

GENERAL PURCHASE TERMS AND CONDITIONS

DEFINITIONS

In these General Terms and Conditions of Purchase, the terms and expressions listed below shall have the meaning ascribed to them below.

- a) **“Equipment & Materials”**: any equipment and/or materials of any kind that may have been delivered by FTC to the Supplier and/or otherwise made available to it, including on account of processing, for the supply of the Products & Services.
- b) **“FTC”**: FTC SRL, with registered office in Fiano (TO), via Giovanni Agnelli, no. 3.
- c) **“Technical Specifications”**: the specifications defining the features of the Services.
- d) **“General Terms and Conditions”**: these general terms and conditions of purchase.
- e) **“Special Terms and Conditions”**: the terms and conditions of the individual supply stated on the Purchase Order.
- f) **“Order Confirmation”**: the confirmation of the Purchase Order sent by the Supplier to FTC, consisting of the copy of the Purchase Order signed for full and unconditional acceptance by the Supplier.
- g) **“Contract”**: any contract for the supply of Products & Services concluded between FTC and the Supplier under the terms of these General Terms and Conditions, of which the provisions contained in (i) the General Terms and Conditions themselves, (ii) the Purchase Order, (iii) the Specifications and/or Technical Specifications and (iv) any other agreements and/or supplementary documentation provided for in the foregoing documents and signed by the Parties form an integral and essential part.
- h) **“Consideration”**: the consideration for the supply of the Products & Services set out in the Contract.
- i) **“Technical Documentation”**: drawings, specifications, models, samples, as well as any documentation delivered by FTC to the Supplier and/or otherwise made available to it for the supply of the Products & Services, including the Specifications and/or Technical Specification(s).
- j) **“Supplier”**: the supplier to whom FTC issues the Purchase Order.
- k) **“Purchase Order”**: the purchase order for the Products & Services sent by FTC to the Supplier, containing, among other things, an indication of the Consideration, the specific requirements of the Products & Services, the terms and conditions of delivery, testing and payment.
- l) **“Parties”**: FTC and the Supplier.
- m) **“Products”**: the products and/or spare parts provided for in the Special Terms and Conditions to be supplied by the Supplier to FTC, at the latter's request, in accordance with the provisions of these General Terms and Conditions and, in general, the Contract.
- n) **“Products & Services”**: the Products and/or the Services.



- o) **“Services”**: the services provided for in the Special Terms and Conditions to be supplied by the Supplier to FTC, at the latter’s request, in accordance with the provisions of these General Terms and Conditions and, in general, the Contract.
- p) **“Specifications”**: the set of documentation defining the technical requirements of the Products.

1 SCOPE OF APPLICATION

- 1.1 These General Terms and Conditions apply, so as to form an integral and essential part of them, to all Purchase Orders issued by FTC and transmitted to the Supplier after the signing of the General Terms and Conditions, even if they are not expressly referred to in the individual Purchase Orders.
- 1.2 In the event of any discrepancy between the General Terms and Conditions and the Special Terms and Conditions set out in the Purchase Order, the latter shall prevail over the former.

2 CONCLUSION OF THE CONTRACT

- 2.1 FTC shall send the Purchase Order to the Supplier via email. Specifications and/or Technical Specifications will be attached to the Purchase Order, where required, and will form an integral and essential part thereof.
- 2.2 Within 3 (three) working days of receipt of the Purchase Order, the Supplier must send to FTC the Order Confirmation duly signed for acceptance. If it fails to do so within the period of 3 (three) working days mentioned above, the Purchase Order shall be tacitly deemed not to have been accepted and shall lose all effect without the need for any communication from FTC.
- 2.3 The Contract shall be concluded when FTC has received the Order Confirmation, unless otherwise provided for in Article 2.4 below.
- 2.4 If the Order Confirmation does not conform to the Purchase Order, but contains different and/or additional clauses and/or conditions with respect to the latter, the Contract shall only be deemed to be concluded upon express written acceptance by FTC of such different and/or additional clauses and/or terms and conditions.

3 SUBJECT MATTER OF THE SUPPLY

- 3.1 The Supplier undertakes to supply the Products & Services to FTC in accordance with the Contract.
- 3.2 The General Terms and Conditions in no way affect FTC’s right to request and obtain supplies of goods and/or services from third parties which are identical or similar to the Products & Services.

4 FEATURES OF THE PRODUCTS & SERVICES

- 4.1 The Supplier undertakes to take all necessary steps to assure FTC of the quality of the Products and their suitability for their intended use, in accordance with the Specifications. The Supplier warrants that the Products shall be free from any defects or faults that may alter their features and in particular, by way of example only, their appearance, solidity and resistance to corrosion, their technical properties and their compatibility with the use for which they are intended.
- 4.2 The Products, which will be subject to standardization, shall comply with the regulations in force in Italy and/or in any other country (nation) where they will be assembled as indicated by FTC in the Purchase Order (this will



however be previously agreed with the Supplier). In particular, the Supplier warrants that the Products will be exportable to the country indicated in the Purchase Order and undertakes to cooperate in good faith with FTC to enable the latter, or its customers, to obtain any necessary authorizations or permits for the export of the Products.

