



## PURCHASE ORDER GENERAL TERMS AND CONDITIONS

---

1. **PRODUCT DISPATCH:** DELIVERY OF THE PURCHASED PRODUCTS COVERED UNDER THIS ORDER SHALL ALWAYS BE ACCOMPANIED BY THE CORRESPONDING FREE TRANSIT GUIDE AND/OR DISPATCH GUIDE OR EQUIVALENT, IN ACCORDANCE WITH THE CURRENT LEGISLATION. SUCH DOCUMENT SHALL BE DELIVERED AS ORIGINAL ALONG WITH TWO COPIES, THEREIN INDICATING ORDER NUMBER, ORDER ITEM NUMBER AND MATERIAL QUANTITY, DESCRIPTION AND CODE AS ASSIGNED BY THE COMPANY.
2. **GUARANTEE:** THE PRODUCTS INCLUDED IN THIS ORDER ARE GUARANTEED BY THE SUPPLIER AND/OR MANUFACTURER AGAINST ANY MANUFACTURING DEFECT AND/OR MATERIAL FAILURE FOR A PERIOD OF XX MONTHS SINCE THE INVOICE AND/OR STARTUP DATE.
3. **DELIVERY TERMS:** THE DELIVERY DATES ARRANGED IN THIS ORDER SHALL BE FOLLOWED STRICTLY. THE COMPANY RESERVES THE RIGHT TO CANCEL THIS ORDER, WHETHER IN WHOLE OR IN PART, IN CASE OF NON-COMPLIANCE WITH THE ARRANGED DELIVERY DATES.
4. **FACILITY VISITS:** IN CASE OF NEED FOR A VISIT TO THE COMPANY FACILITY BY THE SUPPLIER ,THE SUPPLIER SHALL PREVIOUSLY HAVE ALL THE NECESSARY ENTRY AUTHORIZATIONS AND ALSO ACKNOWLEDGE FULL KNOWLEDGE OF THE “GENERAL GUIDELINES AND PROCEDURES FOR WORKS AND SERVICE CONTRACTS” MANUAL, A DOCUMENT WHICH SHALL BE REQUESTED AT THE CONTRACT UNIT OF THE COMPANY.
5. **FINE FOR DELAY:** DUE TO NON-COMPLIANCE WITH THE ARRANGED DELIVERY TERMS WITHOUT REASON, THE COMPANY MAY IMPOSE A FINE OF 0.3% OF THE VALUE OF THE PRODUCTS PENDING DELIVERY, FOR EACH DAY OF DELAY, WITH A MAXIMUM EQUIVALENT TO THE TOTAL PENDING DELIVERY VALUE.
6. **INVOICING:** THE SUPPLIER SHALL ISSUE ITS INVOICE CONSIDERING THE INFORMATION IN THE ORDER HEADER, AND SEND IT TO THE ACCOUNTS PAYABLE UNIT OF THE COMPANY AT:
  - a. CORREO APUMANQUE CASILLA 27160, SANTIAGO, CHILE
  - b. THE INVOICES RECEIVED AT THE WORKSITE SHALL BE TRANSPORTED INTERNALLY TO THE ACCOUNTS PAYABLE UNIT OF THE COMPANY IN SANTIAGO, WHICH WILL DELAY THE PAYMENT PROCESS. THEREFORE, IT IS THE SUPPLIER’S RESPONSIBILITY TO SEND THE INVOICES TO THE ADDRESS MENTIONED BEFORE.



