

## **GENERAL PURCHASING CONDITIONS**

### **PACKING AND SHIPMENT**

All supplied products will be packed, marked and shipped according to the requirements by the transport company and the current order. Each packet shall be labelled so that the essential shipment data can be quickly identified.

### **PACKING LABELS, DELIVERY NOTES AND INVOICES**

The order number, our reference number and the delivery address shall be clearly visible on each packing label, delivery note and invoice.

At delivery, all elements that make up the current order will be identified with the respective item numbers indicated on it.

For approval of your invoices, you should send to our head office a delivery note to go together with the goods, as well as an invoice copy.

The invoice should be received in DÜRR SYSTEMS SPAIN within 15 days after its issue date, whereas the invoice date and the expiry date shall be corrected if receipt of materials suffers a delay.

The payment of the invoice shall be always dependant on the previous delivery of the COMPLETE DOCUMENTATION IN SPANISH (maintenance instructions, priced spare parts list, catalogues and/or final drawings, etc.) in data format (4 copies).

In case of orders involving percentages of differentiated payments, it is essential that we receive this documentation with the invoice for payment of the first percentage.

Type of shipment: by your own means.

Fixed price, not subject to revision.

### **DELIVERIES, DELAYS, RECEIPT**

If the Supplier learns about any circumstance that could prevent the material delivery on the established date, he should report it to the Buyer straightaway.

Except in cases of *force majeure*, failure to comply with the delivery dates will automatically imply the Supplier's falling into default.

In such cases, the Buyer reserves the right to enforce fulfilment of the contract or its cancellation, and in any case, to claim any damages arisen as a result of it. For this purpose, a penalty of 0.5% is established per each delay day in the delivery planning, up to maximum 5% of the order amount.

Receipt and acceptance of materials will take place at the delivery address as indicated in the order. The Buyer can take as much time as needed for carrying out adequate control tests without application of the dates established by the Commercial Law. Any rejected supplies will be sent back to the Supplier at his own expense.

## **GUARANTEE**

The Supplier guarantees the material against any design, manufacturing faults or inadequate execution, for two years after acceptance and commissioning date. Such guarantee implies that the Supplier will repair any damages and fix any faults as soon as he is required to do it and with no charges for the Buyer. In case of non-compliance, the Buyer will be entitled to have the repairs done by third parties, whereas the Supplier will assume the arisen costs. Furthermore, the Supplier guarantees that the material is provided with all safety measures as demanded by the legal prescriptions.

The Buyer reserves the right to retain payment of the last 10% of the order value, which will be subjected to the obligation for guarantee established in it. This retention can be replaced by the provision of an equivalent bank warrant, according to the model supplied by the Buyer.

## **BINDING**

We will be only bound by orders that have been authorised in writing and by the terms or conditions that appear on them. Any conditions that may differ from those established hereby will only be valid if they have been accepted by us expressly in writing.

No full or partial order transfer or subcontracting shall take place unless we give our consent. Under no circumstances can information about our orders and documents be supplied to third parties.

## **SPECIAL CONDITIONS**

Neither payment of each certification or else acceptance or delivery for this purpose of bonds, bills of exchange and other mercantile documents will imply conformity, be it express or tacit, with part of the executed site work; its approval and reception will be adjourned until the Final Reception has taken place after the test period has expired.

## **CONTRACT TERMINATION**

1. Further to the contractual or legal rights about its termination or cancellation, Dürr will be entitled to cancel the full contract or parts of it at any time, including, but without being limited to cases of payment, insolvency or bankrupt problems by the Customer or else termination or cancellation by the Customer.
2. In case of termination according to subsection 1 of this paragraph, those products/services delivered by the Supplier up to that date in accordance with the terms of this contract, shall be paid for, provided that the Supplier transfers ownership without delay. The Supplier will receive compensation for those unavoidable and necessary expenses related to the part of the scope of supply that has not been delivered yet. Any other claims by Dürr against the Supplier will not be affected by this clause.