- 4.3 The Supplier undertakes to allow FTC officials and/or representatives of the latter's customers access to the Supplier's premises at any time, upon prior notice, to verify the proper performance of the obligations under the Contract with regard to the Products & Services, as well as to carry out any inspections they deem necessary with the utmost cooperation and willingness on the part of the Supplier. Visits to perform ITP shall be agreed in advance between the parties. The Supplier shall take, without any further burden on FTC, all necessary measures to facilitate such verifications, including making available all documentation deemed necessary by FTC.
- 4.4 The Supplier shall provide the Services on the basis of the Technical Specifications or, in its absence, on the basis of the instructions provided by FTC in each instance and in accordance with the regulations applicable to the activities covered by the Services. The Services shall be performed by personnel employed exclusively by the Supplier. It shall be the sole responsibility of the Supplier to procure any equipment necessary for the performance of the Services by agreement between the parties.
- 4.5 It is understood that any checks and verifications carried out by FTC during the course of the supply, and/or any information exchanged between the Parties, as well as any tests carried out on an adversarial basis between the Parties, shall not relieve the Supplier from its responsibilities or guarantee obligations arising from the Contract.

5 AMENDMENTS - RIGHT OF WITHDRAWAL IN THE EVENT OF NON-ACCEPTANCE

- 5.1 FTC may request the Supplier to make adaptations and/or partial changes to the Products & Services with respect to what is indicated in the Specifications and/or Technical Specifications, by means of a specific written notice. The Supplier undertakes herewith to carry out such adjustments and/or modifications (the "**Amendments**"), in accordance with the timetable indicated by FTC.
- 5.2 Within 5 (five) working days after the communication of the Amendments referred to in Article 5.1 above, the Supplier may inform FTC in writing (by means of a reasoned notice) of the impossibility of making the Amendments or that such Amendments will be likely to cause a delay in the delivery of the Products & Services. If it fails to do so within the period, the Amendments shall be deemed to have been accepted without reservation and the conditions of the Contract for the supply of Products & Services shall be deemed to have been amended accordingly.
- 5.3 If the execution of the Amendments results in an increase in the overall cost of the Products & Services, FTC shall recognize to the Supplier an increase in the price of the Products & Services equal to any additional costs incurred by the Supplier that are strictly related to the execution of the Amendments, subject to the Supplier's submission of the relevant supporting documentation and/or on the basis of the quotation that the Supplier undertakes to send to FTC within 3 (three) days from the expiry of the aforementioned period of five working days referred to in paragraph 5.2 above.
- 5.4 In the event of non-acceptance of the Amendments by the Supplier, FTC shall be entitled to terminate the Contract with immediate effect pursuant to and for the purposes of Article 23 below.



5.5 The Supplier may make any changes it deems necessary to the Products & Services, provided that they fully comply with all the provisions of the Contract. It is understood that in this case the Supplier shall bear any additional costs, unless otherwise agreed in writing with FTC.

6 EXECUTIVE PROGRAMME OF WORKS

6.1 Within 5 (five) working days from the date of dispatch of the Order Confirmation, the Supplier must send the executive program of works for the supply of Products & Services to FTC, duly completed in accordance with the methods set out in the Technical Documentation.

6.2 FTC shall have the right to request a better specification of the individual items in the executive program of works within 3 (three) working days of receipt thereof.

7 INDUSTRIAL PROPERTY - TECHNICAL DOCUMENTATION

7.1 The Supplier declares and warrants that it is the owner of, or in any case that it may validly dispose of, all industrial and intellectual property rights in relation to the Products & Services and undertakes to hold FTC harmless and indemnified from any claims made by third parties in relation to alleged infringements of patent rights, for inventions, utility models and/or ornamental models and in any case of industrial and/or intellectual property rights in general in relation to the use of the Products and/or the provision of the Services, as well as from any costs, expenses or damages incurred or suffered by FTC deriving from or connected with such claims. In particular, the Supplier warrants that the patent technology of the Products & Services will have free access to the country indicated by FTC in the Purchase Order or in previous communications.

7.2 FTC undertakes not to disclose to third parties or use for non-contractual purposes, even after the termination of supplies, the technical and technological documentation delivered to it by the Supplier in performance of the supply relationships, except in the case where:

- (i) the production of such documentation or of any information contained in such documentation is required by an order issued by a court or is necessary in order to comply with a legal or regulatory provision; and/or
- (ii) such documentation relates specifically to the manner of use of the Products and/or any goods covered by the Services.

