

IRIZAR FORGE GENERAL SALES CONDITIONS

GENERAL CONDITIONS APPLICABLE TO CONTRACTS SUBSCRIBED BY FORIAS IRIZAR, S.L. AS SUPPLIER OR GOOD SELLER.

1 FIRST.- Payment of the Goods price

- 1.1 The minimum purchase order amount is 200€.
- 1.2 The payment method of the price agreed in the Supply Contract (henceforth, "the Contract") will be agreed between the parties during the offer stage. The Supplier/Seller will comply with the objective and firm criteria of its Credit Company (rating & assurance), being able to negotiate both the billing and the payment in a single payment or deferred into several payments depending on the characteristics of the goods, sector, or customer.
- 1.3 Taking into account Spanish Tax Law, (9th Article of the Regional (Gipuzkoa-Spain) VAT Regulation and the Article 25th of the Spanish VAT Law). Invoicing terms and amounts could be modified due to differences in the Delivery Country and the Invoiced Country, if Spanish VAT tax is applicable.
- 1.4 The Buyer will have to make the mentioned payments by means of direct deposits in the bank account indicated on the Proforma Invoice or Invoice, owned by the Supplier/Seller, or, if applicable into another account that the Supplier/Seller notifies to the Buyer to such effect with at least five (5) days advance. The bank charges that this operation generates will always be on the account of the buyer (ue=share, ext=our).
If the payment method agreed is a Letter of Credit, it must be a credit Confirmed by a bank of first order. The bank charges generated by the Letter of Credit will always be on the account of the buyer.
- 1.5 Taking into account that the maturity of the invoices issued by the supplier/seller is defined and firm, any apparent delays in the payment of the debited quantities will give right to the Supplier/Seller to apply a weekly 1% penalization over the unpaid amount, applicable from the first week of non-payment, in the concept of penalization for delay; and up to maximum of 10%.
- 1.6 If the situation described in point 1.3 arose, the Supplier/seller is authorized to notify "on-hold" of current orders, both related to amounts pending and others for equal or similar amounts.
- 1.7 The Buyer does not have the right to cancellation of any order already passed and confirmed by the Supplier/Seller. If the Buyer was in this situation, then the Supplier will have the right to receive compensation for all the industrial, commercial, financial and/or legal expenses incurred up to that moment, including harm and damages. Any suspension of a firm and confirmed order without date for reactivation or re-starting within 30 days after the notification, will be considered as a cancellation and with that, we will be in the case established herein.

2 SECOND.- Transfer of risk

- 2.1 The risk of eventual loss or damage of the Goods will be transferred to the Buyer from the moment of making the Goods available to the Buyer (the "Making of Goods Available") just as this term is defined in the following Third General Condition, independently of whether the Buyer accepts or refuses to receive the Goods.
- 2.2 As an exception to the General Condition 2.1, the Goods risks will not be transferred to the Buyer in the case that the Goods delivered by the Supplier/Seller to the Buyer do not expressly and seriously comply with that agreed in the Contract (General Condition 5.1).
- 3 **THIRD.- Delivery and Making the Goods Available to the Buyer**
 - 3.1 The Delivery and Making the Goods Available to the Buyer will be understood to take place in accordance to the most recent version of the INCOTERM published by the International Chamber of Commerce in Paris and used in the Offer at the time of formalizing the Contract.
 - 3.2 The obligation of the Supplier/Seller to deliver the Goods to the Buyer will be understood as finished, in all cases, from the moment of Making the Goods Available according to the terms of this Third General Condition, independently of whether the Buyer accepts or not to receive the mentioned Goods.
 - 3.3 In the case that the Buyer does not pay the price agreed in the Contract, in the terms established in these General Conditions, the Supplier/Seller is not obliged to deliver the mentioned Goods to the Buyer nor any other batches subject to contractual deliveries foreseen for later dates until the Buyer satisfies all the amounts pending to the Supplier/Seller.

