

GENERAL CONDITIONS OF PURCHASE

1. General

1.1. These General Conditions of Purchase (referred to below as the "Conditions") apply to all purchases by TIRELLI S.r.l. and its controlled companies (referred to below as the "Buyer") of any type of product and service (referred to below as the Products) from the Supplier (referred to below as the "Supplier").

1.2. These Conditions and a Supplier's Purchase Order (referred to below as the PO) constitute the Contract.

1.3. The Conditions make up an integral part of the PO, which, although the Supplier has not signed but he has accepted it, is understood as fully accepted by this latter, whereupon it will take prevalence over any general or special conditions of sale which the Supplier might otherwise apply.

1.4. In the event of any conflict between the terms of a PO and these Conditions, the terms of the PO will prevail.

1.5. The Contract constitutes the entire agreement between the parties and replaces any previous written Contract, technical conditions and specifications, purchase orders, offers and general terms and conditions, and/or any other related or connected oral agreements, proposals, negotiations, initiatives or warranties.

2. Acceptance of the Order

2.1. The Supplier will be required to confirm the PO within 2 (two) working days of the date of receiving it. Silence on the part of the Supplier or any form of execution of the PO, in whole or in part, will be regarded as tacit and unconditional acceptance of the Contract.

2.2. Any reservations, amendments or exceptions regarding the terms of the Contract on the part of the Supplier, including requests for clarification in the event of a PO which contains imprecise terms or terms and expressions not normally used in the Contract, will only be binding if they are accepted by the Buyer in writing.

2.3. The Buyer reserves the right to cancel the PO at any time. In such a case, it will only pay the costs effectively sustained by the Supplier, which will be required to provide documented proof of such costs.

3. Changes to the PO

3.1. The Supplier will not accept any reduction in the quantities of Products purchased by the Buyer. Any such reduction will be regarded as just cause for the termination of the Contract for reasons attributable to the actions of the Buyer.

3.2. The Buyer reserves the right to amend the technical specifications of the Products, which it may do even after the PO has been accepted.

4. Execution of the PO and technical documentation

4.1. The Products will be required to conform with the provisions of the PO, and with the drawings, technical specifications and all the other contractual documentation making up an integral part of the PO.

4.2. The Products to be delivered will be accompanied by all the technical documentation indicated in the PO.

4.3. If the documentation issued by the Supplier is incomplete, the Buyer reserves the right to suspend payment of the agreed price until such time as the Supplier has forwarded all the missing documents.

5. Inspections and checks

5.1. With a view to ensuring that the Products have been manufactured to state of the art standards and the regular nature of the financial situation in relation to the Supply, the Buyer reserves the right to gain access to the Supplier's premises, on working days only and on condition that a suitable period of advance notice is issued, and the Supplier will permit such access, to enable Technical and Financial Audits to take place.

5.2. If it should come to the notice of the Buyer that any requirements of an essential nature for the guarantee of the quality of the Products, as indicated in the PO, have not been satisfied, this latter may, at its own discretion, set a time limit within which the Supplier will have to satisfy such requirements.

5.3. If the situation is not made good within that time limit, the Buyer may, at its own discretion, either (i) entrust the completion of the Products to a third party, in which case it will debit any additional costs sustained to the Supplier, or (ii) terminate the Contract, which will not affect its right to obtain compensation for damage sustained and to suspend the payment of the price, pursuant to article 1460 of the civil code.

5.4. The performance of the inspections and checks described in this article will not affect the rights of the Buyer to carry out checks on the quality and conformity of the Products at the time of their delivery and will have no effect on the expiry of any of the agreed or legal time limits for the reporting of any faults.

6. Price and conditions

6.1. The prices and conditions of payment are set out in the PO. The purchase price specified in the PO cannot be modified by the Supplier and is net of taxes, duties, customs duties and any bank charges payable by the Supplier in accordance with the Incoterms selected as applicable.

