

Terms and Conditions of Purchase **Mod. DPI_155-e_Rev.00_EN_CGA**

1. General Conditions

These Terms & Conditions are the only provisions accepted by De Pretto Industrie S.r.l.(hereinafter DPI) to rule the purchase contracts and/or orders of the latter. Any and all terms and conditions proposed by the Supplier (hereinafter Supplier) which differ (even partially) from or are in addition to these Terms and Conditions shall not be binding upon DPI unless prior written approval of the latter is obtained. Waiver of these Terms & Conditions strictly requires mutual covenants specifically agreed upon and accepted by the Parties.

2. Purchase Orders and Changes

2.1 Orders, contracts, enquiries and requests of any kind, as well as changes or additions, always need to be in writing for validity. Possible verbal agreements must be followed by DPI written confirmation for validity.

2.2 If the Supplier fails to confirm an order in writing within 5 (five) business days from its receipt, DPI may cancel the order without incurring into any detrimental consequences or penalty.

2.3 All goods/service orders of DPI called off of a framework contract shall be binding for the Supplier unless rejected by the latter within 2 (two) business days from the date of their receipt.

3. Materials on account for manufacture

3.1 If the Supplier is required under a specific contract to process or carry out any fabrication on goods/materials/products of DPI, such goods/materials/fungible products shall be clearly identified or identifiable and the Supplier undertakes to accurately confine them in its stocks so that they can be easily and quickly found as a property of DPI. Materials on account for manufacture shall remain the exclusive property of DPI regardless of whatever processing or fabrication. DPI may request the Supplier to return any fabrication scraps, if technically feasible and financially viable, without any significant charge on the fabrication/process cost.

3.2 Possible faults of the goods/materials provided by DPI, as well as their insufficient quantity against the contract requirement, must be claimed by the Supplier within 3 (three) business days from their receipt or the consignment shall be deemed as faultless.

4. Delivery of Goods and/or Material – Supply of Services

4.1 All terms and deadlines agreed in writing are firm and binding for the Supplier. A delivery /order is deemed as timely executed based on the date of receipt of the goods/services by DPI, provided that the delivery is accompanied by all the necessary documents in accordance with the laws and/or the contract.

4.2 The Supplier is to immediately notify DPI's purchase office on any problem and/or delay incurred in the execution of its contractual obligations, thereby confirming the new expected deadlines; notwithstanding such notice, however, the Supplier shall not be relieved of its liability for the consequences of any delayed performance.

4.3 If a delivery is delayed, the Supplier shall pay DPI a penalty as established under the reference contract or purchase order. If the contract/order do not include any late-delivery clause, the Supplier shall be charged a penalty equal to 1% of the supply value per week of delay up to a maximum of 10%. Nevertheless, DPI reserves the right to claim for greater damages or to request contract termination, if the penalty due equals or exceeds the above-mentioned maximum amount.

5. Audits and inspections

5.1 DPI may carry out inspections and audits at the Supplier's premises in order to assess the flawless and compliant production of the goods purchased and/or supplied. Inspections and audits are subject to at least two business day notice. The Supplier undertakes to allow access to its premises.

5.2 Any inspections and audits carried out by DPI shall not release the Supplier from any of its liabilities, and any performance of the latter shall remain its exclusive responsibility.

6. Price and Payment - Passing of Risk

6.1 All prices are firm and fixed throughout contract execution. Payment prices, terms, and conditions shall be stated on each order or contract. Additional costs shall be accepted by DPI only if previously approved in writing by the latter.

6.2 All payment terms start from the date of delivery, which is the date of receipt by DPI of the goods together with all the delivery documents pursuant to Article 4.1. above.

6.3 The Supplier bears all the risks of loss or damage to the goods up until handover to DPI, or to any representative in lieu of the latter at the delivery place agreed in the contract.

7. Acceptance and Warranty

7.1 The Supplier represents and warrants that all goods/materials shall: a) be supplied free of any defect, even if minor or not affecting the value or the suitability of the goods/materials bought *per se* or for their intended use; b) fully match the

De Pretto Industrie S.r.l.

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Società Unipersonale soggetta all'attività di direzione e coordinamento da parte di SELINK S.p.A.

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required and/or agreed specifications, performance rates and technical data stated in the contract; c) be compliant with the laws, regulations and applicable statutory provisions. Acceptance of the goods is subject to and conditioned by DPI's inspection and/or control even though the latter does not release the Supplier from its obligations and liabilities under this Article.

7.2 The Supplier warrants that the goods provided shall be free of operation defects and/or flaws for a period of 24 months from the date of signing by DPI of the delivery, and/or commissioning, and/or initial operation of the goods based on contractual agreements. Full or partial repair or replacement by the Supplier during the warranty period shall extend the warranty for the entire good or the repaired/replaced part by 24 additional months.

