

GENERAL PURCHASE TERMS AND CONDITIONS

1. Applicability and definition

GAINZA FORGE, S.L. (hereinafter referred to as buyer) and the supplier, agree regarding what has been defined in the order.

The supplier will send a signed and accepted copy of the purchase order within 7 natural days. Once this term has expired, all terms and conditions of the purchase order will be considered accepted by the supplier.

2. Documents related to the contract

The purchase contract between the buyer and the supplier will include the purchase order, issued by the buyer, as part of the contract itself.

Procedures and specifications requested in the order.

Technical requirements and applicable standards requested in the order.

3. Terms and penalties for delays in deliveries

The delivery terms stated in the order, once they have been confirmed by the supplier and accepted by the buyer, can only be modified by the buyer by previous notification to the supplier.

If by any reason a delay is foreseen from the supplier, the buyer will be informed immediately.

In case of delay in the delivery of the goods except for force majeure cases or circumstances attributable to the buyer, a weekly 1% penalty will be applied to the supplier being 10% of the order the maximum penalty to be applied. These penalties will be applied after the first week delay.

4. Prices and delivery terms

The prices specified in the order are fixed and no amendments will be accepted, except they have been justified and previously accepted by written. In case of not receiving a non acceptance notification in the term of 7 natural days after the purchase order date, the indicated price in the order will be fixed as the price of the order.

The prices included in the purchase contract will be in Euros, except expressly indicated in it.

The prices do not include VAT.

The supplier will deliver the goods DDP-Zestoa (Incoterms 2010) except expressly indicated, and on the delivery date indicated in the order.

The prices indicated in the order shall include packing, transport, and necessary protection and must be duly identified according to the order issued by the buyer.

5. Payment terms

Except for previous agreement, payment will be done by 60 days debit payment with payment days 10th and 25th of each month.

The invoices should be received by the buyer before the 10th of each month, if not the payment will be delay to the following month.

Two copies of the invoices will be sent to the accounts department of Gainza Forge, S.L., Barrio Agote 7, 20740 Zestoa – Gipuzkoa or to yalcorta@gainzaforge.com.

Invoices for partial shipments will not be accepted, except previously agreed.

The invoice will include the following information: order number, delivery note number, payment due date and agreed payment method.

No charge for documentation, testing, loading, transport, packing, or other charges that have been specifically indicated in the order.

In case of a conflict between the buyer and the supplier regarding a specific delivery, the buyer will be entitled to hold the payment of the invoice in dispute.

6. Guarantee period

The guarantee period of the goods will be 12 months for the date of delivery to the buyer, repairing or replacing the defective goods in a reasonable period of time. If the replacement is on the buyers account, the buyer keeps the right to request a reduction in the total price of the order.

If the supplier can not clear the defect or refuses to do it, the buyer keeps the right to cancel the order and claim and refund for the costs incurred up to 10% of the total value of the order.

The supplier shall confirm 48 hours in advance the delivery time of the goods to be replaced.

7. Confidentiality

All the information provided by the buyer will be handled with the maximum confidentiality and will not be shared with other parties without written authorisation from the buyer.

8. Applicable legislation and conflict payment

This purchase contract will be ruled, translated and interpreted according to the Spanish law.

Any conflict further the application area or regarding the actual purchase contract must be previously solved between both parties through common practice negotiation.

In case the conflict can not be solved in a maximum time of two months the arbitration will take place in Spain according to Spanish legislation.

9. Inspection and access to suppliers premises

The buyer can inspect the good in the supplier's premises at any stage of the production process this inspection must be notified beforehand.

The buyer as well as his customer and certifying authorities will have full access to the supplier's premises. These visits should be notified, and the most suitable dates will be agreed with the supplier.

10. Technical requirements and quality control

The technical requirements defined by the buyer and the applicable standards regarding the goods will be the ones specified in the purchase order.

The goods shall be delivered with quality documents requested in the order. No payment will be issued until quality documents are received.

In case of deviations or non conformities, these will be reported by written to analyse the due measures.

The goods must be perfectly identified, guaranteeing that the trazability is kept all through when it is requested so.

11. Shipment

The shipped goods must be duly identified and have a delivery note attached with the following information: buyers order number, reference of the items indicated in the order, quantities, weight and name of the product.

No goods will be accepted without delivery note or quality certificates.

No excess of goods will be accepted regarding the order, in that case an agreement will be needed between buyer and seller.

The goods must be fully packed, if proceeds, due to the nature of it to avoid damage during transport.