

GENERAL PURCHASING CONDITIONS (GPC)

1. General Principles

These general conditions of purchase, if not unanimously expressly agreed in writing, are to be considered an integral and essential part of the order or contract and are valid for any order placed by the Buyer to the Supplier or to any contract signed. These terms and conditions supersede any prior agreements and / or correspondence on the same matter, including any general conditions of sale of the Supplier, either individually or collectively, and shall prevail, unless otherwise agreed in writing, any condition, restrictive or amended clause, different or additional clauses introduced by the Supplier in print or electronically or otherwise referred to by the Supplier in its quotations, confirmations of order, invoices, notes, or correspondence.

These General Conditions of Purchase have been translated into English from the Italian. If any discrepancies should emerge between the two versions, the Italian version shall prevail, unless otherwise agreed in writing by the Parties.

2. Orders and changes

Despite the lack of signing by the Supplier, the order shall be deemed accepted in any case in the absence of objections or dissimilar written counterproposals received by the Buyer within 2 working days from the sending of order by e-mail or fax.

For such purpose shall be proper the sending of the order by the Buyer to the Supplier at the address specified in the original encoding, qualification or in subsequent written submissions.

The performance of the supply by the Supplier shall be deemed in any case as a tacit acceptance of these conditions and those specific expressed in the order. Any counterproposal will be binding only if expressly accepted according to art. 1326 c.c.

The Buyer reserves the right to make any changes to the order by issuing a "change of order" containing the proposed change and its effect. It will be deemed accepted by the Supplier unless he communicates in writing to Buyer, within 2 working days from sending, its unwillingness to accept the new proposed terms and conditions.

3. Prices

Prices are stated in the order or contract and, unless otherwise specified therein, are always intended with reference to price list in force at the time of issuance of the order or of execution of the contract. The prices stated in the order / contract are net of VAT, fixed and firm and therefore will not be increased for any reason whatsoever.

The prices, unless otherwise indicated in the order / contract, are inclusive of all costs, taxes (including therein export duties), fees and insurance cost, packaging expenses, and mandatory legal contributions. Any changes to price lists in force must be agreed with the Buyer's Procurement Office.

4. Terms of delivery of goods

The delivery terms will be indicated in the order / contract with reference to the ICC Incoterms 2020. In case of failure, the clause DAP - Delivered At Place, (as named in the order or contract), shall apply. The goods must be delivered at the place, time, and in the quantities and terms specified in the order/contract.

Delivery can be at building sites, production sites or at the premises of the Buyer.

The terms of delivery are peremptory and essential. Any exceptions, even for improvements and technical changes, shall be expressly agreed in writing.

The delivery date is the most recent of the dates on which the goods duly accepted in compliance with relevant certifications, will be received by the Buyer at the agreed delivery point.

5. Delayed delivery

In case of delay in delivery of goods or performance of the order not due to force majeure events, the Buyer shall be entitled to apply, unless otherwise agreed in the order / or contract, liquidated damages for delay equal to 1% the price of the undelivered goods for each week of delay or part thereof.

The Buyer shall be entitled to set off the liquidated damages with the remainder from the expired or expiring price. The Buyer shall retain the right for greater damages as well as the right to cancel the order or terminate the contract in case of delivery delayed over 7 days.

6. Shipment of goods and transport documents

Shipments will be made by the most appropriate means. The carrier shall be named by the Supplier and may be, in special cases, even agreed with the Buyer and named in the order.

The Supplier shall be liable for damages due to incorrect packaging, labelling, or insufficient anchoring of the goods in accordance with terms agreed in the order.

The goods must always be accompanied by the transport document (DDT), prepared in accordance with applicable laws, or immediate invoice. DDT shall always indicate, in addition to the information required by law, the Buyer's order number and / or other data required by the internal procedures of the Buyer quality Policy.