6.2. The purchase price will be paid in Euros unless any other currency is expressly laid down in the PO.

7. Packaging, Shipping, Delivery and delivery delays

7.1. The Supplier will deliver the Products suitably marked and packed in accordance with the Buyer's instructions. If no instructions have been received, the highest international standards of marking and packaging will be applied, to guarantee the maximum protection and safety of the Products. The packaging used for the Products will in any case be suitable for the purpose, the destination and the method of transport used. Unless otherwise specified in the PO, all the packaging costs will be payable in full by the Supplier.

7.2. At least 7 (seven) days prior to the date of despatch, the Supplier will inform the Buyer in writing of the details of the Products to be despatched, including (i) the number of packages, (ii) the PO number and date, (iii) the type, quantity and weight of each of the Products and (iv) the type of packaging used.

7.3. All the despatches will be accompanied by the delivery document. In the case of deliveries using outside carriers, a copy of the delivery document will be included within the packaging materials. If the Products delivered are not accompanied by the delivery document stating all the details of the PO, the Buyer reserves the right to refuse to take delivery of the Products in question.

7.4. The delivery will only be regarded as accepted by the Buyer after the Products and accompanying technical documents have been checked by it and found to correspond to the quantity and quality terms set out in the PO.

7.5. Unless otherwise specified in the PO, or on the basis of any Incoterms which apply, the Products will be delivered to the registered office of the Buyer, at the Supplier's risk and expense.

7.6. Observance of the time limit for the delivery and/or installation of the goods, as indicated in the PO, is understood as an essential factor. The Buyer in any case reserves the right to extend that time limit on one or more occasions.

7.7. In the event of any delay in delivering the Products, and with the exception of causes of Force Majeure, as described in article 10 below, the Buyer will have the right to demand the payment of compensation for damages on a preliminary basis, to be determined on the basis of the overall value of the PO. The amount of such compensation will be equivalent to

1% of the value of the PO for each day of delay, up to a maximum of 5%, without affecting the right of the Buyer to take any other action as laid down in law or under the terms of the PO to obtain compensation for any additional costs, expenses or damages sustained as a consequence of the failure on the part of the Supplier to deliver and/or install the Products within the agreed time limits.

7.8. If the delay in delivering the Products should exceed the period corresponding to the maximum compensation for damages sustained as described in article 7.7 above, the Buyer may demand full compliance or declare the Contract terminated in writing within the 7 (seven) days which follow.

7.9. During the delivery and/or installation of the Products on the Buyer's premises, the Supplier agrees to (i) deliver and/or install the Products strictly in accordance with the Buyer's safety plans and installation procedures, in such a way as to ensure that the operations necessary for the purpose take place in safe conditions, and (ii) take the necessary steps to ensure that its employees and those of any authorised subcontractors involved in the installation of the Products on the Buyer's premises adopt all the safety measures laid down in law, in such a way that the installation takes place in conditions of maximum safety.

7.10 In the event of any delivery delay, including delays of one day only, the Buyer in any case expressly reserves the right to demand the termination of the contract rather than the payment of any preliminary compensation for damages.

8. Transfer of risks and ownership

8.1. It is understood that the risks and ownership of the Products are transferred to the Buyer at the time when these are delivered as described in point 7.5 above, but that such transfer does not exonerate the Supplier and/or Buyer of their respective obligations.

9. Non-conformity, latent defects

9.1. At the time of delivery, the Buyer reserves the right to check the conditions and conformity of the Products in respect of the quality standards set out in the PO.

9.2. The Buyer may report any defects, flaws and/or non-conformity noted in the Products in respect of the quality standards set out in the PO in writing within 60 (sixty) days of the date of discovery. Such defects and/or non-conformity will be understood as confirmed on a definitive basis if they are not contested in writing by the Supplier within 24 (twenty four) hours of the time of receipt of the report to that effect.

9.3. In the event of Products found to be non-conforming, the Buyer, at its own discretion, reserves the right to ask the Supplier to proceed as follows:

- (i) to repair the Products or apply an equivalent remedy, at no additional cost to the Buyer, or
- (ii) to replace the Products with others conforming to the standards required, at no additional cost to the Buyer, or
- (iii) if the Products cannot be replaced or repaired, to refund the entire purchase price of the defective Products, without affecting the right of the Buyer to compensation for all damage sustained, or
- (iv) to reimburse all costs sustained for any further processing required on the component.