7.3 Any drawings and/or models and/or any kind of technical documentation created by FTC with the assistance of the Supplier for the performance of the supplies under the Purchase Order shall in any case be the exclusive property of FTC itself, since any compensation due by FTC for the work performed by the Supplier is included in the Consideration.

7.4 All Technical Documentation that may be delivered by FTC to the Supplier for the supply of Products & Services shall remain the property of FTC without any right of use and/or exploitation being granted and/or in any case permitted to the Supplier, except for the performance of the Contract and shall be considered as Confidential Information pursuant to Article 25 below.

7.5 The technical documentation requested in the order and its annexes is to be considered an integral part of the delivery.



8 EQUIPMENT & MATERIALS

- 8.1 The Equipment & Materials shall remain the exclusive property of FTC without any sort of right of use and/or exploitation being granted and/or otherwise permitted to the Supplier, except to the extent strictly necessary for the performance of the Contract.
- 8.2 The Supplier undertakes to redeliver and/or return to the availability of FTC the Equipment & Materials upon delivery of the Products & Services, and in any case no later than 30 (thirty) days after the termination of the effects, for whatever reason, of the Contract, unless expressly authorized by FTC.
- 8.3 The Supplier undertakes to take all necessary measures to diligently guard and store the Equipment & Materials.
- 8.4 FTC shall not be held liable for any damages suffered by the Supplier and/or its assignees arising from the incorrect use of the Equipment & Materials or otherwise not in accordance with the instructions provided by FTC.

9 CONSIDERATION AND INVOICING

- 9.1 The Consideration for the Products shall be deemed to include all costs of packaging, shipping and delivery of the Products carriage paid to the place of delivery indicated in the Purchase Order, as well as the costs of any assembly and/or installation of the Products themselves, if required by the Contract.
- 9.2 The Consideration for the Services shall be deemed to include all costs necessary for the performance of the Service, including, without limitation, the costs of labor, design, construction, testing, packaging, shipping, and all materials, if any, to be provided by the Supplier in accordance with the Contract.
- 9.3 Except as otherwise provided in Article 5 above in the event of Amendments, the Consideration shall be understood to be fixed and invariable unless a specific agreement between the parties.
- 9.4 Unless otherwise provided for in the Special Terms and Conditions, only after delivery of the Products and/or performance of the Services shall the Supplier invoice FTC for the relevant Consideration.
- 9.5 Each invoice shall state the number of the Purchase Order to which it refers, the terms of payment specified therein, the number of the transport document and the related item code. It is understood that each invoice may refer to only one Purchase Order.
- 9.6 If the Supplier issues any invoices that do not comply with the requirements set out in this Article 9, FTC shall notify the Supplier and shall be entitled to suspend payment of the relevant Consideration until it receives a replacement invoice that complies with the agreed requirements. FTC shall settle the invoice thus replaced in accordance with its internal administrative procedures and shall not be held liable for any resulting delay in payment.
- 9.7 No amount not specified in the Purchase Order will be paid to the Supplier, not even if additional Products & Services are provided over and above what is set out in the Purchase Order, unless FTC has previously consented in writing to payment for it. Similarly, FTC shall not be obliged to pay the Consideration for any Products & Services supplied and/or provided in a number and/or manner different from that indicated in the Purchase Order.
- 9.8 Any delay in the delivery of the Products & Services and/or any intermediate fulfilments shall result in a postponement of the payment of the Consideration, equal to the duration of the delay itself, just as any suspension of payments by FTC's end customer for reasons attributable to the Supplier shall result in the



suspension of the payment of the Consideration by FTC.

- 9.9 The payment of the Consideration by FTC shall not entail any implicit and/or explicit acknowledgement of the perfect execution of the supply of Products & Services.
- 9.10 Invoicing will take place according to the modalities indicated in the Purchase Order.
- 9.11 The invoice must be received in our offices by the 6th day of the month following the billing month, otherwise payment could be delayed by 30 days, due to late registration.

To this end, we would like to point out that the date of receipt of the invoice, and not the date of sending, shall prevail.

10 SHIPMENT AND PACKAGING

- 10.1 The Products shall be duly packaged in accordance with the methods set out in the Technical Documentation or indicated on the Purchase Order in compliance with current legislation in order to guarantee (i) their integrity upon delivery, as well as (ii) their safe transport, loading and unloading until delivery.
- 10.2 The Supplier shall provide FTC with all necessary information to ensure the safe transport, storage and handling of the Products & Services.
- 10.3 The Supplier must also provide FTC with the packing list of the Products, as well as the certificate of conformity to the order, duly completed in accordance with the Technical Documentation.
- 10.4 The Products, which shall be marked with an appropriate plate, inscription or tag, shall be accompanied by appropriate documentation (with the features that may be provided for by the regulations applicable to the Products and their supply). The Supplier shall also provide to FTC, free of charge, any photographic documentation of the Products if so requested by the latter or its customers.

