



GENERAL CONDITIONS OF PURCHASE

1. General

- 1.1 These general conditions of purchase, as amended from time to time, form an integral part of contracts on deliveries and services between the supplier of goods or the service provider, respectively, (hereinafter "**Supplier**") and 3V Sigma S.p.A. (hereinafter "**Principal**"). If and to the extent that the Supplier has acknowledged these general conditions of purchase, they shall also apply to future contracts with the Supplier.
- 1.2 The Supplier's general terms of business shall also not apply if the Principal should accept any goods / services in the knowledge that the Supplier has purported to deliver them on general terms of business of the Supplier that deviate from or are in conflict with these general conditions of purchase.

2. Offer

- 2.1 Offers and price quotes shall not be remunerated and shall not create any obligations for the Principal.
- 2.2 In its offer the Supplier shall explicitly expose any discrepancy between its offer and the Principal's inquiry. If the Supplier has alternatives for an inquiry which are technologically or economically superior it shall additionally present this offer to the Principal.

3. Engagement, Invoicing, Payment

- 3.1 The engagement of a Supplier shall follow a formal internal procedural approval by the Principal; the process is completed only when a generated order is issued by the Purchase Department and it is signed by the Director of the Purchase Department severally or together with the Managing Director as the case may be and depending on the total amount of the order.
- 3.2 The Purchase Department sends a formal request containing the order number to the Supplier on the Principal's letterhead. The order shall be accepted and confirmed by the Supplier with 2 (two) days from its receipt, otherwise the order shall be considered null and void and settled.
Any additional costs shall be borne by the Supplier, save as otherwise agreed between the parties.
Please disregard requests which have not been submitted by the Purchase Department and are devoid of a purchase order number are have not been issued on the Principal's letterhead. The Principal shall not bear any additional cost nor any responsibility for the aforementioned orders which do not comply with the above procedure and the relevant invoices issued to the Principal shall be considered null and void.
- 3.3 As condition precedent for the payment of an invoice regularly issued in compliance with art. 3.2 above, the Supplier shall be codified. Therefore, the Principal kindly requests the Supplier to send an

email to the following email address (fornitori@3vsigma.com) providing the Principal with (i) the attached files denominated “Codifying process” and (ii) a statement on the bank letterhead duly signed by it stating that the relevant indicated bank account is opened at the name of the Supplier which is its regular owner. In case the invoice contains an IBAN different from the one codified, the invoice shall be rejected.

- 3.4 The agreed prices are net of any applicable value-added tax and shall be the ones agreed between the parties otherwise the invoice shall be rejected. Please note that the Principal is VAT exempt under Italian law and it benefits – as applicable as the case may be – from Art. 8 c) Italian DPR 633/1972. Therefore, upon receipt of the letter of intent (*dichiarazione d'intento*) as received by the Supplier, the invoice shall be rejected if the total amount is including VAT. Invoices are to be issued only for deliveries made and services provided: no advance payment is admitted. In addition and in any case, these invoices shall comply with the relevant statutory invoicing requirements according to the national value-added tax legislations to which the deliveries / services being invoiced are subject. It is understood that the stamp duty relating to the invoices shall be borne by the Supplier.
- 3.5 The Supplier must provide a separate, auditable invoice for each purchase order, which must include all of the legally required information under Italian law. The invoicing address shall be the following and the invoice shall also be anticipated by email at the billing address specified by the Principal in the purchase order (fornitori@3vsigma.com):
3V SIGMA S.P.A.
VIA TORQUATO TASSO, 58
24121 BERGAMO (BG) ITALY
VAT CODE: 06617260960
The invoice and the DDT shall include the Principal’s full order number together with the relevant POS # and, if applicable, the Supplier’s delivery note number. Certificates of work completed and any other records are to be submitted with the invoice. Invoices must correspond to the information in the purchase order in respect of the goods described, price, quantity, the order of the items, item numbers and payment terms and conditions. In case the relevant information is not satisfactory, the invoice shall be rejected.
- 3.6 Unless agreed otherwise, the payment period shall commence as soon as an invoice that meets the applicable value-added tax requirements has been received at the billing address. In the case of self-billing, the payment period commences the day the credit memo is issued. Payment will be made subject to determination of contractual compliance and completeness for the delivery / service provided.
- 3.7 Payment by the Principal shall not be an indication of acceptance of conditions or prices, and shall not constitute a waiver of the Principal's right with regard to deliveries made / services provided that differ from those as agreed upon, as well as the Principal’s rights to inspection, and the right to find fault with an invoice due to other reasons.