10. Causes of Force Majeure

10.1 The non-compliant party will not be held liable for the failure to observe one of its obligations if it is able to demonstrate that:

- a) the non-compliance was due to an impediment outside its control, and
- (b) it could not reasonably foresee the impediment and the effects thereof at the time when the Contract was signed (merely by way of example: earthquakes, hurricanes, customs barriers and natural catastrophes in general), and

(c) it could not reasonably avoid or overcome the impediment or the effects thereof.

10.2 The non-compliant party will issue notice of the situation, and of the possible consequences thereof, to the other party as soon as possible, and as soon as the compliant party becomes aware of the inability to comply. Notice will also be issued when the impediment due to force majeure has been removed.

10.3 If the non-compliant party should fail to issue such notice, it will be held liable for the damages which could otherwise have been avoided.

10.4 Without affecting the terms of article 7.7 above, a proven impediment due to force majeure as described in this article will exonerate the non-compliant party of liability for damages, penalties, other forms of contractual liability and any obligation to pay interest on any payments due, on condition and to the extent that the impediment continues to apply.

10.5 If the proven impediment due to force majeure should continue for more than 30 (thirty) days, either party will have the right to declare the termination of the Contract without advance notice, and the Supplier will apply the terms of article 7.7 in respect of expenses sustained.

11. Supplier's warranty

11.1. Without affecting any warranty which might be applicable in law, and unless otherwise agreed in writing between the parties, the Supplier guarantees the Products for a period of twelve (12) months as of the starting date of the warranty for the machinery in which they are installed.

11.2. The Supplier warrants that the Products will be (i) new and unused, (ii) in accordance with the regulations which apply and the best safety standards, (iii) in accordance with the quality standards set out in the PO, (iv) free of manufacturing, design and production faults, (v) suitable for the uses to which they will normally be put, and (vi) in accordance with the properties of any examples presented as prototypes of samples.

11.3. If any Products already placed on the market should turn out to be defective and/or dangerous, the Supplier is obliged to withdraw them, and will refund the related costs to the Buyer, inclusive of the shipping costs and any related labour costs.

11.4. In the event of any breach of the warranty, the Supplier will either refund the full price of the faulty Product or repair or replace such faulty Product or any defective parts thereof, inclusive of the shipping costs and any related labour costs.

11.5. If the parties should fail to reach an agreement on the repair or replacement times, or if the Supplier should fail to make good any defect, in whole or in part, within the agreed time limit, the Buyer reserves the right to have the defect eliminated on its own initiative or to have it repaired by a third party at the Supplier's expense.

11.6. Any returns of Products or defective parts thereof to the Supplier and any deliveries of new Products or new, repaired or modified parts thereof will be at the Supplier's risk and expense.

12. Liability

12.1. The Supplier is obliged to compensate the Buyer and hold it harmless in respect of any damage, cost, expense or liability, including those deriving from the claims or demands of third parties, which might be the direct or indirect consequence of breaches of (i) the warranties described in article 11 above, and (ii) all the obligations taken on by the Supplier with this Contract.

13. Prohibition of assignment of Contract and right of Withdrawal

13.1. The rights and obligations deriving from the Contract may not be transferred or otherwise assigned by the Supplier, in

whole or in part, without the prior explicit written consent of the Buyer.

13.2. Pursuant to the terms of article 1373 of the civil code, the Buyer reserves the right to withdraw from the Contract at any time, by means of advance notice of 30 (thirty) days as of the date of its communication to that effect.

14. Amendments

14.1 Any amendment to this Contract will be set out in writing and will be regarded as a replacement for the previous version.

15. Settlement of Disputes

15.1 Any dispute that might arise in relation to this Contract will be subject to a preliminary attempt to reach an amicable settlement, in accordance with the mediation regulations of the Chamber of Commerce of Asti.

15.2 If the dispute is not resolved within 90 (ninety) days of the date when the request for mediation is filed, it will be settled by the Civil Court of Asti.

16. Legislation in force

16.1 Any matters relating to this Contract which are not governed by the provisions of said Contract will be subject to Italian law and the Italian civil code.