Where the goods are sent directly to the destination, without transit at Buyer's premises, the Supplier shall send to Buyer, on consignment, a copy of the issued DDT

7. Documentation

The goods must be supplied with all the technical documentation for mounting, assembly, use, operation and maintenance, and all certificates, safety certificates included, approvals, MSDS sheets, and/or waste classifications, required by law or in the order/contract. This documentation will be an integral part of the supply order/contract. If the documentation submitted is incomplete and/or non-compliance with the order/contract or regulations, including technical regulations, in force and applicable, the Buyer shall have the right to suspend the payment of invoices, even of subsequent deliveries, until the regular receipt of a complete, correct and proper documentation.

The Supplier shall ensure compliance with and application of local and international laws and regulations (Directives and Regulations) that the goods supplied must comply with, also by transmitting the

necessary documentation according to the established methods and format, including those in the List of Directives and Regulations (e.g. REACH, ROHS, etc.). The Supplier must be constantly updated on each new applicable Directive and/or Regulation and related amendments.

8. Warranty

Supplier warrants that the goods meet the technical characteristics and specifications agreed or referred to in the order / contract or possessed by samples or prototypes delivered, are of merchantable quality and fit for the purpose, free from encumbrances, and that the materials used are free from defects, including latent, and that operations were performed in a professional manner. The Buyer has the right to perform audits on the quality system of the Supplier and /or request a copy of the related manuals and certifications, when specifically requested by the end customer.

Except as otherwise provided in the orders/contracts, the Supplier warrants and represents that the goods are free from defects in design, material and workmanship, and are fit for the purpose for a period of 24 months effective from the date of delivery or, in the case of goods subject to testing, from the date of testing.

In express derogation from Article. 1495 cc the Buyer shall notify the defect within 30 days from the delivery date for defects "recognizable" or from the date of discovery for "latent defects". Defects discovered upon unpacking shall be expressly treated as hidden defects. Written complaints of non-compliance shall be considered accepted by the Supplier if not contested within 5 days from receipt. Without prejudice to any other rights or remedy available to Buyer by law or under contract, the Supplier shall provide to repair and / or replace, at its own cost and expense, within a reasonable period required by the Buyer, the defective goods. The cost of labor, transport and packaging are included into the warranty.

In the absence of prompt intervention by the Supplier, the Buyer may, at its discretion, to:

- a) accept the goods with reasonable price reduction;
- b) repair directly or by third parties, charging to the Supplier the related cost. If replacements or repairs occurs during the warranty period, the warranty shall commence from the date of the same.
- c) terminate the contract.

Should in the process of inspection for acceptance the goods are refused for non-compliance (with the technical specifications or conditions of the order) the Buyer shall always be entitled, even in case of batch order, to cancel the relative order /contract (sub c) and request the cancellation of the issued invoice.

The Supplier is liable for damages caused by product defects even according to Italian Decree. n. 206/2005 and must take and maintain, at its own cost, a proper product liability policy of insurance. The Supplier shall indemnify and hold harmless the Buyer from any damages, costs o request, even due to product recall or to suit started by third parties, arising or resulting from defective or non-reliability of the goods.

9. Testing and inspection

All goods, unless otherwise agreed or practiced, shall be subject, both during production and being delivered, to inspection and check by the Buyer, by potential customers, or by inspectors appointed

by the latter. The performance of an inspection does not affect the right of the Buyer to refuse the goods not in compliant or unfit for the purpose nor imply, in any way, recognition of perfect fulfillment and / or acceptance of the goods.

Supplier shall allow free access, during working hours, to its premises to Buyers personnel, customers and Authorities, and shall provide, at its own expense, all required technical assistance and the necessary tools for check.

The tests must be performed by the Supplier, at its own expense, according to order / contract and legal requirements. In case of joint testing, the test plan must be sent by Supplier with seven days minim notice.

The Supplier shall bear all costs for approval practices / tests or authorizations required by law. The original and complete certification testing will be released to the Buyer.