11 DELIVERY OF PRODUCTS & SERVICES

- 11.1 The delivery of the Products (hereinafter, the “**Delivery**”) shall be deemed, for all legal purposes, to have been made only when the Products have arrived at the place of destination indicated in the Purchase Order. The Supplier hereby agrees that the Delivery may take place, if provided for in the Special Terms and Conditions, at a place other than the premises owned by FTC.
- 11.2 If the Products are to be assembled by the Supplier at the place of Delivery and under its control, Delivery shall be deemed to have been made only after completion of the assembly phase and, where required, the final inspection.
- 11.3 All risk and liability relating to the Products shall be borne exclusively by the Supplier until the Delivery or, if required, based on the current Incoterms conditions.
- 11.4 Delivery shall be subject to the delivery approval issued by FTC, and must take place in a single batch or in accordance with an agreement between the parties. Partial deliveries will therefore not be allowed if they are not set out in the works execution program referred to in Article 6 above or authorized in writing by FTC.
- 11.5 For the purposes of these General Terms and Conditions, unless otherwise provided, delivery of the Services shall mean their completion.



11.6 If requested by FTC, the Supplier shall keep the Products properly stored at its own expense and risk, and/or delay the performance of the Services, for a period of up to 90 days beyond the scheduled delivery or completion date of the Services.

12 WARRANTIES

- 12.1 The Supplier warrants the thorough and exact fulfilment of all obligations imposed on it by the Contract, and in particular that the Products will be suitable for the purpose for which they are intended (as indicated in the Purchase Order and in the Specifications), shall comply with the technical standards and laws in force in the country of final destination indicated by FTC, and will be free from defects, faults and non-conformities of any kind, whether apparent or hidden. The Products and each of their parts shall be free, inter alia, from defects in construction resulting from the use of unsuitable and/or poor quality material or from an incorrect production process, as well as from defects in design and/or performance, also with reference to their durability and to the purpose and use for which the Products are intended.
- 12.2 The Supplier also warrants the proper functioning of the Products for a period of 24 (twenty-four) months from the date of final inspection, and in any case not later than 36 (thirty-six) months from the date of Delivery, as well as the fact that these Products have been manufactured with materials from Western countries.
- 12.3 In the event that there is a delay in the execution of the final inspection, due to causes attributable to the Supplier and/or its Products, the warranty period of 36 months from the date of Delivery referred to in paragraph 12.2 above shall be extended accordingly for a period equal to the duration of the delay.
- 12.4 The Supplier warrants that the Services shall be performed in a workmanlike manner and in accordance with the best technical, technological and operational safety, also with reference to: (i) the applicable technical standards and laws of the country of final destination as indicated by FTC, as well as, where applicable, (ii) the Technical Specifications; and in any event (iii) the further guidance provided by FTC.
- 12.5 Finally, the Supplier warrants that the Products & Services will ensure that FTC will achieve the performance provided for in the Technical Documentation.
- 12.6 As security for all the obligations imposed on the Supplier by the Contract, the latter shall issue in favor of FTC the bank guarantees, only for advance payments, on first demand indicated in the Purchase Order, according to the facsimile that will be sent in advance to the supplier for approval and according to the modalities and times agreed upon in negotiation.

13 PRELIMINARY VERIFICATIONS OF PRODUCTS & SERVICES - DEFECTS AND NON-CONFORMITIES

- 13.1 After Delivery of the Products or performance of the Services, FTC shall check their conformity with the provisions of the Special Terms and Conditions, Specifications and/or Technical Specifications, or in the absence thereof, with the indications provided by FTC itself. It is understood that the positive outcome of the verification referred to in this paragraph shall not be construed in any way as a waiver by FTC of the warranty for defects referred to in Article 12 above or of the remedies referred to in Article 13 hereof and those otherwise provided for by applicable law, and shall not, therefore, constitute acceptance of the Products & Services.
- 13.2 If FTC finds that the quantity of the Products does not correspond to that specified in the dispatch note or in the Contract, it shall promptly notify the Supplier. Without prejudice to any other right recognized to FTC by law



and/or by the Contract, the Supplier will, within 3 (three) working days from the date of receipt of the above notice, (i) in the event of a lack of Products, send to FTC, as a replacement, a quantity of Products equal to the total quantity of Products absent with respect to the dispatch note and/or the Purchase Order; (ii) in the event of excess Products, it shall take back the wrongly supplied excess Products as soon as possible, at its own expense, without prejudice to FTC's right to purchase them at the agreed price. Any Products sent for return shall be subject to these General Terms and Conditions.

