 <b>TAMA<sup>®</sup></b> <b>INGENIEROS S.A.C.</b>	<b>INTEGRATED MANAGEMENT SYSTEM</b>		<b>T-GC-DC-05</b>	
	<b>GENERAL TERMS AND CONDITIONS OF SALES</b>		Date	30-12-20
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## 1. DEFINITIONS

- RECIPIENT OR CUSTOMER:** Any natural or legal person who requests a Quotation from TAMA, to whom the Quotation is issued and who issues the purchase order to TAMA.
- TAMA:** TAMA INGENIEROS S.A.C., the party that manufactures a good or provides a specialized service according to conditions agreed with the Client.
- GOOD:** The manufacture of any machinery, equipment, or components, described in the Quotation.
- SERVICE:** Any service described in the Quotation.
- QUOTATION (ODV):** A technical and commercial proposal issued by TAMA, which includes these "General Terms and Conditions of Sales", designs, drawings, specifications, other documents, additional or specific Terms and Conditions for the project or any other relevant documents referenced in the Quotation.
- END USER OR CLIENT:** Natural or legal person that uses the good, or has a commercial relationship with the Client or, is the Client.

## 2. DOCUMENTS

- This document "General Terms and Conditions of Sales" is an essential part of the TAMA Quotation.
- This Quotation becomes a binding contract after it is accepted by the Recipient through a Purchase Order or email confirmation.
- The Quotation (ODV), along with these terms and conditions and any other conditions agreed in writing by the Parties, represent all the documentation of the agreement between TAMA and the Client.
- This Quotation (ODV) can only be formally amended in writing, in digital format, by TAMA.

## 3. COMMUNICATION BETWEEN THE PARTIES

- Communications between TAMA and the Recipient and/or Client will be made by email. The corporate emails designated by the Client and TAMA are considered valid, therefore, the information is considered received and accepted at the time it arrives at the Recipient's or Client's email address as ruled in article 1374 of the Peruvian Civil Code.
- TAMA will send an email communication to the person in charge designated by the Client, with a copy to an additional representative from the Client's organization and with a copy to another representative of TAMA.
- Any request for a project proposal must be made through corporate emails and information such as drawings, procedures, specifications, etc., must have a formal identification of the Client, duly distinguishable with their respective drawing title block including Client's codification and/or logos.
- TAMA will not accept requests for quotation, with information from non-formal sources (diagrams, sketches, simple descriptions), and/or that do not belong to the requesting Client and/or Recipient, unless the Client and/or Recipient supports in writing the source of said information, under responsibility.

## 4. CONFIDENTIALITY

- All information, designs, drawings, calculations, specifications, or technical and commercial information provided by or on behalf of TAMA related to the quotation (ODV), will remain the exclusive property of TAMA and will be considered confidential information of TAMA. This information shall not be reproduced, given or disclosed in any form to any third party by the Client and/or Recipient unless made in written authorization of TAMA. This information shall not be used in whole or in part into other projects unless the Client and/or Recipient has written consent of an authorized representative of TAMA.
- The Client and/or Recipient undertakes not to copy partially or totally the documents sourced by TAMA or reveal its content by any mean nor for any purpose other than as authorized by TAMA or for which they were created. The copyrights of the content of said documents are the exclusive property of TAMA.
- TAMA undertakes to keep confidential the information provided by the Client and/or Recipient, in accordance with the corresponding confidentiality agreements between the Parties and with the information security management system deployed in TAMA.

## 5. RESPONSIBILITY

- The Client and/or Recipient is responsible for providing, in a timely manner, the accurate drawings, technical specifications, documents and complimentary information -when applicable- as well as other components, supplies or equipment in order to prevent delays in the manufacturing process.
- TAMA is responsible for carrying out the manufacture of the Good and/or the service in compliance with the Peruvian laws and other international standards voluntarily acquired: Quality Management System, Environmental Management System, Occupational Health and Safety Management System, Anti-bribery Management System, and Information Security Management System.

## 6. GUARANTEE

- TAMA guarantees compliance with delivery deadlines and quality in the manufacturing process or services, according to the drawings and technical specifications, unless something different from what is stated herein is clearly established in writing. Otherwise the Client and/or Recipient may report a claim or non-conformity to the email [sig@tama.pe](mailto:sig@tama.pe)
- TAMA agrees to either repair or replace at its discretion, under FCA Incoterm TAMA warehouse Lima, Peru on a truck platform, and with no charge for the Client, its own manufactured Good that has inspection revealed proven defects in material or workmanship under proper conditions of use or storage for a period of twelve (12) months after the date of shipment from TAMA's warehouse. The replaced Good is the property of TAMA. In case the claim was

unfounded, TAMA will proceed to bill the Client and/or Recipient for the expenses derived from the attention of the claim.