10. Export control and customs

The Supplier shall inform the Buyer of any requirements for export licenses of goods / products in accordance with Italian law, EU or US export control and the customs rules and the legislation on export controls and on current customs rules in the countries of origin of products by way of an annual declaration or by stating the information on its commercial documents. In addition, the Supplier shall always indicate in offers / order confirmations and invoices, providing updates, the following information: export list number/export control classification number (ECCN) for US goods, in accordance with US EAR; the country of origin of the goods and their components (including therein software); preferential country of origin (also by annual declaration); any transport on US territory or manufacturing/storage on US territory or manufacturing using US technology; HS product code (customs tariff); the applicability of EU, UN or US embargoes on certain countries; the company liaison officer for relevant information.

If not mentioned by the Supplier prior to the completion of the order / contract, it must be understood that the goods are free for export to the country - named in the order or in the contract - in which delivery must take place, or, if not named the country of delivery, are free to any country.

11. Force majeure

Are considered as force majeure events any unforeseeable circumstances beyond the reasonable control of the affected part the occurrence of which is for it inevitable and unpredictable and that have the effect of preventing the affected part to fulfill part or all of the contractual obligations.

They will be deemed as force majeure events, including but not limited to, the following: earthquake, cyclones, floods, fire or other natural disasters, or epidemics, wars, revolution, coups, riots, unrest and other war hostilities, invasion, acts of terrorism, sabotage / pirating, expropriation, confiscation, embargo or destruction ordered by civilian or military government authorities, bans and acts of government authorities or public bodies, both legal and illegal, national strikes and lockouts.

In no case will be considered force majeure events delays of subcontractors.

In the event of force majeure, the Supplier shall promptly notify the Buyer of the event by ordinary or certified electronic mail and adopt all measures able to mitigate its impacts. Force majeure may not be claimed if the event occurs after the expiry of an agreed delivery deadline.

If an event of force majeure is such as to cause a delay in delivery that is incompatible with the production needs of the Buyer (production stoppage), the Buyer shall be entitled to source the goods from third parties.

In case of delay due to force majeure endures for more than 15 days the Buyer shall have the right to cancel the order by written notice with immediate effect on deliveries.

If the force majeure event prevents the party performing the service for more than 90 days, each party shall be entitled to terminate the order / contract.

12. Invoices

Invoices, both on payable on sight and deferred, shall be prepared, issued, and managed in compliance with the applicable provisions of law and according to the Buyer's rules and operating procedures, by filling in all the mandatory fields required by statutory provisions on electronic invoicing. The Recipient Code field must contain the following code: B.U. Finishing 7WPS8BL; B.U. Engineering BW4342S; B.U. Corporate: 9527JQ8.

Invoices are to be addressed to the Company indicated at the bottom of the purchase order and sent, in electronic format, to the Interchange System (SDI) run by the Italian Revenue Agency, in XML format (for more information, please refer to the website web <http://www.fatturapa.gov.it>).

Invoices issued in a non-electronic format or transmitted by other means are null and void by law and cannot be accepted by the Buyer. Except as otherwise provided by legislative or regulatory changes, the only invoices that may continue to be accepted in print format are: invoices from non-Italian suppliers; invoices from contractors subject to a minimum and flat rate tax regime; and invoices from contractors operating under special tax regimes.

To be accepted, each invoice must state, in addition to the data required by law, the relative purchase order numbers and the certified email address and/or the recipient code of the Buyer and, in the case of public procurement, the CIG and CUP numbers.

Under no circumstances shall be allowed the issuing of invoice before the actual delivery of the goods, unless express written derogation.

Invoices shall be subject to the tax treatment applicable at the time of the transaction. The invoice shall be issued only after the performance, with positive result, of factory tests (FAT), commissioning and / or tests in site / construction site (SAT), according to provision of such additional services in the order / contract.

13. Payments

Payments will be made, unless provided otherwise, by bank transfer in the bank account encoded in the master suppliers register.