## PURCHASE ORDER GENERAL TERMS AND CONDITIONS

---

7. **INVOICE STATUS INQUIRY:** INFORMATION SERVICES ON THE STATUS OF THE SUPPLIER'S INVOICE ARE AVAILABLE, FOR THE SUPPLIER, WHO MUST SELF-REGISTER AT OUR WEBSITE: [HTTP://PARTNERS.FMI.COM/](http://partners.fmi.com/).
8. **PAYMENT POLICY:** THE COMPANY PAYMENT POLICY STATES THAT IT WILL PAY ONLY THOSE INVOICES APPROVED FOR PAYMENT AND WITH A PAYMENT TERM OF **30 DAYS OF INVOICE RECEPTION AT THE ACCOUNTS PAYABLE UNIT IN SANTIAGO**. NOTWITHSTANDING THE FOREGOING, SPECIAL PAYMENT CONDITIONS INDICATED IN THE ORDER SHALL PREVAIL.
  - a. THE COMPANY SHALL PAY THE SUPPLIER'S INVOICES BY DEPOSIT IN THE SUPPLIER'S CHECKING ACCOUNT. IN CASE THE COMPANY DOES NOT HAVE SUCH INFORMATION, IT SHALL ISSUE A SIGHT NOTE TO THE ORDER OF THE SUPPLIER.
  - b. INVOICES ASSOCIATED TO MORE THAN ONE ORDER SHALL NOT BE ACCEPTED. THE SUPPLIER SHALL ISSUE AN INVOICE FOR EACH ORDER. EVERY INVOICE SHALL SPECIFY THE ORDER NUMBER AND ITS ITEMS, INCLUDED IN SUCH INVOICE. ADDITIONALLY, THE SUPPLIER SHALL ATTACH A PHOTOCOPY OF THE ORDER ASSOCIATED TO THE INVOICE.
  - c. EACH ITEM UNIT VALUE SHALL CORRESPOND WITH THE UNIT VALUE INDICATED IN THE ORDER, IF THERE IS ANY DIFFERENCE, THE INVOICE SHALL BE RETURNED TO THE SUPPLIER MAKE ANY NECESSARY RECTIFICATION AND/OR CLARIFICATION FOR THE ACCOUNTS PAYABLE AND SUPPLY UNITS OF THE COMPANY.
9. **ADVANCE PAYMENT:** THE COMPANY OFFERS THE POSSIBILITY OF ARRANGING ADVANCE PAYMENTS FOR WHICH THE SUPPLIER SHALL CONTACT THE ACCOUNTS PAYABLE UNIT AND SET THE CONDITIONS OF ADVANCE PAYMENT.
10. **FREE TRADE ZONE DOCUMENTATION:** IF APPLICABLE, THE SUPPLIER SHALL DELIVER INVOICE ZOFRI, DOCUMENT Z AND PACKING LIST TO THE CUSTOMS AGENT OF THE COMPANY IN IQUIQUE (RICARDO FUENZALIDA POLANCO -SAN MARTÍN # 255 -OFFICE # 12 -FLOOR # 12 -EDIFICIO EMPRESARIAL - PHONE: (57)414930/38/690 -FAX: (57)414696) AND SEND BY FAX (2)8731239, A COPY OF THE SAME DOCUMENTATION TO OUR IMPORTS CHIEF OFFICER IN SANTIAGO.
11. **WOODEN PACKING:** IF APPLICABLE, AND WHEN USING WOODEN PACKING THICKER THAN 5MM, PLEASE CONSIDER RESOLUTION # 133 OF THE CHILEAN AGRICULTURAL MINISTRY, WHICH REQUIRES THE FOLLOWING:



## PURCHASE ORDER GENERAL TERMS AND CONDITIONS

---

- a. WOODEN PACKING THICKER THAN 5MM, USED FOR TRANSPORTATION OF ANY DELIVERY FROM ABROAD OR IN TRANSIT OVER NATIONAL TERRITORY, INCLUDING HARNESSSED LOAD, SHALL BE MANUFACTURED WITH UNBARKED PURCHASE ORDER GENERAL TERMS AND CONDITIONS

WOOD AND TREATED AT THE COUNTRY WHERE THE WOOD COMES FROM THROUGH ONE OF THE FOLLOWING TREATMENTS:

- b. THERMAL TREATMENT: THE WOODEN PACKAGE SHALL BE HEATED IN FURNACE ACCORDING TO A SPECIFIC TIME/TEMPERATURE CURVE BY MEANS OF WHICH THE CENTER OF THE WOOD REACHES A MINIMAL TEMPERATURE OF 56 CENTIGRADE DURING A MINIMUM PERIOD OF 30 MINUTES. DRYING ON A STOVE AND PRESSURIZED CHEMICAL IMPREGNATION MAY BE CONSIDERED A THERMAL TREATMENT INSOFAR AS IT COMPLIES WITH THE SPECIFICATIONS OF THERMAL TREATMENT.
- c. FUMIGATION WITH METHYL BROMIDE: IT SHALL COMPLY WITH THE MINIMAL RULE OF FUMIGATION TREATMENT WITH METHYL BROMIDE. MINIMAL TEMPERATURE SHALL NOT BE LESS THAN 10 CENTIGRADE AND A MINIMUM OF 16 HOURS OF EXPOSURE TIME.
- d. ANY WOODEN PACKAGE ENTERING THE COUNTRY MUST SHOW THE MARK CERTIFYING THAT IT HAS BEEN SUBMITTED TO ONE OF THE APPROVED PHYTOSANITARY TREATMENTS. THIS MARK SHALL BE BLACK, BLUE OR DARK BROWN, LEGIBLE, PERMANENT AND NON-TRANSFERABLE. THIS MARK SHALL BE STAMPED ON AT LEAST TWO EXTERNAL VISIBLE SIDES IN EACH PACKING UNIT FROM ABROAD AND EACH HARNESSSED LOAD UNIT.
12. **ORDER ACCEPTANCE:** THE SUPPLIER SHALL CONFIRM RECEIPT AND ACCEPTANCE OF THIS ORDER VIA E-MAIL OR FAX WITHIN NO MORE THAN THREE (3) WORKING DAYS FOLLOWING RECEIPT VIA E-MAIL OR FAX. THE COMPANY WILL CONSIDER THE ORDER AS COMPLETELY ACCEPTED BY THE SUPPLIER IF IT DOES NOT RECEIVE ANY OBSERVATIONS ON ITS TERMS AND CONDITIONS WITHIN THE TERM MENTIONED BEFORE.