In such case, after the Buyer has paid all the amounts pending to the Supplier/Seller, this latter can modify the initially agreed calendar for delivering the later batches of Goods, in accordance to the commitments for delivery of Goods assumed with other customers. In the case that the Supplier/Seller has the mentioned right to modification, it will be obliged to notify the Buyer of the delivery Calendar of the Goods within the following seven (7) days after the Buyer has regulated its non-payment situation, for the case of supply contracts or of several orders with different calendars.

- 3.4 If, after Making the Goods Available in accordance to that established in this Third General Condition, the Buyer does not receive the Goods for causes not attributable to the Supplier/Seller, this latter can claim from the Buyer, in concept of expenses for storing the goods ready for delivery, 1% of the price agreed for the corresponding batch of Goods for each week of delay in the collection, up to a maximum of 10% of the value of the pending Goods. In addition, the Supplier/Seller can judicially consign the Goods for availability and at the expense of the Buyer, freeing the Supplier/Seller of any duty for storing or caring for the mentioned Goods.

- 3.5 When IRIZAR FORGE does not comply with a delivery deadline, in part or entirely and the fully responsibility is under seller's party and seller did not properly communicated and justified in advance, except in cases of force majeure, penalties may apply for 2% of the total amount of the order line for each week of delay, up to a maximum of 10% of the total amount of the order.

4 FOURTH.- Sales of goods or services abroad

- 4.1 If there is no mutual agreement for a specific INCOTERM in the PO, all sales abroad carried out by IF will be governed by FCA INCOTERM.

5 FIFTH.- Resolution of the Contract for non-compliance by the Buyer

- 5.1 Serious or reiterated non-compliance by the Buyer of any obligation assumed in the Contract and, very specifically, of its obligations for paying the agreed price and receiving the Goods, will authorize the Supplier/Seller to resolve the Contract.
- 5.2 In all cases, non-compliance by the Buyer will be considered as serious when the Supplier/Seller has sent a requirement to the Buyer for it to resolve its contractual non-compliance and after seven (7) days following the receipt of the mentioned requirement the Buyer has not resolved such non-compliance.
- 5.3 In the case of resolving the Contract in accordance to that established in this Fourth General Condition, the Supplier/Seller can make its own, in concept of conventional penalization, all the quantities paid by the Buyer until the resolution date of the Contract and can reclaim from the Buyer a compensation for the harm and damages that, if applicable, were not settled by means of paying the mentioned penalty.

6 SIXTH.- Delivery of Goods in non agreement with that agreed in the Contract

- 6.1 The supply of the Goods will be considered as not fulfilling that agreed in the Contract when they do not comply with the characteristics detailed on the purchase order (Official order) including its annexes.
- 6.2 **Manufacturer guarantee**
 - 6.2.1 The Buyer will have the standard manufacturing guarantee of 12 months from issuing the original Goods certificate, with the possibility of agreeing a different period within the negotiation depending on the requirement, sectoral specifications and other conditions.
 - 6.2.2 This guarantee is exclusively covered by the manufacturer. In the case that the Buyer claims against the guarantee and the manufacturer agrees to replace or repair the Goods supplied to the Buyer, the Supplier/Seller does not assume any responsibility of any harm or damage that, if applicable, could arise due to or because of the mentioned replacement or repair of the Goods.
- 6.3 The Buyer is obliged to examine the Goods at the moment of receiving them or when the Supplier/Seller makes them available.
- 6.4 The Buyer should notify the Supplier/Seller of any lack of conformity of the Goods supplied within the period indicated below, to count from the reception date of the mentioned Goods by the Buyer: (i) ten (10) days in the case of external or apparent vices; and (ii) thirty (30) days in the case of internal or hidden defects or vices.
- 6.5 In the case that they Buyer does not punctually comply with the obligation to notify established in General Condition 5.4 it will lose the right to claim against the Supplier/Seller for the coverage as foreseen in the General Condition 5.6.
- 6.6 **Coverage against the Supplier/Seller due to lack of conformity of the Goods:**
 - 6.6.1 The Supplier/Seller has the right to opt between replacing and/or repairing the Goods that are not in conformity with that agreed in the Contract, having to perform the replacement or repair within a reasonable period of at least thirty (30) days after receiving the notification of lack of conformity sent by the Buyer.
 - 6.6.2 If the Supplier/Seller does not replace or repair the Goods within the period foreseen in General Condition 5.6.1, the Buyer can opt between demanding fulfillment by the Supplier/Seller or resolving the Contract. Nevertheless, in the case that it opts for resolving the contract, the Buyer should require that the Supplier/Seller resolves the lack of conformity of the Goods, granting it and additional period of thirty (30) days to that effect. If the Supplier/Seller does not resolve the lack of conformity within the mentioned period, the Contract will be resolved.