**PAYMENT TERMS, EXPIRY DATES**

We reserve entitlement to make cash payments with the respective financial discount. The fixed expiry date for all drafts will be **5<sup>th</sup>** and **20<sup>th</sup>** of each month, after the time limit has gone by.

**JURISDICTION**

In order to settle any disputes arisen as a result of the present order, both parties will be subjected to the local jurisdiction and the Courts of the Buyer's land.

**VERY IMPORTANT**  
**All parts should be absolutely silicon-free**

## ***Classification of safety related infractions and sanctions***

The following describes the classification of non-compliances regarding safety and sanctions to be applied in each case.

Clarifying that in the case of any non-compliance that was not initially detailed in the following list, the corresponding sanction will be studied.

In the case that the client has a more restrictive list of sanctions than the following one, the one from the client will be applied.

### **1. CLASSIFICATION - SANCTIONS OF NON-COMPLIANCES**

Non-compliance of the Safety regulations will be sanctioned as follows:

- 1. Class I** - a non-compliance that is not a probable cause of death, serious injury.
- 2. Class II** - a serious non-compliance that is not a probable cause of death, but could cause serious injury.
- 3. Class III** - A serious or voluntary non-compliance of Safety regulations that could potentially cause death, serious injury to the employee or to third parties.

### **SANCTIONS**

#### ***A. Class I Non-compliance***

- 1. First Non-compliance** - the employee will receive a note and training from his/her immediate superior + company manager (registering this notation warning in writing).  
The non-complying company will receive an economic fine of 250 Euros for each first class-I non-compliance
- 2. Second Non-compliance** - suspension of the works pass for a period of 1 business day.  
After the suspension and before returning the pass to the employee, this latter should receive a Safety orientation talk -recycling talk-, focussed on the non-compliance committed to avoid its recurrence.  
The non-complying company will receive an economic fine of 500 Euros for each second class-I non-compliance.
- 3. Third Non-compliance** - prohibition of access to all DÜRR works for a period of 3 months.  
The non-complying company will receive an economic fine of 1,000 Euros for each third class-I non-compliance  
After the 3-month suspension and before returning the pass to the employee, this latter should receive a Safety Orientation-recycling talk-, focussed on the non-compliance committed as well as general safety training.  
If after the 3-month suspension, the employee causes another class-I non-compliance within a period of 1 year, his/her collaboration in future DÜRR projects will be analyzed.

#### ***B. Class II Non-compliance***

- 1. First Non-compliance** - this non-compliance-warning should be registered and the employee will receive a written warning. He/She should receive a recycling-re-education talk to avoid any repetition.  
The non-complying company will receive an economic fine of 1,000 Euros for each first class-II non-compliance
- 2. Second Non-compliance** - immediate suspension of the works pass for a period of 3 consecutive business days.  
After the 3-day suspension and before returning the pass to the employee, this latter should receive a Safety Orientation talk, focussed on the non-compliance committed.  
The non-complying company will receive an economic fine of 2,500 Euros for each second class-II non-compliance
- 3. Third Non-compliance** - immediate suspensions of the work pass (and to other DÜRR projects) for period of 6 months.  
The non-complying company will receive an economic fine of 6,250 Euros for each third class-II non-compliance.

## Classification of safety related infractions and sanctions

- a. After the 6-month suspension, the employee should receive a Safety orientation talk-recycling talk, focussed on the non-compliance committed as well as general safety training as well as general safety training.
- b. If after the 6-month suspension, the employee causes another class-II non-compliance within a period of 1 year, his/her collaboration in future DÜRR projects will be analyzed.

### C. Class III Non-compliance

1. **First Non-compliance** - immediate suspension of the works pass for a period of 5 consecutive business days.

The non-complying company will receive an economic fine of 1.5% (at least 2,500 Euros) of the order value issued by DÜRR for each first class-III non-compliance.