## c) Warranty is not applicable in the following cases:

- Goods in which design TAMA has not participated, with both regular or premature deterioration, and/or wear and tear caused by chemical action, abrasion, temperature, or any other factor that should have been considered in the design.
- Improper use, warehousing or transportation of the Good carried out by the Client and/or Recipient.
- Performing repairs with no written authorization from TAMA.

- Goods, materials, consumables, equipment and other components manufactured by third parties and sold by TAMA are guaranteed only to the extent that the original manufacturer guarantees them to TAMA.

## 7. LOST PROFITS AND/OR DAMAGE TO THE CLIENT, THE USER OR THIRD PARTIES

Due to the major part of the products are designed by the Client, and for similar reasons stated in clause 6 herein, TAMA does not know the terms of use, operation, criticality, expectations of operation capabilities, profit margins to the end customer etc., therefore TAMA does not accept any charges for lost profits, costs of disassembly, assembly, transportation, property damage, indemnity, or any other compensations.

## 8. LATE DELIVERY PENALTIES

When the Client complies with TAMA's Commercial Terms and the delay is entirely its responsibility, TAMA accepts a penalty of up to 0.5% per business day, up to a maximum value of 10% of the partial or total amount of the Purchase Order, as the case may be. Nevertheless, Article 1333 of the Peruvian Civil Code will prevail. No penalty is applied when:

- Delay is caused by fortuitous event or force majeure, as stated in Article 1315 of the Peruvian Civil Code. In this case, the reason will be communicated by TAMA to the Client through email.
- Delay is due to restrictions in the supply of raw material, components or accessories according to the Client's quality specifications and availability in the Peruvian market. In this scenario, TAMA shall demonstrate non-availability of these products in the local market after having exhausted the search of technical substitutes in collaboration with the Client, unless the direct import of said material has been explicitly included in TAMA's quotation.
- Delay is caused by a non-compliance with the delivery dates of materials, equipment, or by the lack of quality of the products or services supplied under Client's responsibility or, when delay is caused by the Client's failure to comply with payment or valuation deadlines. In this case, TAMA shall issue a report to the Client accounting for the delay in a timely manner.

## 9. CLIENT SUPERVISION

- As stated in clauses 6 and 7 herein, the Client is responsible for the definition of the level of criticality of the Good or Service (both in technical, economic, commercial, strategic aspects, and other relevant). So that, the Client must include its own controls both at the design level and technical specifications and inspection point program, among others.
- The Client must communicate during the quotation phase the total number of man-hours of supervisors allocated to the project who will access TAMA's manufacturing facilities (Project, quality control, safety and health, environmental, engineering personnel, etc.)
- TAMA undertakes to allocate the same number of man-hours as proposed by the Client in clause 9b. Any additional cost caused by the need to attend the Client's supervisor will be charged to the Client for an additional amount of \$30.00 per man-hour + taxes.
- The access of Client's supervisor to TAMA's manufacturing facilities for the product release after the finish notification by TAMA does not carry an extra charge for the Client as is included within TAMA's standard activities.
- Regarding the requirements To access TAMA's facilities for entrance (documents, working hours, etc.), every Client's personnel must comply with the provisions of TAMA's standard "T-SM-PT-06 Visiting Procedure", available in [www.tamaingenieros.pe](http://www.tamaingenieros.pe).

## 10. ANTI-BRIBERY CONSIDERATIONS


- The Client must read TAMA policies and commitments "T-GA-PO-01Anti-Bribery Management System Policy" and "T-GA-F-05 Code of Ethics" available on the TAMA website.
- In case attitudes or acts contrary to the Code of Ethics were detected on the part of the Client, TAMA will notify this through the corporate contact emails established with the Client, with a copy to their immediate supervisor or the Ethics Channel, if any. If TAMA does not receive any formal response within 30 calendar days, will persist with other immediate superiors by any other means until the appropriate corrective measures were taken.
- As part of its commitment, TAMA will send the Client its current "T-GA-F-05 Code of Ethics" and "T-GA-PO-01Anti-Bribery Management System Policy" in a timely manner.
- The Client undertakes to assume responsibility for any damage to TAMA, due to non-compliance with the aforementioned legal regulations.
- For any complaint or concern regarding illegal practices described in this item by TAMA's staff, please report through [etica@tama.pe](mailto:etica@tama.pe)

## 11. CUSTODY & CARE OF CLIENT ASSETS

- The materials, equipment, components and other goods necessary for

Prepared by:	Reviewed by:	Approved by:
Commercial Manager	Representative of the Control and Audit Body	General Manager

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presentation in the factory and/or pre-assembly with the goods manufactured or services performed by TAMA are considered property of the Client.