- 6.6.3 In all cases, the Buyer should exercise the claims foreseen for the case of lack of conformity of the Goods within the maximum period of one (1) year counting from the date of Making the Goods Available. After the mentioned period that can only be interrupted by means of a judicial claim the Buyer will lose the right to exercise any of the mentioned claims against the Supplier/Seller.

7 SEVENTH.- Limitations of Supplier/Seller responsibility

- 7.1 In the case that the Buyer resolves the Contract, it can only claim the following from the Supplier/Seller: (i) the refunding of the price paid to the Supplier/Seller for the Goods not yet delivered or non in conformity with that agreed in the Contract; and (ii) the conventional penalties that, if applicable, can be applied in accordance to that foreseen in General Conditions 5.6.2 or 6.2.
- 7.2 The Buyer cannot reclaim from the Supplier/Seller compensation in concept of loss of benefits, loss of production, loss of the possibility for subscribing contracts with third parties, or any other mediate or indirect harm or damage derived from the contractual non-fulfillments of the Supplier/Seller.
- 7.3 The limitations of responsibility foreseen in the General Conditions 7.1 and 7.2 are not applicable in the case of contractual non-fulfillment by the Supplier/Seller.

8 EIGHTH.- Retention of Title

- 8.1 In the case that exceptionally the Supplier/Seller agrees to deliver the Goods to the Buyer in spite of this latter not having previously completely paid to the first price of the mentioned batch of Goods, the Supplier/Seller reserves the right to retention of title of all the Goods forming the unpaid batch until the Buyer completely pays the full price.
- 8.2 Consequently in the case foreseen in General Condition 8.1 the Buyer cannot sell, transmit, pledge, or give in guarantee the Goods supplied and unpaid and will be obliged to immediately return to the Supplier/Seller the mentioned Goods at the simple requirement of this latter.
- 8.3 In the case of embargo, requisition, seizure or any other act or circumstance potentially affecting title of ownership or of the loss of possession by the Buyer of the Goods whose ownership still lies with the Supplier/Seller pursuant to that established in this Eight General Condition, the Buyer should notify such circumstance without delay to the Supplier/Seller and, likewise should inform of the reserve of title or ownership of the Goods to the third party that is related with the act or circumstance affecting the ownership or loss of possession of the Goods.

9 NINTH.- Transfer of the Contract

- 9.1 The Buyer cannot transfer or give by title any of the rights and obligations derived from the Contract without full and written consent from the Supplier/Seller.
- 9.2 The Supplier can transfer in favour of another company belonging to its business group, or insurance entity contracted by the same, its position in the Contract, even though the transferee should notify such transfer to the Buyer so that this latter can oppose the transfer.

10 TENTH.- Duty of confidentiality

- 10.1 The Supplier/Seller and the Buyer will strictly and confidentially handle all that information to which they have access to pursuant to the negotiations and the subscription of the Contract referring to: (i) both the existence or the contents of the Contract or of the documents referred to in the same, and (ii) the negotiations related to the Contract or to the documents referred to in the same.
- 10.2 Likewise, the Parties are committed to their directors, employees and assessors also fulfil that foreseen in this Ninth General Condition.
- 10.3 Notwithstanding the above, the Supplier/Seller can declare in the framework of its commercial strategy that the Buyer is one of its clients, even the use or publication of the logo or name of the project or client/end user as long as this latter does not express the contrary.