7.3 DPI shall have the right to claim warranty products or goods over a 45-day time period from the detection of the claimed flaws or non-conformities, without prejudice to other longer terms in accordance with the applicable laws.

7.4 For goods or products that are found to be non-compliant or defective during the warranty period, DPI may at its own discretion request the Supplier to either provide an immediate remedy at its own costs and arrangement or to replace the entire supply free-of-charge. If the Supplier fails to take prompt actions or remedies despite DPI's reminders, the latter may take any action by its own staff or the staff of thirds to mitigate such delivery, and charge the Supplier with the related costs and expenditures.

7.5 An executed payment of the supply shall not reduce or limit any of DPI's rights of claiming, rejecting and requesting the Supplier to refund any and all direct and consequential damages resulted out of the claimed supply.

8. Contract Withdrawal and Termination

8.1 Additionally to all statutory buyer's rights, DPI is entitled to withdraw from/immediately terminate the contract if the Supplier's financial/ economic conditions are evidenced to be greatly compromised, or likely to endanger the execution of all its commitments towards DPI. However, this shall not reduce or limit any of DPI's rights of claiming for the reimbursement of any greater damages.

8.2 If the Supplier only partially executes an order, DPI may cancel the entire contract should it not be interested in partial performance.

8.3 If an order is executed out of any contract signed between DPI and a final customer of the latter, that is also known to the Supplier, the above order may be cancelled if the main contract between DPI and its final customer is cancelled/terminated for any reason that is not due or connected with DPI. In such a case, the Supplier shall be entitled to be refunded only the costs incurred and documented for contract execution up to cancellation, with the exclusion of any other outlay or consequential cost whatsoever.

9. Intellectual Property Rights and Rights of Thirds

9.1 All documents (including but not limited to drawings, calculations, samples etc.) made available to the Supplier pursuant to the execution of this contract are the exclusive property of DPI and must be returned to the latter at the end of the contract, or on simple request of DPI. Disclosure to the Supplier or publication of a contract matter for either technical or marketing reasons are strictly allowed if previously approved by DPI in writing.

9.2 The Supplier represents and warrants that it holds all the necessary means and authorisations for use of third parties' goods and/or services, including industrial and/or intellectual property rights, and whatever rights of other thirds that may relate to them. The Supplier agrees to promptly indemnify and hold DPI harmless against any direct and consequential damages and charges incurred by DPI in relation to such claims.

10. Confidential Information

10.1 The Supplier shall not disclose any confidential technical and marketing information of DPI to third parties, whereas confidential information includes but is not limited to the data abstracted from assets, documents or software of DPI, as well as other information or jobs executed under the contract, except for those that were already in the public domain.

10.2 Confidential information is strictly a property of DPI and may not be duplicated or used for any marketing purpose whatsoever (except for the execution of DPI orders) without the prior written approval of DPI. On DPI's request, all information provided by DPI to the Supplier (including copies, or recordings, if any) shall be returned to DPI. The assets and tools that were made available to the Supplier by DPI shall be either promptly returned or destroyed. All rights (including intellectual and industrial property rights) on confidential information are reserved to DPI. This reserved property is also applicable to information provided by thirds.

10.3 The Supplier shall refrain from offering, transferring or assigning to thirds, and from using for any purpose other than the contract one, the assets and/or products made from drawings, patterns, samples, and construction works or confidential information of DPI, or by means of tools and equipment of DPI (or manufactured based on the latter).

11. Compliance with the Standards and Code of Ethics

11.1 The Supplier recognises the Code of Ethics and the Organisation Model of De Pretto Industrie S.r.l., also available in the download section of DPI webpage (www.deprettoindustrie.it), and acknowledges that any reinstated or serious violation of the provisions contained therein shall be considered as a major and substantial breach of the contract obligations, which



consequently entails contract termination pursuant to Art. 1456 of the Italian Civil Code, as well as the compensation of any damages incurred by DPI.

12. Governing Law and Jurisdiction

12.1 For any controversy or dispute between the parties on the interpretation and execution of this Contract, the Parties agree that the Court of Vicenza shall have exclusive jurisdiction.

13. Miscellaneous

13.1 The invalidity of any of the clauses or provisions of this contract or additional future agreements hereto shall not result in the invalidity of the remaining clauses or provisions. In this case, the Parties agree to replace the invalid clause or provision with a new one matching the financial aims of the contract as much as possible.

13.2 The partial or total assignment of the contract by the Supplier is forbidden, without DPI's prior written approval. In the case of assignment, the Supplier shall remain liable for its obligations towards DPI.

13.3 Failure of the Parties to exercise any of their contract rights, or provisions, shall not be construed as a tacit waiver thereof, and neither shall it affect the validity of the contract.