- 13.3 If FTC, in the course of the audit referred to in paragraph 13.1 above, should find that the Services have not been performed in full or have been performed incorrectly, it shall notify the Supplier, which shall do so in full within 7 (seven) days of said notification.
- 13.4 The Supplier shall assume all liability for defects, faults and/or non-conformities of the Products & Services with respect to what is indicated in the Contract, which have become apparent during the 24 (twenty-four) months following the date of final acceptance, however not later than 36 (thirty-six) months from the date of Delivery of the Products and/or delivery of the Services. Any flaws, defects and/or non-conformities of the Products & Services must be reported in writing by FTC to the Supplier within 15 (fifteen) days of their discovery. The Supplier shall be liable for flaws, defects and/or non-conformities even if the Products & Services have already been passed on to third parties or entered into processing or a larger work.
- 13.5 In the event that there is a delay in the execution of the final inspection, due to causes attributable to the Supplier and/or its Products & Services, the warranty period of 36 months from the date of Delivery of the Products and/or the completion of the Services referred to in paragraph 13.4 above shall be correspondingly extended for a period equal to the duration of the delay.
- 13.6 Should FTC find defects, faults and/or non-conformities in the Products & Services, without prejudice to any other rights it may have under the law and/or the Contract, it may, at its discretion, opt for one or more of the following corrective actions:
- (i) request the repair of the Products (possibly also at the place of delivery). In this case, the Supplier shall eliminate as quickly as possible, and at its own expense, all defects, faults and/or non-conformities attributable to it;
 - (ii) reject individual defective Products or the entire batch to which they belong (i.e. all the Products relating to a specific Purchase Order), without the need to test all the Products of that batch, and obtain the full refund of the relevant Consideration;
 - (iii) request the replacement within the best production time of the individual Products affected by defects, or, at the request of FTC and in any case within the same time limit, the replacement of the entire batch to which the Products affected by defects relate, up to a maximum of the value of the basic supply.
 - (iv) require the Supplier to perform at its own expense any activities necessary for the completion of the activities covered by the Services or the removal of non-conformities therein.

In the event that FTC opts for solutions (ii) and (iii), the Supplier undertakes to take back and dispose of all withdrawn Products at its own expense.

If FTC requests remedies in attachment (i), (iii) or (iv) and the Supplier does not comply with the request in a timely manner or in any case within the reasonable timeframe indicated by FTC, the latter may do so directly,



also through a third party, charging the related costs and expenses to the Supplier.

- 13.7 In all cases referred to in this Article, the right of FTC to obtain compensation for the damage suffered and expenses incurred due to the defects, faults and/or non-conformities of the Products & Services up to the value of the purchase order shall remain unaffected.
- 13.8 In the event that the Supplier repairs and/or replaces Products & Services, the warranty period referred to in paragraph 13.4 above shall be deemed renewed, limited to the repaired and/or replaced Products & Services.

14 THIRD-PARTY LIABILITY

- 14.1 The Supplier shall be fully liable for damages suffered by property and/or persons as a result of defects and/or non-conformities in the Products (also relating to individual parts or components thereof), or as a result of the improper performance of the Services. The Supplier shall hold FTC harmless and indemnified against any damage, burden, expense or prejudice that FTC may incur or suffer in connection with or as a result of actions and/or claims made by third parties in this respect.
- 14.2 The Supplier shall also be fully liable for any damages occurring to its own employees and/or collaborators employed in the supply of the Products & Services, as well as to any third parties in the course of the supply of the Products & Services.

15 SAFETY AND ACCIDENT PREVENTION REGULATIONS

- 15.1 The Supplier and its employees and/or collaborators must scrupulously comply with all applicable legal provisions on safety, accident prevention, etc., undertaking to adopt, at its own expense, at the places where the activities aimed at manufacturing the Products or performing the Services will be carried out, including at FTC's end customer if requested by the latter pursuant to and for the purposes of Article 18 of these General Terms and Conditions, all the precautions required by applicable regulations.
- 15.2 The Supplier assumes all responsibility for its employees and/or collaborators, including with regard to the payment of taxes, social security and pension contributions, insurance charges and anything else that is required under applicable law.
- 15.3 The Supplier shall hold FTC harmless and indemnified against any damaging or prejudicial consequences arising therefrom:
- (i) non-compliance by the Supplier and/or its employees or collaborators with the provisions of this Article;
 - (ii) from any possible request by the Supplier's employees and/or collaborators.

16 PENALTIES

- 16.1 Without prejudice to Article 16.5 below, in the event of a delay in the Delivery of the Products and/or the delivery of the Services, FTC shall charge the Supplier, as a penalty, an amount equal to:
- 0.5% of the Contract Price for the first week (or fraction thereof) of delay;
 - 1% of the Contract Price for the second week (or fraction thereof) of delay;
 - 2% of the Contract Price for each successive week (or fraction thereof) of delay;



The supplier undertakes to inform FTC promptly of any possible delay in delivery. The maximum amount paid by the Supplier to FTC as a penalty for delay, applicable in each instance for each individual Contract, shall not exceed an amount equal to 10% of the Contract Price.

