

## **General Terms & Conditions of Purchase**

of Tecno System S.p.A., a company incorporated under the laws of Italy, with headquarters at Via Nazionale 60, I-10010 Mercenasco (TO), Italy, VAT No. IT-05931250012 (hereinafter referred to as the “**Purchaser**”).

These General Terms & Conditions of Purchase, printed on form MOD.1-2016 (hereinafter referred to as the “**GT&CP**”), shall apply to all supplies of goods and/or services delivered to the Purchaser by anyone supplying them (hereinafter referred to as the “**Supplier**”). They shall be intended as an integral part of any order for products or services placed by the Purchaser (hereinafter referred to as the “**Order**”).

### **1. Acceptance of Terms**

Any of the Supplier's terms & conditions, as well as any amendment and/or integration by the Supplier to these GT&CP shall not be valid, nor enforceable, unless expressly and specifically agreed in writing by the Purchaser's legal representative.

### **2. Acceptance of the Purchase Order**

Orders for the supply of goods and/or the provision of services shall be issued by the Purchaser in writing and sent to the Supplier, irrespectively, by fax and/or by e-mail. The Supplier shall acknowledge acceptance of the Order in writing within five (5) days of its issuing date. Failure to acknowledge receipt in writing, the Order shall be considered as tacitly agreed in its entirety by the Supplier. At any rate, commencing the Order performance, by Supplier, shall amount to unconditional acceptance of the Order.

### **3. Supplier's Obligations**

**Terms and Conditions of Delivery.** They are set forth under each Order and governed by INCOTERMS 2010. Terms, dates and places of delivery are specified in the Order, are of fundamental relevance for Purchaser and strictly binding for the Supplier. Delivery of goods or provision of services different from what is provided for under these GT&CP and/or the Order can be rejected by Purchaser, without prejudice to its right to claim full compensation. The acceptance, by the Purchaser, of a late delivery of goods or provision of services shall never entail any implicit waiver by Purchaser of its right to compensation.

**Transport, Packaging and Goods Storage.** The Supplier shall bear all transport, packaging (containers) and material storage's costs and risks. The Supplier shall be directly liable towards Purchaser for any act or omission of the transporter and/or its employees and/or contractors. Well before delivery, the Supplier shall provide Purchaser with the appropriate instructions for the correct storage and handling of the goods, as well as with indication of any procedure to be followed. For goods containing hazardous and/or toxic components, the Supplier shall provide Purchaser with the appropriate safety sheets. For goods subject to an expiry date, Supplier shall indicate the manufacturing and expiry dates and provide the instructions for their preservation.

**Compliance with Labor Laws.** The Supplier warrants and represents that the Order will be performed by duly trained personnel, regularly employed and paid in compliance with the applicable labor law provisions and that the working process shall take place according to the best standards for preventing accidents to workers and environmental damages and in compliance with the prohibition of child labor.

### **4. Supplier's Warranty**

The Supplier warrants and represents that goods delivered and services provided are free from faults and defects and are in compliance with the Purchaser's specifications. The warranty is valid for 12 (twelve) months of the date of delivery to the Purchaser (for goods) or of the last provision (for services). Faults and defects shall be notified to Supplier within 60 (sixty) days of their discovery.

The Supplier agrees to repair and/or replace the faulty or defective goods at no charge for Purchaser and/or Purchaser's customers. Repair/replacement shall take place within and no later than 30 (thirty) days of the Purchaser's request. A new warranty period for the same duration as above shall be applicable for the repaired goods and/or the goods containing replaced components.

## **5. Indemnity**

Should any claim be brought against Purchaser, for a product fault or defect or for a product being owned by third parties, or for a product's or service's use being restricted, the Supplier shall indemnify and hold Purchaser harmless of any cost, including legal fees and expenses, and damage deriving thereto, including but not limited to any loss of or damage to data, loss of profit, loss of contract or loss of other economic advantage. The Supplier shall also indemnify and hold Purchaser harmless of any preventive measure taken to avoid or reduce damages (e.g., product recall), in compliance with law and/or contract provisions.

## **6. Insurance**

The entire liabilities and risks at the charge of Supplier under the Order, these GT&CP or at law shall be covered by adequate insurance, with a coverage of at least €5,000,000 (five Million) and extended to direct, special or consequential damages, including policies for product liability and recall costs, personal or bodily injury and general liability. The insurance policies shall be entered into with reputable insurance companies. The Supplier warrants and represents that there are already in place, and will be, with full force and effects and to its benefit, insurance policies covering all risks listed above, before and during the Order performance, as well as after delivery of goods/provision of services and for as long as any liability can be attributable to Supplier under the Order, these GT&CP or by any applicable law. At the request of the Purchaser, the Supplier shall provide a certificate of such policies, as well as a record of the proper payment of the insurance premiums thereon. The Purchaser's request of Supplier's insurance coverage does not in any way constitute a waiver of the Supplier's direct and personal liability and warranty. In case the Purchaser transfers on loan equipment or tools to Supplier, in order to facilitate the performance of the Order, the Supplier shall provide at its expense and in the Purchaser's name, insurance against all risks of loss, theft and damage.

## **7. Quality**

The Supplier shall guarantee that goods supplied/services provided are complying with the most advanced quality and safety standards, as well as with all specifications. The Supplier shall develop a quality management system and give evidence of it, upon the Purchaser's request. The Supplier's product quality certificates shall report the date, the method and the identity of the certifying authority. The Supplier shall keep these certificates on files for 10 (ten) years of performing the last Order and shall tender them to the Purchaser, upon request.