- b) TAMA will provide commercial facilities with 24x7 security service, as well as special care in the warehousing, handling and assembly of the Client's goods.
- e) The Client is responsible for providing insurance to their assets while they are located into TAMA's facilities (theft insurance, accidents insurance, fire insurance, natural disasters insurance, and other coverages that may apply).
- c) If the Client needs TAMA to provide insurance for its assets, he must report it during the quotation stage and specify the scope of the insurance to be taken out, as well as all the necessary information such as detailed description of the assets, origin, value, delivery times, etc. TAMA will not admit Client assets that are not directly related to the presentation and/or pre-assembly work. If the Client requires to consolidate the cargo with other goods, must request it during the quotation.

## 12. MATERIALS, COMPONENTS, DIRECT CONSUMABLES USED IN THE MANUFACTURE OF THE GOODS PRODUCED BY TAMA

- a) Raw material, components or direct consumables will be purchased by TAMA regardless of their country of origin.
- b) TAMA contracts with selected and constantly evaluated suppliers, who evidence the mandatory compliance with technical specifications. Based on TAMA experience, every steel plate with a thickness greater than or equal to 50mm must be ultrasonic tested in order to discard lamination defects to guarantee the quality of the base material. This does not apply to Hardox steel plates. TAMA regular offer will not include additional quality tests such as chemical analysis or tensile stress. In case the Client needs this or other evidence, it must be stated explicitly in the quotation request.
- c) Raw material (bars, hot & cold rolled steel plates, AISC structural shapes, Hollow Structural Sections HSS, pipes) will be supplied according to the tolerances specified in the standards ASTM A-6, ASTM A-500, ASTM A-501, ASTM A-618, ASTM A-847, ASTM A-53, and ASTM A-106.
- d) In many cases in the local market of Lima, Peru, the thickness of the steel raw material such as flanges, elbows, reducers, tees, etc. does not meet the minimum thickness required for the technical standards. Therefore, materials with diameters up to 6" may be supplied with thickness of up to 0.8 mm below the minimum determined by the standards, and materials with diameters greater than 6", may be supplied with thickness of up to 1.50 mm below the minimum determined by the standard.
- e) Bolt inspection by the Client's supervision will be carried out by lot sampling, according to the following table:

Total number of pieces to be inspected, by lot	Minimum sample size
1 to 3	All
4 to 500	3
501 to 1,200	5
1,201 to 3,200	8
3,201 to 10,000	13
+ 10,000	20

In no case the inspection and release of bolts will be conditioned to the total inspection of each unit. If non-conformities were found on the inspection lot, the number of sample pieces to be inspected will be doubled.

- f) Steel bar gratings will be sampling inspected, according to each project, with a maximum of 20% of the delivered total area. The manufacture is based on ANSI/NAAMM MBG 531 // MBG 532 standards. The quality dossier of gratings and handrails is limited to the delivery of documents related to welding, material certificate, and dimensional inspection.

## 13. ANTI-CORROSION COATING

TAMA may procure steel with rust grade "A" & "B", according to the SSPC-VIS / ISO 8501-1 standard and -in exceptional cases under Client approval- with rust grade "C". Every three months, as part of the control of our shot blasting process, conductivity, chlorides, air quality and roughness tests will be performed, according to ASTM D4940, SSPC Guide 15, ASTM D4285, ASTM D4417, correspondingly. The coating inspection for release will be based in the SSPC-PA2 (level 3) standard, which defines the area to be inspected and the dry film thickness range. In relation to the coating guarantee, it will not include inalterability, system permanence, color permanence, or other characteristics of the coating. TAMA standard does not include special tests such as Holiday test nor adherence test. In the event that the Client requests the supply of an extra quantity of coating for touch-ups on site, such as thinner, solvents, diluents, coating, etc., the Client will be responsible for its packaging.

## 14. MATERIALS TRACEABILITY

- a) TAMA reserves the right to define the technology to be applied in order to guarantee the traceability of the materials, these will be in accordance with their material certificate, heat number, drawings, marks, etc.
- b) In case the Client requires a specific traceability work with metal marker or type marker for each piece, it must be reported in the quotation request.