16.2 For the purposes of this Section 16, the date of delivery of the Services shall be deemed to refer either to the date of commencement of performance of the Services or to the date of completion of such performance, as the case may be.

16.3 Without prejudice to Article 16.5 below, in the event of failure or delay in achieving the performances foreseen in the Technical Documents, FTC shall charge the Supplier, as a penalty, an amount equal to 5%.

The maximum amount paid by the Supplier to FTC as a penalty for failure to achieve or delay in achieving the agreed levels of performance, applicable from time to time for each individual Contract, shall not exceed a sum equal to 10% of the Contract Price.

16.4 Without prejudice to Section 16.5 below, the amount paid by the Supplier to FTC as a penalty pursuant to the preceding paragraphs shall not exceed an aggregate amount equal to 15% of the Contract Price.

16.5 The Parties expressly agree that, irrespective of the sums liquidated by way of penalties referred to in paragraphs 16.1, 16.2, 16.3 and 16.4 above, FTC shall nevertheless be entitled to claim compensation from the Supplier for any further damage suffered.

17 REPLACEMENT PARTS

17.1 If required, the Supplier undertakes to make spare parts (including interchangeable parts) of the Products available to FTC for a period of at least 10 (ten) years from Delivery and according to the terms and conditions set out in these General Terms and Conditions, without this entailing any exclusivity obligation for FTC.

17.2 The Supplier shall provide FTC, at the same time as Delivery, with a quoted list of spare parts showing their price. This price shall correspond to the minimum price charged by the Supplier on the market and shall remain fixed and unchanged for a period of at least two years after Delivery.

18 SUPERVISION AND TRAINING

18.1 If requested by FTC, the Supplier must provide the latter with specialized personnel for the activities indicated in the Technical Documentation.

19 SUSPENSION OF SUPPLY

19.1 FTC shall have the right to request in writing from the Supplier, prior to the date of Delivery of the Products and/or delivery of the Services, the suspension of the supply for a maximum period of 45 (forty-five), and any other 45 days to be negotiated, days, without this entailing any additional charge, cost or expense for FTC. Invoicing will take place as soon as the goods are ready.

19.2 Should the suspension period extend beyond the aforementioned period of 45 (forty-five) days, the Parties undertake to meet with a view to reaching agreement on any action to be taken.



19.3 During the suspension period, the Supplier shall do everything necessary to cancel and/or at least minimise any possible costs or expenses.

19.4 However, it is understood between the Parties that no reimbursement (for any expenses or costs incurred) shall be due to the Supplier that has not been previously agreed in writing with FTC.

20 EXPRESS TERMINATION CLAUSE

20.1 FTC shall have the right, pursuant to and for the purposes of Article 1456 of the Italian Civil Code, to terminate the Contract in whole or in part with immediate effect, by simple written notice, if the Supplier breaches one or more of the following provisions of the General Terms and Conditions:

- Articles 4, 7, 8, 10, 11, 12, 13, 14, 15, 17, 18, 19.

as well as if:

- it should become insolvent;
- after 30 (thirty) days have elapsed following the deadline indicated in the Purchase Order, the performance of the Services has not yet started;
- not later than the execution of the Services or the Delivery within 60 (sixty) days from the term indicated in the Purchase Order;
- after 30 (thirty) days have elapsed following the deadline indicated by FTC, has not remedied any defects, faults and/or non-conformities of the Products & Services;
- the means and capacities of the Supplier's personnel and/or collaborators assigned to the supply of the Products & Services are not considered adequate, in the sole and unquestionable judgement of FTC, to allow the exact fulfilment of the provisions of the Contract;
- events occur that would lead to a decrease in the Supplier's reliability guarantees.

20.2 In the cases provided for in this Article 20, termination of the Contract shall be effected by simple notification to the Supplier by PEC email or registered letter with acknowledgement of receipt, of FTC's decision to avail itself of the option provided for in this clause, without prejudice, in any event, to FTC's right to compensation for any damage suffered. FTC, in its sole discretion, may terminate the Contract immediately or from a date specified in the notice referred to in this paragraph.

20.3 Without prejudice to Section 20.4 below, the early termination of the Contract as a result of any of the events described above shall not give rise to any liability on the part of FTC to the Supplier for indemnities, compensation or refunds of any kind.

20.4 In the event of termination of the Contract by FTC pursuant to and for the purposes of this article, or in the other cases envisaged by the General Terms and Conditions, FTC itself shall in any case have the right to acquire what has been achieved up to that time by the Supplier, on the basis of an assessment to be carried out by mutual agreement between the Parties, or in the event of disagreement, by an arbitrator appointed by the Parties themselves or by the Presiding Judge of the Court of Ivrea (TO) at the request of the most diligent Party in the event of disagreement on the appointment of the arbitrator. FTC, however, shall be entitled to the



reimbursement of any excess amounts paid to the Supplier, plus interest, and to suspend any further payments until such time as the higher costs or charges incurred have been recovered.