The Supplier shall immediately communicate any change by filling in and sending to the Buyer of the countersigned encoding module, together with the relative bank certificate.

In the case of public procurement and/or a CIG and, when applicable, a CUD code has been expressly noted in the order, the Supplier shall, in respect of mandatory traceability requirements of cash flows provided ex art. 3 L. 136/2010 and amendments, indicate in writing the bank account and the dedicated banks. In such case all bank transfers, shall be marked with CIG and CUP codes,

and can be carried out only in bank account and banks dedicated as expressly named. In the case of defects notices or otherwise in case of not timely and proper fulfillment by the Supplier, the Buyer shall be entitled to suspend the payment until the defect is rectified. Suspension or delay in payment does not grant to the right to the Supplier to suspend, for any reason, its performance. Payment does not constitute acceptance, even partial, of the goods. Without prejudice to any other right or remedy, Buyer shall have the right to set-off any amounts due for payment against amounts which may become payable by Supplier to Buyer under this Order or otherwise (claimed damages included).

14. Assignment of contract and of credit

It is strictly forbidden to the Supplier to transfer or assign, or sub-contract, in whole or in part, to third parties' orders / contracts or the relevant rights / obligations without prior express written consent of the Buyer.

In case of any violations Buyer shall have the right to suspend payments ex art. 1460 cc.

In the event of sub-contract the Supplier shall have the full and direct liability to the Buyer.

It is expressly forbidden the assignment of credit, or to issue collection mandates, in any form, without the express written consent of the Buyer. According to art. 1262 c.c. the order will be considered an integral part of the supporting documents required. This clause is presumed to be known by the assignee at the time of the assignment and it is therefore enforceable to him according to art. 1260/2 cc

15. Revocation or withdrawal

Buyer may, at its discretion, revoke the order or terminate the contract at any time, via E-MAIL or fax. With the reimbursement to Supplier of all the expenses effectively incurred by the up to the date of withdrawal / cancellation and as previously approved.

16. Express termination clause

The Buyer shall be entitled to terminate with immediate effect, pursuant to art. 1456 cc, the contract / order with a written communication (also via e-mail) in case of:

- a) violation by the Supplier of the confidentiality and not competition clause or of the Code of Ethics, or the MOG clause;
- b) the Supplier's delayed delivery of the goods exceeding 7 days;
- c) deterioration of asset / financial conditions of the Supplier such as to jeopardize the continuing supply;
- d) fraud or gross negligence in the performance of the supply that could damage the image or the Buyer's business interests;
- e) judicial proceedings against the Supplier such as to jeopardize or damage its image and reputation or the image and reputation of the Buyer.
- f) liquidation, termination of business or insolvency of the Supplier, or insolvency proceedings of any kind (including the debt restructuring agreements or arrangements with creditors).

17. Confidentiality and non-competition obligation

The Supplier agrees unconditionally to keep under strict confidentiality and secrecy all sorts of oral or written information, technical or commercial, that is provided directly or indirectly by the Buyer in relation to the object of the order. The Supplier must not disclose to third parties or use the information for any other purpose nor copy or reproduce any documentation, except with the explicit consent of the Buyer.

In the case of manufacture based on design, pattern or sample of the Buyer, the Supplier also undertake not to manufacture or sell, directly or through a third party or company, the same or similar products.

The obligation of confidentiality is binding for the Supplier and its assignees and successors, and will be enforceable indefinitely also in case of any change in the company name or ownership structure.

18. Intellectual property rights

The Supplier warrants that the manufacture, use and marketing of the goods / products, their accessories and components do not infringe the industrial property rights or copyrights of any third parties and is not the object of dispute or legal action.

The Supplier expressly indemnifies and hold harmless the Buyer and its customers from any third-party action or claim for infringement of patents, intellectual rights, trademarks, copyrights and other similar rights to protect the know-how or trade secrets, ensuring the legality of the use and trade of any goods supplied by the order / contract, in Italy and abroad, and assuming all charges (with no exceptions) for the prompt definition of the claim of the third and/or compensation of any possible damage caused to the Buyer.

