

## GENERAL PURCHASING TERMS AND CONDITIONS

**1st. - GENERAL:** Surtel ELECTRONICA, SL, hereinafter referred to as Surtel, agree to all your orders, strictly subject to these conditions of purchase, unless otherwise agreed, in order to be valid, orders must be recorded in writing. The general terms and conditions written in the offers, contracts and documents of the house providers, will not affect SurTel in any way; any pending issues are to be agreed with them in a specific and definite manner.

**2nd. - ACKNOWLEDGMENT:** The supplier must confirm with Surtel the price and delivery time of the order, and the acceptance of the rest of our purchase conditions, without the delay in returning this acknowledgment to cause a delay in the deadline for the agreed delivery. Surtel reserves the right to cancel the order at any time if the acknowledgment has not been received duly signed within 14 days, counted from the date this order was sent.

**3rd. - PRICE:** Prices shall be fixed and not subject to change, regardless of whatever circumstances, unless otherwise agreed in writing.

**4th. - DELIVERY:** Supplies / services requested must be made on the date and at the place specified in the order, with the delivery reservation agreed in advance with SurTel. When a lead-time has not been specified, it is understood that the supply / service has to be made immediately. If there is failure to comply on time, SurTel reserves the right to cancel the order, demanding compensation for damages, or insist on compliance from the provider, charging a penalty equal to ½ of 100% of the order value for each week it is late, or the penalty stipulated in individual cases.

**5th. - DELIVERY AND SHIPPING:** This has to be made free of charge at the place specified by Surtel. If prices are set ex-works or ex-warehouse by the supplier, the goods must be sent by the most economical means, unless SurTel have specified differently. Any additional costs that may result from using a faster means of transport, to meet the delivery date dead-line will be fully charged to the supplier. Under all circumstances the risk of transport to the destination shall be borne by the supplier.

**6th. - PACKAGING:** The cost of the packaging will be billed to the supplier if it has not been included in the order, the supplier will be expected to pay at least 2/3 of the pack value. In the case of a return, Surtel does not accept payment for any container or packaging.

**7th. - INVOICES AND DELIVERY NOTES:** The invoices, delivery notes (shipping notices) shall contain the full references and SurTel's order number, orders which do not contain the corresponding documentation / correct information will be returned. The issuing of invoices or delivery notes which encompass two or more orders is not acceptable.

**8th. - PAYMENT:** The goods or services will be paid for 75 days from the invoice receipt with compliance by Surtel. If the merchandise is received after ten days of the invoice date, the payment date will be 75 days from the date of receipt of the merchandise.

**9th. - CLAIMS, DAMAGES AND WARRANTIES:** The conditions set by Surtel regarding process, quality and forms of delivery will be completed with the best possible precision. Supplies and services that do not match the above conditions, will entitle Surtel to terminate all or part of this contract, with compensation from the supplier for damages. Both parties will maintain equal rights in the case of deficiencies or discrepancies of any nature. After 14 days of submitting a written complaint to the appropriate provider, Surtel has the right to return the goods at the supplier's risk and, subject to the actions that apply to Surtel. The provider must give Surtel, for all materials / services covered by the order, a warranty of 12 months from the date of use, ensuring the correct function and purpose of use, for a maximum of 18 months from the delivery date. The supplier shall replace or rework at Surtel request, free of charge, any element which is of defective materials and / or construction. If within a reasonable time (in case of emergency, immediately) the supplier fails to resolve any issues of these defects, Surtel will be entitled to do any rework of their own accord or to entrust this process to third parties after informing the provider as long as circumstances permit. All expenses are to be borne by the supplier.

**10th. - MATERIALS AVAILABLE TO SUPPLIER:** The supplier expressly recognizes that materials made available by Surtel for use in the production of the ordered goods are the property of Surtel and must be looked after and maintained with due diligence, the supplier is responsible for any damages or losses suffered while SurTel property in their possession.

**11th. - THIRD PARTY ORDERS:** Issuing orders to third parties by the supplier is not permitted without the express written permission of Surtel.

**12th. - SAMPLES, DRAWINGS, STANDARDS, MOLDS, TOOLS, ETC.:** Delivered to the supplier and the goods produced, as a consequence, are not to be given to third parties and should not be used for advertising, or otherwise, by the provider without consent from SurTel in a written statement. The samples, drawings, etc., will be stored by the supplier so that they cannot be used by third parties. If this agreement is not followed, then any SurTel property shall be returned to Surtel in a state of good use as soon as possible or at the latest, by the delivery of the last supply. If for any reason, the supplier has difficulties of any kind in the manufacture, the tools or molds shall be returned immediately to Surtel, who will pay the provider the amount remaining for the full payment.

**13th. - CREDIT TRANSFER:** For a credit transfer for this order, the supplier needs written confirmation from SurTel.

**14th. - INSURANCE:** Surtel will not pay any insurance costs that are not adequately specified in the order.

**15th. - SUBCONTRACTING:** Subcontracted material may be inspected by both SurTel and SurTel's client at its place of manufacture, conducting the inspections, analysis or tests which are deemed appropriate.

**16th. - JURISDICTION.** Both parties, Surtel and the supplier, in regards to any issues which may occur, of any corresponding law or legislation, are to be explicitly subjected within the jurisdiction of the Courts of JAÉN for any differences which could arise from the interpretation of this order.

### **17th. - CONTROL AND MONITORING OF THE PERFORMANCE OF EXTERNAL PROVIDERS.**

The performance evaluation of suppliers and subcontractors is realized by "DEMERTITS", starting from an initial score of 100 points. The concepts taken into account are:

- Number of deadline non-compliances
- Number of premium freight charges and transport
- Number of SurTel complaints
- Number of customer complaints attributable to the supplier
- Number of customer disruptions

The result obtained is classified into three groups:

- **A** ≥ 90 points
- 89 ≥ **B** ≥ 60 points
- **C** ≤ 59 points