11 ELEVENTH.- Personal data protection

- 11.1 In compliance with that foreseen in Organic Law 15/1999 of 13 December about Personal Data Protection and Royal Decree 1720/2007 of 21 December approving the Regulation for development of the mentioned Law, the individual signing the Contract in representation of the Buyer (the "Buyer's Representative") is informed that his/her data will be incorporated into a file owned by the Supplier/Seller, that is registered in the General Register of Spanish Data Protection Agency, whose aim is to maintain , fulfil, develop, control and execute that foreseen in the Contract pursuant to which such data has been facilitated.
- 11.2 The Buyer's Representative can exercise, at any time, the rights to access, rectification, cancellation and opposition to this treatment, if applicable, by means of addressing a communication to the Supplier/Seller in which it should indicate which of the mentioned rights he/she exercises and which should be accompanied by a photocopy of his/her DNI or identification document.

12 TWELFTH.- Notifications and requirements between the parties

All notifications and requirements made between the Supplier/Seller and the Buyer in relation to the Contract should be done in writing and sent to the respective addresses that figure in the heading of the Contract or, if applicable, to the address for the effect of notifications that, after subscribing the Contract, the contracting party in question has notified in writing to the other party.

13 THIRTEENTH.- Modification of the Contract

Any modification of the Contract, will have to be made in writing and be signed by both the Supplier/Seller and by the Buyer for it to be considered as valid and in force.

14 FOURTEENTH.- Applicable law and jurisdiction

- 14.1 **Applicable Law**
The Contract will be governed and interpreted according to common Spanish law
- 14.2 **Jurisdiction**

In the case that the Buyer has its business address in a country other than Spain, the Buyer and the Supplier/Seller, with express waiver of any other jurisdiction that may correspond in Right, are expressly subject to the courts and tribunals of the address of the Supplier/Seller for the resolution of any controversy that may arise in relation to the Contract.

15 FIFTEENTH.- Rendering of accessory services by the Supplier/Seller

- 15.1 The services that, if applicable and in good faith, the uses and the law, are strictly accessory to the supply of the Goods object of the Contract will be rendered by the Supplier/Seller to the Buyer subject to that established in the previous General Conditions and, very specifically, to the degree of responsibility foreseen in the Seventh General Condition.

- 15.2 In the case that the Buyer requires that the Supplier/Seller to render additional services to those indicated in the previous paragraph, the Buyer and the Supplier/Seller should agree, by subscribing a contract in writing, the terms and conditions related to the rendering of such additional services.

16 SIXTEENTH.- European sanctions regulation

- 16.1 The Client guarantees to comply with any EU restrictive measures following from the European Sanctions Regulation. If the Products are placed on the prohibited list of the European Authority or any other competent authority and/or the intended buyer is established in a prohibited country such as countries subjected by EU restrictive measures and/or countries as laid down in the denied parties under the European Sanctions Regulation, the Client shall not import/deliver any Products to such buyer. In case an import- or export authorization, issued by the relevant authority in the country in which the importer or exporter is established, is required according to aforementioned regulations, the Client guarantees not to import/deliver Products without such authorization.
- 16.2 The Client is obligated to inform Irizar Forge if the Client intends to deliver Products to a buyer established in a country to which the restrictions referred to in aforementioned paragraph 16.1 and 16.2 apply. In such case, at first request of Irizar Forge, the Client is obliged to inform and provide all the relevant documents to Irizar Forge concerning the details of such a(n) (intended) customer or other buyer.
- 16.3 The Client guarantees that all relevant legal provisions are being complied with within its area of responsibility and in particular regarding third parties involved in the performance of the Agreement. With due consideration of the stipulations in the European Sanctions Regulation the Client is obliged to impose its obligations and restrictions according to this article under an agreement with its customer(s) by way of a third party clause.
- 16.4 The Client shall indemnify and hold harmless Irizar Forge against any and all fines and penalties imposed on Irizar Forge and any and all claims, judgments, liabilities, losses, actions, debts or rights of action, of whatever kind, and all costs and expenses, including full and reasonable legal fees, arising out of any breach of the European Sanctions regulations by the Client and/or any breach of the obligations as enacted in this article 16.

17 FINAL CONSIDERATIONS

- 17.1 These conditions are applicable to all the offers, orders, delivery notes, certificates and invoices issued by the Supplier/Seller, unless expressed otherwise in writing and accepted by both parties.
- 17.2 By receiving this document, it is understood to be received, understood and accepted unless expressing otherwise.