



PURCHASING MANAGEMENT

_ PRISA Group General Purchasing Conditions



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1. SPHERE OF APPLICATION

1. The following General Conditions shall apply to the acquisition of all goods and products.
2. These General Conditions shall form part of the Call for Bids for purchases by PRISA or any of its group companies (hereinafter **PRISA GROUP**). The calls for bids shall include the webpage where the general conditions are available, a copy of which shall be sent to applicants who do not have access to this page and who request them. Presenting a bid to **PRISA GROUP** implies that the bidder accepts the cited Conditions in the event of being awarded the Contract or Order.
3. These General Conditions shall apply in all areas not expressly regulated in the Call for Bids or its complementary documentation.
4. Any exception to whatsoever of these General Conditions on the part of the **VENDOR**, shall only be valid if previously put in writing and accepted in writing by **PRISA GROUP**.
5. Exceptions to these General Conditions shall only apply to a particular Contract or Order and the **VENDOR** shall not be able to extend them to other past or future Contracts or Orders.

2. SCOPE

As well as the provisions set out in the contract, the scope of the contract also includes everything necessary until the final delivery in conditions able to be used and in perfect working order, in accordance with the established technical specifications.

3. DEFINITIONS

For the purpose of these General Conditions, the following words and expressions shall have the meanings assigned to them herein.

Letter of Invitation: This is the document through which the Purchaser makes an invitation to participate in the awarding of a bid and specifies the documentation that shall constitute the Call for Bids.

Purchaser: This means PRISA Group. Purchaser or PRISA GROUP can be used indiscriminately.

Particular purchasing conditions: This is the document that sets out the additional conditions, variations or exceptions to these General Conditions for each particular case.

Contract: This is the document which, signed by both parties, formalises the purchase agreement in cases where the agreement does not take the form of an Order accepted by the Vendor.

Contractual Documentation: This is the set of documents formed by the Contract or Order, the documentation referred to therein and amendments and changes



agreed upon by the parties that might exist later and be collected in the appropriate exchange of correspondence.

Document: This is understood to mean any support that could be admitted commercially (paper, fax, disk, CD, email, etc.).

Technical specification: This is the document or set of documents, usually prepared for each particular supply, describing technical requirements and, where necessary, procedures for checking these requirements demanded by the Purchaser.

Bid: This is the proposal a Bidder makes in response to a Call for Bids.

Bidder: This is the person or legal entity who presents a Bid.

Order: This is the document which, issued by the Purchaser and accepted by the Vendor, formalises the purchase agreement in cases where the agreement does not take the form of a contract.

Call for Bids: This is the set of documents through which **PRISA GROUP** requests a Bid.

Associated services: This means the provision of services relating to the supply which both parties agree should be included in the acquisition of goods or products.

Vendor: This is the person or legal entity who undertakes to carry out the supply.

4. CALL FOR BIDS. AWARDING

4.1. Call for Bids

Unless expressly stated otherwise in the Letter of Invitation, a Call for Bids shall consist of the following documents to be facilitated to the Bidders:

1. Letter of Invitation
2. Particular purchasing conditions
3. Technical specification
4. General Conditions

Having sent the Call for Bids or after entering it on the corporate webpage, PRISA GROUP reserves the right to request written confirmation from bidders of their intention to present a bid, within the time period required.

Bids should have a minimum validity of 90 calendar days beginning from the last date on which they can be presented. The date on which the Bid is considered to have been received is when it is received at the address indicated on the Call for Bids.

The Bid should include a complete proposal for the supply of the goods or products to which it refers and contain all the technical and financial/commercial elements required.

4.2. Awarding

In the light of the studies and assessments made, **PRISA GROUP** shall choose the bidder or bidders it considers appropriate.

Formalisation of the awarding shall be carried out through an Order signed by an authorised manager from the relevant Business Unit or **PRISA GROUP** Purchasing
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Management and accepted by the Vendor, or through a Contract signed by both parties.

Having formalised the awarding, relations between the parties shall be governed by the Contractual Documentation.