- a. After the 5-day suspension and before returning the pass to the employee, this latter should receive a Safety Orientation-recycling talk-, to avoid its recurrence as well as general safety training talk.

2. **Second Non-compliance** - immediate suspension of the works pass for a period of no less than 1 year.

The non-complying company will receive an economic fine of 4% (at least 6,250 Euros) of the order value issued by DÜRR for each second class-III non-compliance

- a. After the 1-year suspension and before returning the pass to the employee, this latter should receive a Safety Orientation talk, focussed on the non-compliance committed as well as general works introduction training.
- b. If after the 1-year suspension, the employee causes another class-III non-compliance within a period of 1 year, he/she will be prohibited in all DÜRR projects.

## 2. DURATION AND ACCUMULATION OF SANCTIONS

The duration of expulsions of non-complying personnel from the works, as well as the sanctions, are those indicated in the previous point of this procedure and which are applied based on each project-works independently.

Exceptionally an expulsion sanction of an employee (not economic sanctions) can be made extensive to other projects according to the re-incidence of serious non-compliance by any employee in cases of serious non-compliances.

Economic penalties will apply to each project-works independently.

Long duration works:

- If after 3 months, the company has not committed any new safety non-compliance-infraction, its "record of infractions" will be reset and from then on, it will start again as if at the beginning of the project.
- If after 3 months after the infraction, the offender has not committed another infraction, his/her record of infractions will be reset.

In the case that a company commits multiple infractions or repeatedly does not comply with necessary safety measures, the additional associated Health & Safety costs because of requiring greater control than in other projects will be passed on to the mentioned company.

The accumulation of sanctions: if an operator commits different types of infractions, the corresponding sanction will be applied to the non-compliance of the mentioned type. This means, in the case that an operator has a first class III infraction and later a class II infraction, the corresponding sanction to the first class III infraction and the one corresponding to the first class II infraction will be applied.

## 3. EXAMPLES OF NON-COMPLIANCE OF SAFETY REGULATIONS

## **Classification of safety related infractions and sanctions**

- A. **Class I** non-compliances include, but are not limited to the following:
1. Not reporting any accident, injury or incident.
  2. Not complying with the safety measures for thermal or heat wave stress fatigue.
  3. Running on the site.
  4. Non-compliance of the parking regulations (blocking emergency passageways, parking in prohibited parking areas, blocking emergency equipment, etc.).
  5. Unauthorized access to work areas.
  6. Not using ladders in adequate positions (crouching, ultimate and penultimate step, back to the ladder.
  7. Not using personal protection equipment (when this does not mean high hazard risk for the employee).
- B. **Class II** non-compliances include, but are not limited to the following:
1. Driving a vehicle, without a license and/or authorization.
  2. Leaving keys in the ignition of elevator platforms or forklift trucks.
  3. Unsafe driving of an industrial vehicle, standing on a moving vehicle.
  4. PPEs: Not using safety helmets, Safety goggles, Facial protections, Anti-cut sleeves or other PPE in the work area. Not using protection 5 anti-cut gloves when handling metallic pieces - pushing carts  
Inadequately using Safety Equipment (reflective vest in high temperature works, paper filters for steam vapours...).
  5. Not keeping body members inside the limits of an industrial vehicle while driving the same.
  6. Not complying with traffic signs or excess speed.
  7. Not placing barriers, cones, signs, marking areas or having a support resource/banksman whenever necessary.
  8. Not having protection against indirect or direct contact with electricity and using poor condition extension cables.
  9. Driving an industrial vehicle without claxon or lights.
  10. Incorrect storage or transport of gas cylinders. Inadequately transporting welding bottles.
  11. Not using the necessary Personal Protection Equipment for works with electricity hazard.
  12. Using portable electrical tools without appropriate protection.
  13. Smoking in non-smoking areas.
  14. Observing and ignoring a CLASS III non-compliance by another employee.
  15. Using equipment not authorized by works regulations.
  16. Using poor condition ladders or ones not apt for the type of work.
  17. Non-presence of a Health & Safety resource in high hazard works.
  18. Not complying with the described work method.
  19. Use of a mobile phone in areas where there is movement of vehicles, machines, fork-lifts.

