

# PURCHASING TERMS

All merchandise supplied to IJH, as well as all services provided, they must be carried out under conditions of quantity, quality, price and lead-time mentioned in our purchase orders, and in accordance with our purchasing terms listed herewith:

## **Item 1 – Order Conformity**

All our orders are considered implicitly accepted in all their terms, within 7 days of issuance, as far as the supplier does not give us any explicit disapproval notification.

## **Item 2 – Validity**

The period of validity is mentioned in the order, except any modification or explicit cancellation formally declared by IJH.

IJH reserves the right to cancel the orders by non-compliance from supplier's side concerning quality, specifications, quantity, deadlines, disagreement on prices or modification or cessation of the manufacture of a product.

## **Item 3 – Specifications of purchased products**

The specifications of the products / services are mentioned explicitly in the orders by means of one of the following assumptions:

- a. Detailed description of the products/services.
- b. Informing the drawing part number. It always applies the last drawing level, except when explicitly indicated.
- c. Make reference of the description included in the offer or in the supplier's quotation.
- d. Detailed description of the products/services.
- e. Informing the drawing part number. It always applies the last drawing level, except when explicitly indicated.
- f. Make reference of the description included in the offer or in the supplier's quotation.
- g. Description of some aspects and concerning the rest, making reference of the description included in the offer, or in the supplier's quotation.

The products / services have to strictly comply with these specifications. If there is non-compliance of these specifications, quantities and dates required, IJH reserves the right to charge the supplier the financial for the incurred costs and damages caused.

## **Item 4 – Product Acceptance**

The delivery of goods in our facilities or the end of the services provided does not imply its final acceptance. Any defect detected after reception or at the moment of receive the delivered goods, may result in the corresponding claim.

## **Item 5 – Purchased products verification**

IJH does not undertake to carry out any verification of the products acquired. However, when it is considered necessary, the verifications will be established that proceeds before or during its use.

Materials or components destined to product manufacture, they can be verified on supplier facilities by our personnel as well as by our client.

This verification does not imply its definitive acceptance, as mentioned in the previous item.

## **Item 6 – Processing Data**

All technical and business information provided by IJH to its suppliers on the occasion of order, is confidential and cannot be transferred to third parties without our prior written acceptance. The supplier as watchman must to ensure its confidentiality.

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## Item 7 – Delivery Documents

All deliveries have to be documented with a delivery note including following data:

- Supplier's data (Name and supplier nº.)
- IJH Purchase Order Nº
- IJH Part Number and complete description
- Real quantity sent
- Date and delivery note number
- Number of packages, Net and Gross Weight

## Item 8 – Invoicing

All products and services provided must be billed either fortnightly or monthly. IJH shall immediately return any invoices which do not contain, exactly, each and every one of the following data or does not comply with some conditions listed here below:

The original and one copy of invoices shall be submitted, and they must be in the possession of IJH within a minimum of 4 days calendar counted from their date of issue. You have to take in consideration that all monthly invoices, it is indispensable to receive it always before 5 day calendar. All invoices received later due to accounting reasons, its due date payment will be postpone to the following month.

This invoice shall be sent to the billing address or addressed by E-mail to:

[administracion@jacintoherrero.com](mailto:administracion@jacintoherrero.com)

The invoice must contain the following data, correctly expressed:

- Purchase order number
- Place and date of invoice issue
- Supplier data
- Name and surname or Company name
- Complete address
- Tax identification or VAT number
- Recipient data ( address, VAT Number)
- Detailed description of the product or service invoiced.

- Total amount, specifying following items :
  - VAT rate applicable
  - Tax basis on which it is applicable
  - VAT amount
  - Total amount of the invoice
  - Consideration of the operation, with an indication of the items which make up the tax base (commission, packaging, packing, handling, transport, insurance, financial costs of late payment...) and of any negative items which reduce the invoice.

Other special invoicing and delivery conditions must be agreed with IJH.

## Item 9 – Payment

IJH general pay terms are as follows:

- Payment at 60 days of the invoice date
- By bank draft, due dates on 10<sup>th</sup> and 25<sup>th</sup>

Any other conditions must be agreed in advance with IJH and must be appeared in the purchase order.

The supplier shall not issue any invoice until the complete delivery it is supplied.

## Item 10 – Legal Liability

The acceptance of our orders imply that the supplier will comply with all applicable legal regulations, concerning business and industrial activity, leaving IJH exempt from liability in this regard.

## Item 11 – Discrepancies

Any discrepancy that may arise, owing to the interpretation and compliance with these general purchasing conditions, must be resolved first with conversations between both parties. If this negotiation results without agreement, the Purchaser reserves the right to submit any discrepancy to the jurisdiction of the court of Santander.