21 SUSPENSION OF PAYMENTS - NON-DEFERMENT

- 21.1 Without prejudice to the provisions of these General Terms and Conditions, in the event of disputes or controversies concerning the exact performance by the Supplier of its obligations under the Contract or otherwise by law, FTC shall have the right, upon written notice, to suspend payment of the Consideration.
- 21.2 The Supplier, even if there is a suspension of payments by FTC in accordance with paragraph 21.1 above, shall nevertheless promptly complete the supply of the Products & Services as provided for in the Contract.
- 21.3 The Parties, in the event of the suspension of payments by FTC due to the aforementioned disputes or controversies, may refer the settlement of the dispute and/or disputes to an arbitrator appointed by mutual agreement by the Parties themselves, or in the event of disagreement by the Presiding Judge of the Court of Ivrea (TO) upon the request of the most diligent Party, who shall settle the dispute in an informal manner and in accordance with the law, within the term of 60 days from his appointment.

22 FORCE MAJEURE

- 22.1 The Supplier shall not be liable for any delays in supplies if such non-fulfilment is caused by events of force majeure, meaning events of an exceptional and/or unforeseeable nature which, despite the adoption of all appropriate preventive measures, the Supplier cannot stop or control and which totally or partially prevent the performance of the Contract, such as, but not limited to, natural disasters, riots, national strikes (provided that they have not been announced or are in any case foreseeable by the Supplier) and/or fires.
- 22.2 It is understood that the following circumstances will not be considered force majeure events:
- delays in the procurement of materials necessary for the Supplier to provide the Products & Services;
 - delivery delays by any subcontractors;
 - material rejects due to processing defects by subcontractors;
 - strikes and/or micro-conflicts limited to the plants and employees of the Supplier.
- 22.3 The Supplier must inform FTC of the causes of force majeure that have arisen, immediately and in any case no later than 2 (two) days from their occurrence and must take the most appropriate measures to limit their effects, adopting any measure necessary and/or appropriate to reduce any damage and/or inconvenience suffered by FTC due to the delay in supply.
- 22.4 If the force majeure event continues for a period of more than 30 (thirty) days from the date of the relevant notice by the Supplier pursuant to paragraph 22.3 above, FTC shall be entitled to terminate the Contract with immediate effect as set forth in Article 23 below.



23 WITHDRAWAL

- 23.1 FTC shall be entitled to terminate the Contract by giving 30 (thirty) days' prior written notice, to be communicated to the Supplier by regular email, PEC email or registered letter with acknowledgement of receipt. In the event of termination, FTC shall only be obliged to pay the Supplier the Consideration for the Products & Services already delivered or rendered, as well as for the products already completed and not yet collected, subject to the periodic sending by the supplier of a progress report certifying this. No other indemnity and/or reimbursement, such as but not limited to loss of earnings, loss of profit, indirect damages, etc., shall be due by FTC to the Supplier, also pursuant to and for the purposes, where applicable, of Article 1671 of the Italian Civil Code.
- 23.2 Even in the event of withdrawal, FTC shall be entitled to avail itself of the provisions of Article 20.4 above.

24 PROHIBITION OF ASSIGNMENT OF THE CONTRACT AND RECEIVABLES

- 24.1 Under no circumstances may the Supplier assign the Contract, either in whole or in part, or subcontract the activities under it to third parties without the prior written authorization of FTC. In any event, the assignee and/or subcontractor shall remain jointly and severally liable with the Supplier for all obligations assumed by the latter towards FTC through the conclusion of the Contract.
- 24.2 In the event of assignment or subcontracting, FTC shall have the right to carry out the checks referred to in Article 4 above also at the premises of the assignee and/or the contractor.
- 24.3 The Supplier's claims arising from the Purchase Order may not be assigned unless expressly authorized in writing by FTC. The Supplier may not give third parties mandates for collection or make use of other forms of delegation for collection.

25 CONFIDENTIALITY

- 25.1 The Supplier undertakes not to publicise its business relationship with FTC and/or its customers, and to treat as confidential all information of a technical, commercial and financial and/or any other nature concerning the Products & Services and/or Specifications and/or Technical Specifications (as the case may be) and any other information or data concerning intangible assets owned by FTC and/or its customers, whether registered or unregistered, as well as any other information concerning the business activities of FTC and/or its customers, of which Supplier has become or will become aware in connection with the Contract and/or on the occasion of its performance (hereinafter, the "**Confidential Information**").
- 25.2 The Supplier shall keep the Confidential Information confidential throughout the duration of the Contract and after its termination or termination, for whatever reason, of its effects and, except with the prior written consent of FTC, shall not disclose or disseminate it to third parties, nor reproduce and/or copy the media containing it. It is understood between the Parties that the Supplier may use the Confidential Information solely for the purpose of performing its obligations under the Contract.
- 25.3 Confidential Information shall be disclosed only to those employees or consultants of the Supplier who need to become aware of it in order to perform the Supplier's obligations under the Contract. In any case, the Supplier assures and guarantees that its employees and consultants will observe the same obligations of confidentiality towards FTC that the Supplier assumes in these General Terms and Conditions.
- 25.4 The Supplier undertakes to (i) process and maintain all documents containing Confidential Information with the