**Class III** non-compliances include, but are not limited to the following:

1. Handling Cranes, MEWP (Mobile Equipment working Platform), Fork-lift Trucks, etc., and not having a valid driving license, (specific theory-practice training).
2. Not correctly using the anti-fall protection while working on a MEWP (Mobile Equipment Working Platform).
3. Aerial works: Not using anti-fall protection whenever necessary anchored to a homologated-structural point.  
Using inadequate-unsafe anchoring points.
4. Being at less than 2 m from the edge of a roof without appropriate safety equipment, while working or performing a task.
5. Leaving an area unprotected where there is a falling hazard from a different level.
6. Not having correctly consigned the power supply.
7. Using cutting or welding equipment, or the use of heat sources without a "working with heat" permit.
8. Not complying with the instructions from the Safety Coordinator-Prevention Technician.
9. Theft. Vandalism. Violent acts.
10. Entry without permission or unsafe work in a Confined Space, without a rescue plan or without a

## Classification of safety related infractions and sanctions

- resource supervising the work.
11. Jokes. Games, Distractions, etc., causing an injury.
  12. Working under the effects of drugs and/or alcohol.
  13. Climb on, work or transport persons on the forks of a forklift truck. Climb on the hook, or on the load of a crane.
  14. Not wear the safety belt of a fork-lift truck.
  15. Falsification of documentation-information.
  16. Unsafely handling Cranes, MEWP (Mobile Equipment working Platform), Forklift trucks, etc. Putting both the operator handling the equipment and surrounding personnel at risk.
  17. Use of the mobile telephone while handling equipment (forklift truck, platform, crane...) or machinery
  18. Leaving a high space without protection through which a fall from a different level can occur.
  19. Always when performing assembly/disassembly works of heavy structures, in movement and being under suspended loads.
  20. Not using adequate anti-spark equipment and tools in ATEX areas.
  21. Using deteriorated or poor condition load elevating equipment.
  22. Site electricity panels without protection against direct or indirect contact.
  23. Not using safety goggles in those works/areas where heat sparks or project of particles is caused.
  24. PPEs: Not using welding screens in welding jobs, including the welding assistant. Not using a safety helmet in load movement tasks and/or with risk of falling objects.
  25. Working on railings of a MEWP (Mobile Equipment Working Platform) or Scaffolding.

Any unlisted non-compliances will be evaluated case by case by the DÜRR site manager and the Health & Safety dept. for clarification and adoption of possible sanctions.

### 4. SUMMARY TABLE OF INFRACTIONS-SANCTIONS

(Class-Recurrence)	1st non-compliance	2nd non-compliance	3rd non-compliance	4th non-compliance
CLASS I	Registered + Re-education Penalty: 250€	Suspension of pass during <u>1 day</u> + re-education Penalty: 500€	Suspension of pass during <u>3 months</u> + re-education Penalty: 1,000€	If there is a repetition: suspension during <u>1 year</u> at DÜRR
CLASS II	Registered + Re-education Penalty: 1,000€	Suspension of pass during <u>3 days</u> + re-education Penalty: 2,500€	Suspension of pass during <u>6 months</u> + re-education Penalty: 6,250€	If there is a repetition: suspension during <u>1 year</u> at DÜRR
CLASS III	Suspension of pass during <u>5 days</u> + re-education Penalty: <u>1.5%</u> order value (minimum 2,500€)	Suspension during <u>1 year</u> at DÜRR + re-education Penalty: <u>4%</u> order value (minimum 6,250€)	If there is a repetition: prohibited in all DÜRR projects	-

**Note:** In long duration works, if after 3 months, the company has not committed any new safety non-compliance-infraction, its "record of infractions" will be reset and from then on, it will start again as if at the beginning of the project.