## 15. NON-DESTRUCTIVE TESTING AND QUALITY DOSSIER

- a) TAMA quality dossiers will be delivered to the Client in Spanish language, by email in digital pdf files. In case the Client requires a different scope for the dossier, it must be specified in the quotation request.
- b) Quality tests carried out by TAMA during the manufacturing process include visual inspection, penetrating dyes, and magnetic particles. X-rays or

Gamma ray tests will be replaced, as far as possible, by ultrasound tests, according to environmental protection practices, and will be applied according to the scope defined in TAMA standard offer.

- c) TAMA does not carry out the Diesel leak test, instead the technical report "T-GI-F-21 Support to replace Hot Diesel test" has been developed.
- d) Vibratory stress relief process will be carried out according to the standard method developed by TAMA T-AC-PT-20.

## 16. WORK PROCEDURES AND TAMA KNOWHOW

- a) TAMA has developed own operating procedures and controls for the diverse manufacture processes in order to prevent non-conforming outputs.
- b) TAMA will not reveal detailed work procedures that has been developed based on its industry experience or its professional staff value added. Upon Client's request, TAMA may deliver the inspection point program (IPP) and project schedule, if applicable. In the event that the Client asks for access to TAMA work procedures, this request must be jointly evaluated by the management board of both parties.
- c) The Client is not authorized to record information, data, photographic records, video records, audio records or other information within TAMA facilities. In case the Client requires information about his project, it must be requested in writing before to be delivered by an authorized TAMA personnel.
- d) In case of non-compliance with what is indicated above, TAMA reserves the right to admit Client's staff to its facilities.
- e) In TAMA, the criteria for the carrying out of projects is ordered as follows: Safety and health criteria; Environmental care criteria; Information security criteria; Compliance with the strategic plan criteria, Guaranteeing the quality of the good or service criteria, Time of delivery criteria, Economic criteria, and other criteria that may apply.

## 17. SUBCONTRACTING

- a) TAMA, aware of what is indicated in clauses 6 and 7 hereby, does not admit contractors or subcontractors within its facilities. Likewise, all the employees and operators are hired directly by TAMA within the framework of the Peruvian law.
- b) However, depending on the workload at a given time and the type of work to be carried out, TAMA may subcontract other companies the manufacture of structural elements, grating, handrails, platforms, structures, chutes, tanks and similar. Along the same lines, TAMA undertakes to develop drawings for detailed engineering, workshops, general repairs, and markings.
- c) TAMA may subcontract special services of X-ray inspection, Gamma ray inspection, ultrasonic inspection, rubber coating, hot or cold vulcanizing, urethane coating, polyurethane coating, heat treatments and other precision machining services.

## 18. FINANCIAL TERMS

According to Peruvian law, invoices must be issued at the time the Good is delivered to the Client or Recipient or at the time payment is done.

## 19. RIGHT TO USE IMAGES:

TAMA may use manufacturing pictures and 3D models of developed products in the pre-assembly and final stages, in order to develop its technical and commercial dossier. Likewise, TAMA may use this information including the brand signs, trademarks and business name of its Clients, under legitimate right to develop a company presentation with the aim to expand its Client base.

## 20. PURCHASE ORDER CANCELLATIONS, INTERRUPTIONS, OR CHANGES

In case manufacturing was interrupted at the Client's request, TAMA will be authorized to invoice the value of the work and/or acquisitions carried out up to the time of its stoppage with additional charges. Likewise, The Client agrees to pay TAMA the expenses incurred for additional works, materials or services requested by the Client and the prices will be indicated in a timely manner if they were not previously quoted; expenses previously quoted will be conveniently adjusted and will be subject to the terms and conditions established herein, paying taxes and all other charges in force on the date of the contract or the order modification. In case of payment delay, the application of default interest will be allowed to the interest rates applied by commercial bank, and other charges allowed by Peruvian law.

## 21. APPLICABLE LAWS, DISPUTE RESOLUTION & ARBITRATION

For the purposes of any TAMA activity in Peru, Peruvian law will be applied. Controversies will be resolved through arbitration, by a single arbitrator appointed by the Conciliation and Arbitration Center of the Lima Chamber of Commerce. The award must be issued within a period of 60 business days from the date of assuming the functions and will be final and unappealable. The arbitration will be developed in Spanish, within the province of Lima. The expenses and costs involved in the arbitration, including attorneys' fees, will be borne by the losing party.

## 22. REPRESENTATION

No representative of TAMA is authorized to accept any agreement, guarantee or other that is not stated in this document. Any modification of this Terms and Conditions must be made in writing and signed by a person authorized by TAMA. This document can also be displayed or downloaded from [www.tamaingenieros.pe](http://www.tamaingenieros.pe)

Prepared by:	Reviewed by:	Approved by:
Commercial Manager	Representative of the Control and Audit Body	General Manager

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