The packaging of goods, if not specifically described in the Order, shall be adequately conceived to ensure a sufficient protection during the transport and storage.

The Supplier shall make sure that its contractors complies with the same quality and safety standards.

## **8. Cancellation**

Purchaser can cancel any Order, provided that upon 30 (thirty) days prior notice before agreed delivery date, given by registered letter or certified e-mail. In such a case, the Purchaser shall only reimburse to the Supplier 1.00% (one/00 per cent) of the Order value, since Supplier hereby warrants and represents that such an early cancellation is not capable of causing any material damages, and waives any right to claim any further damage, including: direct, indirect, special, consequential or incidental loss or damage, loss of or damage to data, loss of profit, loss of contract or loss of other economic advantage.

Since on-time delivery is of utmost importance for Purchaser, in case of non-performance or delivery delay by the Supplier, Purchaser can cancel the order, in writing, without prior notice, without penalty and without prejudice of claiming full compensation.

## **9. Price and Payment Conditions**

The price quoted in the Order (hereinafter referred to as the "**Price**") is exclusive of any value added tax (VAT), which shall be added, as the case may be, in compliance with the applicable laws and regulations.

The Price is fixed, unchangeable and all-inclusive. All costs, charges, expenses and taxes relating

to the Order performance are included, without any limitation, except VAT.

Invoices may be issued only after the complete performance of the Order and shall make reference to the Order numbering and date.

The invoices, provided that issued in compliance with the Order and these GT&CP, shall be paid by the Purchaser within payment term referred to under the Order.

Purchaser can set-off or counterclaim against the payment of any goods or service ordered.

#### **10. Confidentiality**

The Supplier shall keep as strictly confidential any economical, technical or business information received by the Purchaser, irrespectively of the communication media (hereinafter referred to as "**Confidential Information**"). Confidential Information shall not include information which: (a) at or prior to the time of disclosure by the Purchaser was known to the Supplier through lawful means; (b) at or after the time of disclosure by the Purchaser becomes generally available to the public through no act or omission on the Supplier; (c) is developed by the Supplier independently of any Confidential Information it receives from the Purchaser; or (d) the Supplier receives from a third party free to make such disclosure without breach of any legal obligation.

Confidential Information is and will remain the exclusive property of the Purchaser, for as long as it can be considered as confidential. The Supplier will not use any Confidential Information for any purposes other than the performance of its obligations under the Order and/or these GT&CP. Notwithstanding the foregoing, the Supplier may disclose Confidential Information pursuant to any statute, regulation, order, subpoena or document discovery request, provided that prior written notice of such disclosure is furnished to the Purchaser as soon as practicable in order to afford the Purchaser an opportunity to seek a protective order.

#### **11. Intellectual Property**

All materials, equipment, instruments, drawings, specifications, data and other documentation supplied by Purchaser to the Supplier are and will remain the sole property of Purchaser and shall be returned upon simple demand to Purchaser or anyway upon complete performance or cancellation of the respective order.

#### **12. Equipment and Manufacturing Tools**

The manufacturing tools and/or equipment to be used for performing the Order and whose cost has been paid by Purchaser, even if developed by the Supplier, are the sole property of Purchaser and shall be kept by the Supplier exclusively on a loan-for-use basis. The Supplier shall register these materials, equipment and manufacturing tools, at his own charge, within the appropriate registers as "*Third party property goods*".

The Supplier shall take all necessary measures for the correct use and preservation of these materials and carry out their ordinary maintenance at its own charge. The Supplier is solely and fully liable for any use of these manufacturing tools and/or equipment. Purchaser shall charge the Supplier with any costs incurred for restoring the said materials because of the Supplier's negligence and/or lack of maintenance.

#### **13. Right to Access the Purchaser's Premises**

The Purchaser and/or any Purchaser's customer is granted full and extensive right and at any time to access the Supplier's premises, for inspecting the manufacturing tools and/or equipment referred to under clause 12 above, as well as to check the progress of the Order performance, and the availability of all relevant documents.

#### **14. Miscellaneous**

**No Assignment.** The Purchaser shall not assign any Order, in whole or in part, nor the rights and obligations arising out of these GT&CP, without the Purchaser's express and specific consent in writing.

**No Procurement Obligation.** Neither these GT&CP nor any Order shall impose any procurement obligation on Purchaser.

**Relationship.** Neither these GT&CP nor any Order shall create any form of employer/employee relationship, agency, joint-venture, partnership or association between the Supplier and the

Purchaser.

**Invalidity.** If one or more of the provisions of the Order or these GT&CP should be ineffective, the other provisions shall not be affected thereby. The parties shall be obliged, in such a case, to replace an ineffective provision by an effective one that most approximates the economic purpose of the ineffective one.

**15. Applicable Law & Jurisdiction**

These GT&CP and any Order shall be governed and construed in accordance with the provisions of the Laws of Italy. The courts of Brussels (Belgium) shall have exclusive jurisdiction over all disputes arising out of these GT&CP and/or any Order or in connection with the subject matter hereof. Language of the procedure shall be French. However, if the Purchaser is the plaintiff, the Purchaser shall be entitled to sue the Supplier in the court having jurisdiction over the place of business of the Supplier. In any such action the parties hereby waive any right to allege lack of personal jurisdiction, improper venue or inconvenient forum.