4. Delivery Date, Changes in the Delivery of Goods / Provision of Services

- 4.1 The Supplier must comply with the agreed dates of delivery or dates of provision of services, respectively. In case of the delivery of goods such compliance requires the delivery free of any defects to the Principal within the Principal’s regular business hours accompanied by the required shipping documents to the address specified in the purchase order (hereinafter “**Place of Destination**”). If a delivery including assembly / service has been agreed, the delivery of the goods free of any defects shall not be considered timely unless the assembly / service has been duly carried out as specified in the contract. If a formal acceptance procedure is stipulated by law or specified in the contract, the time specified for such acceptance shall be adhered to by both parties. Advance

deliveries of goods / provision of services or partial deliveries / partial provision of services require the Principal's prior written agreement.

- 4.2 If the Supplier recognizes that it will not be able to fulfill its contractual obligations either in full or in part, or not within the stipulated timeframe, it must notify this to the Principal in writing forthwith. The notice must state both the reason(s) for the delay and the predicted delay in delivery time. Any acceptance by the Principal of a delayed or partial delivery of goods / provision of services shall by no means constitute a waiver of any rights or claims of the Principal due to late or partial delivery of goods / provision of services.
- 4.3 It is the responsibility of the Supplier to request these documents or other support to be provided by the Principal according to the contract in due time.

5. Quality

The Supplier shall carry out and maintain effective quality assurance and, if requested, demonstrate this to the Principal. To this end, the Supplier shall use a quality assurance system with elements as per ISO 9000 ff. or a similar system of equivalent standard. The Principal shall have the right to inspect the Supplier's quality assurance system with prior notice, either itself or through third parties commissioned by the Principal.

6. Use of Sub Suppliers

Third parties (in particular any subSuppliers) may only be employed or replaced by the Supplier with the Principal's prior written consent. If the Supplier intends to use subSuppliers to perform the contract from the outset, the Supplier must inform the Principal of this when submitting its offer.

7. Delivery, Shipping, Packaging, Passing of Risk

- 7.1 Unless agreed otherwise, the delivery shall be accompanied by two copies of the delivery note, International Consignment Note (CMR), the packing list, cleaning and inspection certificates according to the agreed specifications and all other necessary documents. If known, the following details must be given in all shipping documents and – for packaged goods – on the outer packaging too: purchase order number, gross and net weight, number of packages and type of packaging (disposable / reusable), completion date as well as Place of Destination (unloading point) and consignee. For projects, the complete job number and assembly building must be given as well.
- 7.2 For third country deliveries (imports), the shipping documents must specify whether the goods are being delivered duty paid or duty unpaid.
- 7.3 If the goods are delivered duty unpaid, the Supplier must submit the following customs documents to the Principal: Dispatch documents (e.g. T 1), shipping documents, customs or commercial invoice, preference documents such as Form A, EUR.1, A.TR., proof/certificate of origin and – if applicable – additional documents that are necessary for customs clearance. The Supplier also ensures that all information necessary for a customs advance notification procedure is completely, correctly and in good time at the disposal of the responsible party who must turn in the advance notification, so that no delivery delays may result. The demurrage charges/costs for lack of documents shall be borne by the Supplier.
- 7.4 If the goods are delivered duty paid, the proof of customs clearance (such as ATC number, tax assessment note) shall be included in the shipping documents.
- 7.5 The Supplier shall notify the Principal in detail and in writing about any possible obligation to obtain a permit for (re)exports according to the respective national export and customs regulations, as well as the export and customs regulations of the country of origin of the goods and services, if the Supplier is aware that these will be re-exported.