16.2. The Contract will be executed by means of correct practices and in a spirit of good faith.

17. Confidentiality

17.1 The expression "Confidential Information" refers to all information in any form whatsoever, including, merely by way of example, the technical and/or financial information passed on by the Buyer to the Supplier. The contents and object of the Contract will also be regarded as Confidential Information.

17.2 All the Confidential Information of the Buyer will continue to be its exclusive property.

17.3 The Supplier will not disclose the Confidential Information to third parties or use it for any purposes other than those required to comply with the terms of the Contract or to exercise the rights set out below. The Supplier will adopt all necessary and reasonable measures to ensure that such obligations are observed, even after the expiry of the Contract.

17.4 The parties acknowledge that all the confidential information exchanged between them is to be regarded as a simple communication rather than a binding declaration, in accordance with the truthful, precise, complete and reasonable nature thereof.

17.5 The Supplier acknowledges and accepts that any breach of the terms of this article 17 could potentially cause irreparable damage to the Buyer, and that financial compensation alone may not be an adequate remedy for the breach of the obligations in question. In such a situation, therefore, the Buyer has the right to take urgent action for specific enforcement of the relevant measures and to obtain injunctions from any competent court.

17.6 The obligations of each party under the terms of this article 17 will continue to be valid and effective even after the expiry of the Contract between them, and up to such time as, and to the extent that, the Confidential Information becomes part of the public domain for reasons not attributable to non-compliance on the part of the Supplier.

18. Personal data

18.1 The parties agree to observe the provisions of EU regulation 2016/679 on the processing of personal data. The parties also declare that they are aware of the fact that the personal data of their representatives, employees or collaborators will be inevitably processed, using digital and electronic systems where appropriate, by the personnel designated by each of the parties for that purpose, with a view to observing their respective obligations of a regulatory or any other nature.

18.2 The parties agree to fulfil their obligations to divulge the data and to obtain the consent of the parties concerned for that purpose, where necessary, and to acknowledge the rights of access, correction, portability and erasure of the data under the terms of the privacy regulations in force at the time.

19. Intellectual property (IP)

19.1 For the purposes of this article, the expression "Intellectual Property" relates to all the rights set out below relating to the Buyer and all the Machinery and Products of the Buyer throughout the world:

(i) commercial and service trademarks, trading names and company names, logos, drawings, slogans, mottoes, internet domain names and other similar denominations, and all registrations, applications for registration, renewal and goodwill associated therewith, in the form of any of the above factors;

(ii) copyrights and other related rights, database rights and moral rights and all related registrations and applications for registration and renewal;

(iii) inventions owned (whether subject to patenting or otherwise or limited to the patent application process) and the divulging of patents;

(iv) patents, industrial drawings (including the rights to make use of and design models), applications for patents and the related industrial applications and drawings (including the rights to make use of and design models) and all reprints, subdivisions, continuations, partial continuations, revisions, reviews and extensions thereof;

(v) operating procedures, trade secrets and other reserved or proprietary know-how or technologies, processes, techniques, protocols, methods, algorithms, compositions, architecture, layouts, designs, drawings, plans, specifications and methodologies, manuals, instructions, interface software, technical drawings, electrical diagrams, including the confidential or proprietary results of performance tests on the products and related studies, lists of customers and suppliers, prices, sources and information on costs and trade and marketing plans and proposals (inclusive of copies, extracts, summaries and other reproductions of a similar nature and any article to which reference is made in point (iii) above and the contents of point (vii) below), of which no knowledge has been placed at the disposal of the general public;

(vi) software (inclusive of source codes, executable codes, systems, instruments, data, databases, firmware and related documentation);

(vii) any other recognisable right of ownership or intellectual property right;

(viii) all the rights to collect royalties, products and revenues in relation to the above factors, and

(ix) all rights to summon parties in legal actions and to raise any other claims due to past, present and future breaches, misappropriation or other violations of the above and all damage compensation rights (inclusive of legal fees and costs) or the related rights to compensation for loss of profits.