In the event that any intellectual property rights of the Supplier are incorporated into the goods/services provided, the Supplier hereby licenses the intellectual property rights to the Buyer for: (i) the use and/or sale of the goods to its customers, and/or (ii) the use of the services. Said license shall be non-exclusive, free-of-charge, perpetual, irrevocable, and worldwide.

19. MOG and Sustainability.

The Supplier hereby represents that it is aware of and complies with, and that it requires its employees and/or contractors to comply with, the provisions of Italian Legislative Decree No. 231 of 8 June 2001 on the administrative liability of legal entities, and amendments and additions thereto.

Additionally, the Supplier hereby represents that it has read and understands, and hereby accepts and agrees—also on behalf of its employees and/or contractors pursuant to Article 2049 of the Italian Civil Code—to comply with the ethical principles set out in the Code of Ethics, in its latest version, as updated from time to time, and the principles and requirements of the corporate compliance programme (known by the Italian acronym “MOG”) adopted by the Buyer, both of which are published on the website www.cefla.it.

The Buyer expects its Suppliers to pursue environmental and social sustainability objectives and adequately conform to the Buyer's own requirements regarding sustainability in dealings with business partners.

Accordingly, the Supplier is required to possess all the authorizations and licenses necessary to carry out its business and shall comply with all statutory regulations, in particular those concerning environmental protection, industrial relations, occupational health and safety, and all obligations in the field of labour law, such as those provided for by collective bargaining agreements and those relating to social security and welfare contributions. The Supplier shall compensate the Buyer for any damages arising from or in connection with any non-compliance with said regulations.

Supplier hereby agrees and accepts to provide, upon request by the Buyer, all the information and documentation that the latter deems necessary to demonstrate compliance with the foregoing principles, values, and prohibitions, as well as with statutory requirements and environmental and social sustainability standards, in order to enable the Buyer to check and assess, in its unchallengeable opinion, the Supplier.

The Buyer shall have the right, pursuant to Art. 1456 cc, to terminate the contract in case of non-compliance to the above requirements / principles, without prejudice of any greater damage.

20. Data Protection

The Supplier and the Buyer mutually agree and accept to process all personal data learned directly and/or unintentionally through the performance of the contract/purchase order in accordance with Regulation (EU) 2016/679 ("GDPR"), with Italian or other applicable legislation, and with the provisions adopted by the Italian Data Protection Authority (hereinafter "current legislation"). In particular, data will be processed exclusively for the purposes of administrative and accounting procedures, the fulfilment of legal obligations, the management and performance of the contract/purchase order, and the proper performance of the service, and will be stored in writing and/or on electronic media.

The Parties also agree and accept that, if in performing the contract the Supplier is to process personal data on behalf of the Buyer, the Supplier will be designated as a processor by means of specific engagement, in accordance with Article 28 of the GDPR.

Accordingly, the Supplier represents and warrants that it possesses adequate experience, capacity and professional skill such as to ensure full compliance with current legislation, and that it possesses sufficient guarantees to implement appropriate technical and organizational measures.

The Supplier shall be liable for compliance with any instructions received from the Buyer where it acts instead as an entity authorized to handle data.

21. Arbitration clause and applicable law

Any dispute concerning the present conditions / orders or contracts - including those relating to the validity, execution, interpretation and termination - shall be settled by binding arbitration in accordance with the Arbitration Rules of the Chamber of Commerce of Milan, which parties declare expressly to know and accept, from n. 3 (three) arbitrators appointed in accordance with such regulations. The arbitrators shall decide according to law. The arbitration seat shall be Bologna. These conditions and related orders or ancillary contracts are governed solely by Italian laws, without giving effect to the conflicts of law rules thereof.