- 7.6 The Supplier shall uphold the Principal's interests during the delivery. Goods must be packed with packaging materials approved for the Place of Destination as so to avoid damage during transport. The Supplier is liable as per the statutory provisions for any damage incurred due to improper packaging.
- 7.7 The Supplier shall package, label and ship hazardous products according to the applicable national and international laws and regulations. The Supplier complies with all obligations for suppliers (pursuant to Article 3 (32) Regulation (EC) No. 1907/2006/EC (hereinafter "REACH")) under REACH with respect to the delivery of goods. The Supplier shall in particular provide the Principal with a safety data sheet according to Article 31 REACH in the national language of the recipient country in all cases stipulated in Article 31 (1) to (3) REACH.
- 7.8 Up until the arrival of the goods specified in the contract with the documents mentioned in clauses 7.1 and 7.2 at the Place of Destination, the Supplier shall bear the risk of loss and/or damage. If the parties have agreed a delivery inclusive of assembly / service, the risk of loss or damage and of the related test shall pass to the Principal after the assembly / service has been duly completed in accordance with the contract and following the handover of the goods.
- 7.9 If a formal acceptance is stipulated by law or by the contract, the passing of risk shall take place upon acceptance by the Principal. If formal acceptance is agreed, the risk of loss shall not pass from the Supplier to the Principal before a successful acceptance has been confirmed by the Principal in the acceptance certificate. Payment of invoice balances shall not replace a formal acceptance.

8. Origin of Goods

- 8.1 The Supplier declares the non-preferential origin of goods (country of origin) in commercial documents. Upon the Principal's request, he will provide a proof / certificate of origin specifying the origin of the goods.
- 8.2 The goods must comply with the regulations for the preferential origin of goods as per the bilateral or multilateral agreements or the unilateral regulations for the origin of goods pursuant to the Generalized Systems of Preferences (GSP), insofar as the delivery is within the scope of preferential trade.

9. Condition of the Delivery / Service, Complaints, Rights in the Event of Defects

- 9.1 The goods and services shall be delivered free of defects, in particular compliance with the agreed specification of goods and services, and, additionally, for ensuring that guaranteed properties and features are present. In addition, the Supplier guarantees that goods and services meet the current technical standards and – if applicable – the generally recognized standards in plant safety, occupational medicine and hygiene; are delivered by qualified personnel and are in line with all pertinent legal regulations at the Place of Destination. If machines, equipment or plants constitute delivery items, they shall meet the special safety requirements applicable to machinery, equipment and plants at the time of contract fulfillment, and shall be CE marked.
- 9.2 The Supplier shall ensure that all materials contained in the goods have effectively been pre-registered, registered (or exempt from the obligation to register) and – if relevant – authorized in accordance with the applicable requirements of REACH for the uses disclosed by the Principal. If the goods classified as an article according to Article 7 REACH the preceding sentence shall also apply to substances released from such goods.
- 9.3 Where the commercial inspection and notification obligation applies, the Principal shall notify any obvious defects to the Supplier within ten (10) working days following delivery of the goods. Any

defects that only become apparent at a later point in time must be notified by the Principal within ten (10) working days following their discovery.

