5.8. If required by the type of material, the Supplier would be obliged to obtain any relevant transit permits, licences, authorisations and police escorts required for its transportation, being liable for the costs of any work incurred therein, such as traffic diversions, underpinning of bridges, signage, etc.

5.9. If no delivery date is specified on the Order, but a deadline is specified, this will be calculated from the date of acceptance of the Order by the Supplier, except if otherwise stipulated.

5.10. Bringing forward the delivery date or reducing the deadline requires the prior acceptance of ITURRI and, in the event that the latter party authorises it, it would not imply bringing forward the payment of the whole or part of the price, in accordance with the Order stipulations and these General Terms and Conditions.

5.11. Delivery dates cannot be delayed, nor can deadlines be extended, except in the case of events attributable to ITURRI, or due to events of force majeure. In order for the delay determined by these events or causes to be taken into consideration, it is crucial that ITURRI is notified of the beginning and end in writing within a maximum of five days from the date on which these events occurred.

5.12. In the event that there is no express requirement and/or specification, the product shall be packaged by the Supplier so as to enable its appropriate handling, transportation and storage without suffering any damage. The packing boxes must be duly identified on two adjacent sides. The minimum information required is as follows:

- ITURRI order number,
- Supplier's Iturri code
- ITURRI product code
- Complete name of the ITURRI reference
- Size/Colour/Measurements
- Quantity per box, weight of box
- Box number out of total number of boxes.

The goods should be palletized and shrink wrapped in a European pallet (1200x800 mm) if required by the nature of the goods, allowing a maximum height of 120 cm, with a maximum of 3 different references on one pallet. The weight of the cardboard must always be less than 15 kg.

5.13. The supplier undertakes to be acquainted with and state ITURRI's delivery times and correctly inform its carrier of them. The opening hours are from 8am to 1.30pm. No goods can be received outside of these hours.

5.14. The Supplier shall be informed in writing of any problem detected by ITURRI or its clients in the materials, equipment or services provided. The Supplier must issue a reply to the Non-Conformity Report or equivalent documents sent by ITURRI, undertaking to inform ITURRI in due time of the problem's causes and the corrective actions defined and carried out.

5.15 If the purchase order is related to a contract between Iturri and the Spanish Ministry of Defence, all of its requisites may be subject to an official quality control in accordance with regulation PECAL 2110. In this case, the Supplier will be notified of the activities that will need to be undertaken.

"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"

6. ASSIGNMENT OF CONTRACT AND SUB-CONTRACTING

6.1. The Supplier cannot assign the Order, as a whole or partially, or any of the rights and obligations derived therein, or sub-contract its fulfillment or undertaking, without prior express authorisation in writing from ITURRI.

This authorisation must be requested from ITURRI in writing stating the assignee or sub-contractor and with sufficient notice in order to avoid delays in the event that it is denied.

6.2. In the event that the authorisation of ITURRI is granted to sub-contract, this does not involve the establishment of any link or contractual relationship between the latter party and the sub-contractor, nor would it release the Supplier from the obligation of monitoring the activity of the sub-contractor and being liable for the action of the latter party and fully complying with the Order.

7. ECONOMIC TERMS AND CONDITIONS

7.1. Price

7.1.1. The prices stated in the Order shall be fixed, firm and final and cannot be subject to review. All the concepts which constitute the cost of the Product/Equipment/Service included in the Order are understood to be included in the price, including but not limited to, salaries, social security contributions, consumable materials, transport, packaging and labelling, accessories, apparatus, cranes and other necessary tools, expenses of any type, payments for intellectual property, costs derived from inspections, tests and certification specified in the Order, exchange rates, taxes, all manners of duties and charges.

7.1.2. The Supplier shall be liable for any difference in freight, postage and other costs arising as a result of a breach of the delivery terms and conditions recorded on the Order and additional documentation.

7.2. Invoicing

7.2.1. In general, invoicing shall follow the procedures and deadlines below:

• From the date of receipt by ITURRI of the materials, equipment and services included in the Order, and once the Supplier holds the delivery order on which the Order numbers are stated (never any economic value), the corresponding invoice shall be issued.

On the invoice the supplier must indicate all the necessary information for its correct processing. This includes:

- ITURRI Order Number (10 digits or 4/5 digits)
- For material or service:
 - statement of quantity, price per unit and total
 - statistic code of the material, incoterms and volume/net weight of the merchandise.

In the case where the merchandise does not come from the country emitting the order and comes from a country in the European Community, likewise the invoice should include the statistic code, incoterms and volume/net weight of the merchandise.

• Any invoices containing discrepancies with our order, either in price or quantity will not be accepted. Any difference should be indicated prior to the supply/services rendered and it must be requested that the order be modified in said sense.

7.2.2. Unless Iturri gives express authorisation, partial invoices will not be accepted.

At the Supplier's suggestion, and provided it is justified by the nature, supply or execution deadline of the Order's object, ITURRI can accept partial invoices whose quantities and deadlines appear in an additional Clause in the order. These invoicing deadlines will be linked to boundaries or factors determined between both Parties, in accordance with the program of manufacture and deliveries, such as: signature for the Order, supply of material, supply or final delivery deadlines, etc.

In order for payment to be made, the Supplier will present ITURRI an invoice for the cost of each of the stipulated partial payments, with the Order number appearing on the invoice. In the case of partial deliveries, invoices for more than one purchase order will not be accepted. The invoice can only contain one order.

7.2.3. For all invoices of purchase orders which start with 56XXX or 44XXX which are received, the Supplier must attach the recipient or end Customer's stamped/signed delivery note to the invoice as proof of having carried out the delivery of the material or Service.

7.2.4. All the invoices which are received should be originals and sent to the email address proveedores@iturri.com. Originals are understood as the invoice in digital format. In the case where the invoice cannot be sent by email, a physical paper invoice will be accepted. In the latter case, it should be sent to the following address:

Any other invoice document which is sent to another address will be returned. In the case of loss, the Supplier may issue a duplicate provided that it is also an original and the header reads, "This is a duplicate issued due to loss of the original".

7.3. Penalty

If the Supplier does not deliver some or all of the goods included in the order by the deadline established in that order, the entity ITURRI may opt to demand a monthly payment of 5% of the order's total value, or if the period of 3 months following the agreed deadline is surpassed, a monthly penalisation of 8% of the order's total value, unless another percentage has been specified in the order, all of which within the limit of 20% of the total amount of the order's total value.



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If the delay is due to possible rejections because of a failure to comply with the products' quality levels, this defect should be rectified by the supplier, through the established means, and subsequently, if there is some kind of delay in the delivery of some or all of the goods included in the order with respect to the initial time established, the entity ITURRI may opt to demand the monthly payment of 6% of the order's total value as a penalisation, or if the period of 3 months following the agreed deadline is surpassed, a monthly penalisation of 9% of the order's total value, unless another percentage has been specified in the order, all of which within the limit of 20% of the order's total value.

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 ITURRI considers the provision of goods to have been correctly carried out by the Supplier or that it renounces any rights it may have in virtue of this with regards to the Supplier, expressly reserving its right to exercise them, 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:
- That all the materials and equipment are new and original and do not contain any used or reconditioned pieces, nor any falsified elements.
 - 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.
 - 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:
- 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.
 - 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 elements and materials 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 only be able 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 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.

11.1. 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.

11.2. 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.

Condiciones Generales de ITURRI, S.A. para la compra de materiales, equipos y servicios



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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.

Condiciones Generales de ITURRI, S.A. para la compra de materiales, equipos y servicios



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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