utmost diligence, ensuring high standards of confidentiality, (ii) at the request of FTC, return or destroy, as soon as practicable, any documents containing Confidential Information, (iii) mark all documents containing Confidential Information with a label indicating that it is the property of FTC, (iv) not copy or reproduce in any way any Confidential Information without the prior written consent of FTC, (v) take all necessary steps to protect the confidentiality of the Confidential Information.

25.5 In any event, the obligation of confidentiality shall not apply to information that (a) is already in the public domain or will become public knowledge without any breach of this Agreement or of law, (b) the Supplier already possessed at the date of the Contract, having been disclosed to the Supplier by a third party who had no duty of confidentiality to FTC, (c) the Supplier is obliged to disclose pursuant to the law and/or regulations issued by public authorities that have jurisdiction to order such disclosure to the Supplier, and (d) the Supplier is obliged to disclose in the course of arbitration and/or judicial proceedings.

25.6 The Supplier, unless there is prior written consent of FTC, may not indicate the name of FTC in its reference lists, nor publish technical brochures, photographs and images referring to the Products & Services indicating the name of FTC and/or the production process or the customers for whom the Products & Services are used.

26 GENERAL PROVISIONS

26.1 These General Terms and Conditions represent the entirety of the agreements reached between FTC and the Supplier in relation to the general terms, conditions and modalities under which FTC will purchase any Product & Service from the Supplier and supersede any promises made by either party to the other as well as any prior covenants and agreements made in relation to the subject matter of these General Terms and Conditions, provided they have not already been executed.

26.2 Should one or more of the terms and conditions set forth in these General Terms and Conditions prove for any reason to be ineffective, contrary to mandatory provisions of law, or otherwise invalid, in accordance with the law applicable to them or to the supply relationships governed by them, such ineffectiveness or invalidity shall not invalidate the remaining paragraphs of these General Terms and Conditions. FTC and the Supplier also agree that any invalid and/or ineffective conditions will be replaced by valid and/or effective conditions that achieve the same purpose or the closest purpose originally pursued by the parties.

26.3 Unless otherwise stated in these General Terms and Conditions, all communication concerning the Contract and/or in any other case, the supply of the Products & Services shall be made in writing to the address and numbers indicated in the Purchase Order. Communications must bear the reference number assigned by FTC in accordance with the coordination procedures set out in the Technical Documentation. Any further communications that do not follow these guidelines shall be deemed as never having been made, unless expressly acknowledged by FTC.

27 APPLICABLE LAW

27.1 Unless otherwise provided for in the Special Terms and Conditions, the performance and/or interpretation of the Contract, in all its terms and conditions, shall be governed by Italian law, to the exclusion of conflict-of-law rules.



28 DISPUTES

28.1 Any dispute that may arise between the Parties arising out of or in connection with the Contract shall fall under the exclusive jurisdiction of the Court of Ivrea (TO).

Supplier's stamp and signature

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Fiano, on.....

The undersigned declares, pursuant to and for the purposes of Articles 1341 and 1342 of the Italian Civil Code, that he/she is fully aware of and accepts all the clauses of these General Terms and Conditions of Purchase and specifically approves the articles:

4. Features of Products & Services (inspections and audits) - **5. Amendments - right of withdrawal in the event of non-acceptance** (acceptance of modifications, change in costs) - **7. Industrial Property - Technical Documentation** (ownership of models/drawings created in collaboration between the Parties) - **8. Equipment & Materials** (exoneration of liability for damage resulting from the use of Equipment & Materials) - **9. Consideration and invoicing** (suspension of payments in the event of errors and/or delays, non-implicit acknowledgement of the execution of the works) – **10. Shipping and Packing** - **11. Delivery of Products & Services** (approval for delivery, suspension) - **12. Warranties** (guarantees and insurance coverage obligation) - **13. Preliminary Checks of Products & Services - Defects and Nonconformities** - **14. Responsibility towards third parties** - **15. Safety and accident prevention regulations** (guarantees) - **16. Penalty** (right to compensation for greater damage) - **17. Spare parts** (no change in prices) – **18. Monitoring and Trading** - **19. Suspension of supply** (no additional charges or costs) - **20. Explicit resolution clause** - **21. Suspension of payments - Non-deferment** (of the Supplier's obligations) - **23. Withdrawal** – **24. Prohibition of Assignment of Contract and Receivables** – **25. Confidentiality** – **26. General provisions** (communications) – **28 Jurisdiction.**

Supplier's stamp and signature

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Fiano, on.....