5. VENDOR'S ORGANISATION

The Vendor shall act as an independent businessperson in meeting the award and shall be completely responsible for the choice and monitoring of his or her staff working on carrying out the Order, exercising power of management in accordance with the Laws and Regulations in force, and shall especially be obliged to meet all the provisions of workforce legislation, Social Security and Workplace Health and Safety, as well as environmental legislation, and shall make the documents thus accrediting this compliance available to **PRISA GROUP** upon request.

In particular, the Vendor guarantees he or she shall not use child labour in the manufacturing, handling or distribution of the goods or products that make up the supply, regardless of whether the goods or products are manufactured by the Vendor or by a third party. PRISA GROUP has the power to immediately settle any contract if it can be proven that the Vendor has breached this guarantee and in turn file for any damages or loss that could be produced, including the damage that could be caused to the PRISA GROUP image.

The Vendor shall appoint a person from his organisation to act as the sole representative in dealings with **PRISA GROUP**, with whom all incidents in the execution of the Contract or Order shall be made.

6. DELIVERY AND INSPECTION

Goods and products should be delivered on the date, to the place and in the conditions set out in the Contractual Documentation. The vendor undertakes to meet the final delivery date and partial delivery dates set out in the order.

PRISA GROUP reserves the right to inspect all the material and/or equipment contracted in the place where they are manufactured, stored or run. To that end, its authorised representatives shall have free access at all times during the contract execution period to the workshops, commercial premises and factories of the supplier and/or subcontractors where the contract materials and/or equipment are being manufactured, stored or run. The vendor shall demand that his suppliers and subcontractors provide the **PRISA GROUP** representatives with free access to their facilities.

7. PRICES

Prices agreed upon are fixed for all purposes. The vendor is not able to change them nor are they subject to any revision or variation.

Prices include everything that is the subject of the contract, as well as the amounts the vendor must contribute or realise for its compliance, including packaging and transportation to the place agreed upon. The prices only exclude VAT and the General Indirect Tax of the Canary Islands (IGIC).



Where unitary prices have been established, the total amount of the contract shall be that which results from applying unitary prices to the units really supplied or executed.

8. BILLING AND PAYMENT CONDITIONS

8.1. Billing

Invoices, support documentation and related correspondence should be sent to the address indicated in the corresponding Contractual Documentation.

An invoice date cannot precede the date on which it is issued, in accordance with the Contractual Documentation.

Only invoices for items received in accordance with the delivery times and conditions described in section 6 above can be issued.

For supplies agreed upon for a set date which are met through the delivery of partial amounts, no invoice can be issued until the Order has been met in its entirety. The Vendor shall send a single invoice when the supply has been finalised.

Invoices that fail to meet the abovementioned requirements or that the Vendor issues without having the corresponding Contractual Documentation in his power shall not be admitted or counted for the purposes of entry date in **PRISA GROUP**.

8.2. Payment

All payments shall be made 120 days after the invoice date, either through a bank transfer or cheque, at **PRISA GROUP's convenience**.

In the event that the date on which **PRISA GROUP** receives the invoice exceeds the invoice date by more than two weeks, 120 days from the invoice date shall be used as the basis for calculating payment.

Paying the price does not mean that **PRISA GROUP** considers the order has been correctly effectuated by the SUPPLIER nor does it change any rights that may correspond to it against the SUPPLIER. **PRISA GROUP** expressly reserves the right to exercise, subject to the payment effectuated.

PRISA GROUP reserves the right to make payments on behalf of its subsidiaries, as well as to pay off debts or credits among them for the same SUPPLIER, notifying the supplier of the operations carried out. Except if expressly objected to by the SUPPLIER, when acting on behalf of its subsidiaries **PRISA GROUP** may choose to subrogate itself in the position of debtor or creditor of the subsidiaries with respect to the SUPPLIER.

9. CREDIT TRANSFERS

In no case shall the vendor transfer the rights and credits granted to him in the contract to third parties, nor make any other operation that involves provision of for any title, lien, commitment and/or transaction, either total or partial, on the



abovementioned rights or credits except if it has previously obtained the express written consent of **PRISA GROUP** for each operation.

10. PENALTY FOR DELAY

The vendor's failure to meet the delivery dates or execution times, both partial and final, shall be penalised by applying a fine of 0.5% for the total amount contracted for each full week of delay, up to a maximum of 10%.