19.2 The Supplier acknowledges and accepts that:

(a) this Contract does not grant, transfer or in any way place at the disposal of the Supplier any right of ownership of any nature whatsoever relating to the Intellectual Property;

(b) the Supplier will in no circumstances consider itself authorised to manufacture Machinery or parts or components of Machinery which is the Intellectual Property of the Buyer in any sense whatsoever, and

(c) it has no rights other than those specifically laid down and granted herewith. The Supplier agrees not to use the Intellectual Property in any way other than that in which it is authorised to do so under the terms of this Contract.

19.3 The Supplier acquires no right of ownership of software, manuals, drawings, instructions, interface software, technical

drawings, electrical diagrams or any other articles that might be placed at its disposal. Merely for the sake of clarification, it is understood that the Buyer continues to be the sole owner of all intellectual and industrial property rights relating to the Machinery and all other materials placed at the Supplier's disposal by the Buyer. The Supplier further acknowledges and accepts that the intellectual property rights belong to the Buyer and that, as a consequence thereof, the Supplier agrees to refrain from contesting the validity or ownership of such rights and will not present, register or claim any patent, copyright or design in any country of the world.

19.4 The Supplier will immediately notify the Buyer in writing of any infringement, imitation or falsification (whether effective or merely presumed) of its Intellectual Property rights.

19.5 Any new component and/or Machinery or products and/or new know-how developed during the execution of the Contract will be the exclusive property of the Buyer. All intellectual property rights relating to such new components and/or systems and/or know-how will also be the exclusive property of the Buyer.

19.6 This Contract will not in any circumstances be regarded as a transfer to - or issue of a licence to the Supplier in respect of - any patent, know-how or copyright relating to the Buyer's Machinery, products and/or systems and/or the components thereof. The Buyer hereby expressly reserves all its rights as the sole and lawful owner thereof.

19.7 If any software should be supplied with the Machinery, the Buyer is granted an exclusive right to make use of such software, which will be supplied with all the related documentation.

19.8 The Supplier may not register any patent or any other intellectual property right in relation to the Buyer's Machinery, products and/or the components thereof, either directly or indirectly.

19.9 The Supplier will exonerate the Buyer and hold it harmless in respect of any claim regarding the breach of the property rights of third parties, confidentiality agreements or infringements of property rights of any nature whatsoever.

19.10 The Supplier agrees to warrant that the obligations set out in this article are respected and observed by its directors, agents, employees, contractors and consultants.

20. Express termination clause

20.1. The Buyer may terminate the PO pursuant to the terms and effects of article 1456 of the civil code, by means of written notice to that effect, in the event of any breaches by the Supplier of the obligations set out in articles 3.1, 4, 7, 11, 12, 13.1, 14, 17, 18 and 19.

21. Miscellaneous

21.1. If any of the provisions of this Contract are or should become invalid or inapplicable, in whole or in part, as a result of an express provision in law, the remaining terms of this Contract will continue to valid to all effects and purposes.

21.2. The supplier acknowledges that TIRELLI has adopted an Organization, Management and Control Model pursuant to art. 6 of D.Lgs. 231/01 (including the Code of Ethics) and undertakes not to implement, in the execution of this contract and, more generally, in the conduct of its business, behaviors capable of giving rise to hypotheses of liability administrative pursuant to Legislative Decree 231/01. In case of violation of this obligation, TIRELLI will be entitled to terminate this contract, pursuant to art. 1456 of the Italian Civil Code.

civil code, the Supplier specifically declares that it has read and expressly approves the following clauses of these Conditions:

1. General, 2. Acceptance of the Order, 3. Changes to the PO, 4. Execution of the PO and Technical Documentation, 5. Inspections and Checks, 7. Packaging, Shipping, Delivery and Delivery Delays, 8. Transfer of Risks and Ownership, 11. Supplier's Warranty, 12. Liability, 13. Prohibition of Assignment of the Contract and Right of Withdrawal, 15. Settlement of Disputes, 16. Legislation in Force, 19. Intellectual Property (IP), 20. Express Termination Clause, and 21. Miscellaneous.

Sign _____

Read and confirmed. Sign _____

To all legal effects and purposes and, more specifically, pursuant to the terms and effects of articles 1341-1342 of the