In the event of flaws in the materials or equipment (regardless of their origin), in either their manufacturing or yield capacity, **PRISA GROUP** shall be able to apply a fine equal to the above for each week that passes without the corresponding repair work having begun. For the purposes of the above, **PRISA GROUP** shall inform the supplier in a reliable manner of the flaw observed and the date when repair work should begin.

11. WARRANTY

The vendor guarantees the goods, products and equipment against any type of design or manufacturing flaw for a period of one year beginning from the time they are put into service, without exceeding eighteen months from their delivery and agrees to replace or repair faulty goods, products or equipment to the satisfaction of **PRISA GROUP**. The cost of replacement or repair work and all expenses incurred by **PRISA GROUP** for this reason shall be the responsibility of the Vendor, including when replacements or repair work are done outside its facilities.

Any adjustments, work, repairs or replacements should be carried out in the time limit indicated by **PRISA GROUP**, in the least injurious manner. **PRISA GROUP** shall otherwise be able to carry out the work necessary itself or use third parties, at the expense of the Vendor and without loss of warranty.

The warranty period shall be deferred during the time it takes to make the adjustments, work, repairs or replacements that have to be made in each case, which shall in turn be guaranteed after the work has ended for an equal time to the warranty period.

12. DISPATCH CONDITIONS

All packages, boxes, bundles, etc. should be packed in an appropriate fashion for their transportation and storage.

The Vendor shall be responsible for damages caused by knocks, rusting, etc. due to inappropriate protection methods.

Material deliveries should include delivery notes specifying the goods included in the delivery, along with the amount still to be served and indicating in a clearly visible position the corresponding order number and item.



13. TAXES

In the case of domestic material and/or equipment, **PRISA GROUP** shall only be responsible for the VAT or any other tax that could be established in its place in the future.

In the case of foreign material and/or equipment, taxes shall be settled as follows:

- a) The foreign supplier shall be responsible for all taxes, charges and liens in the countries of origin of the goods and the countries the goods pass through until their delivery at the destination, as well as any tax that could be imposed in Spain for profits obtained through the corresponding sale.
- b) **PRISA GROUP** shall be responsible for customs tariffs, VAT and other official Customs expenses for the equipment imported.

The parties agree to meet all the requisites and procedures and to deliver all the documentation necessary to correctly settle taxes and the payment of corresponding invoices.

14. INDUSTRIAL PROPERTY

The vendor guarantees **PRISA GROUP** and undertakes to accredit before it, if required, that it has available the patents, licences and other documents relating to industrial property needed to carry out the matters that are the subject of the contract.

In the event that, due to the fault or negligence of the vendor and as a consequence of the lack of any of the licences referred to in the previous paragraph, **PRISA GROUP** should be negatively affected with regard to the use of the goods that are the subject of acquisition, the vendor:

- shall indemnify PRISA GROUP against any claim by third parties,
- pay PRISA GROUP for any damages or loss produced,
- pay a fine equivalent to the full amount of the contract that is the subject of the supply of the good or goods involved.

15. SETTLEMENT

In the event that the vendor breaches any of his contractual obligations, **PRISA GROUP** shall be able to settle the contract simply by communicating it in writing to the vendor and paying the amount of the supply correctly made to date, with any deductions that may be applicable. The vendor shall have no right to the payment of any other amount in the form of indemnity.

16. ACTS OF GOD

Acts of God that may relieve the parties of their duties to meet the contract obligations for the time they last are listed below:



- a) Earthquakes, seaquakes, catastrophic fires or floods or those officially declared to be catastrophes.
- b) Damage caused by parties who are armed or through warfare, seditions or turmoil.
- c) Legal strikes that exceed the scope of the vendor's company and whose end does not depend on its decision.

17. JURISDICTION

The parties shall endeavour to harmoniously solve any question that might arise with regard to interpretation of or compliance with this contract. In the event that the question cannot be resolved in this way, the parties submit to the jurisdiction and powers of the Courts and Tribunals of Madrid and expressly waive any other code of laws that might pertain to them.

18. PRIORITY

These general conditions shall be applicable so long as the Particular Conditions of the contract do not establish other criteria, in which case the latter shall prevail.