- 9.4 In the event of any defects, the Principal has the right to demand rectification of such defects according to applicable law. The mode of rectification shall be at the Principal's discretion. The rectification location shall at Principal's option be either the Place of Destination or the place of acceptance, if acceptance is legally required or contractually agreed, or another delivery location for the goods if this was known to the Supplier when the contract was concluded. The Supplier shall bear the cost of rectification and must execute rectification in all respects in accordance with the Principal's instructions and requirements. If (i) rectification does not take place within an appropriate period of time, (ii) rectification has failed, or (iii) it is not necessary to fix a grace period for rectification, the Principal shall be entitled to claim further legal rights in the event of defects.
- 9.5 If rectification does not take place within an appropriate period of time, if it has failed, or if it is not necessary to fix a grace period for rectification, the Principal has the right, in addition to the rights named in Clause 8.4, to remedy the defects itself at the cost and liability of the Supplier, or allow this work to be undertaken by third parties. The Principal is in this case entitled to demand compensation from the Supplier for the required measures. A grace period for rectification is particularly unnecessary if there is a danger of unreasonably high damages and the Supplier cannot be reached. In addition, the applicable law shall apply. Any additional rights of the Principal concerning the Supplier's statutory liability for defects or under any guarantees shall remain unaffected.
- 9.6 Claims under warranty shall become time-barred thirty (30) months after the passing of risk unless a longer expiration period is prescribed by law. The Principal shall not be deemed to have waived any of its rights to make claims under warranty in the absence of an express written waiver.

10. Infringing Property Rights

It is the Supplier's responsibility to ensure that the delivery of the goods and / or provision of the services and the use thereof by the Principal pursuant to the contract will not infringe any patent laws, copyright or other proprietary rights of third parties. Notwithstanding other legal claims, the Supplier shall indemnify the Principal from any third party claims for which the Principal may be held liable as a result of the infringement of any of the aforementioned property rights if these are based on a culpable violation of obligations by the Supplier. In this case, the Supplier shall bear the cost of any licensing fees, expenses and fees incurred by the Principal in preventing and / or rectifying any infringements of property rights.

11. Contract Penalty

If a contract penalty has been agreed upon and is incurred, the Principal is entitled to claim such penalty until the final payment is made.

12. General Liability, Insurance

The Supplier shall maintain sufficient liability insurance at its own expense for damage for which it or its subSuppliers or agents for which it is vicariously liable are responsible. Evidence of the amount of insurance coverage for each occurrence of damage shall be provided to the Principal upon request. The Supplier's contractual and legal liability remains unaffected by the extent and amount of its insurance coverage.

13. Termination

- 13.1 In case of a contract for the performance of a continuing obligation, such contract may be terminated without notice for good cause. Grounds for good cause shall also include:

- A violation of contractual obligations by the Supplier which is not remedied within an appropriate period of time set by the Principal and combined with a threat of termination, or after issuing an unsuccessful warning notice by the Principal; or
- a considerable deterioration of a party's financial situation which threatens to impact such party's ability to perform its obligations under the contract and / or to discharge of its tax and / or social liabilities; or
- the further execution of the contract is or will be either entirely or partly impermissible due to legal or official regulations. Further rights legally provided to the Principal regarding termination, termination for good cause from the contract shall remain unaffected by this provision.

13.2 If the Supplier has acquired from the Principal any documents, records, plans or drawings within the scope of the contractual collaboration or for the purposes of fulfilling the contract the Supplier must forthwith hand them over to the Principal in the event of termination of the contract by a party to the contract.

14. Supplier's Removal Duty in the Event of Termination of Contract

In the event of termination of the contract, the Supplier must, at its own expense and regardless of the grounds for termination, forthwith dismantle and remove any plant, tools and equipment used and / or stored on the Principal's premises. Any waste or debris produced by the Supplier's work must be promptly removed and disposed of appropriately by the Supplier at its own expense. If the Supplier does not fulfill its duties in this regard, the Principal may undertake the work itself or have it undertaken by a third party and charge the expenses incurred to the Supplier if the work has still not been completed after a reasonable period of time has elapsed.

15. Documents, Confidentiality, Rights of Use

15.1 The Supplier must provide to the Principal the agreed quantity of any plans, calculations or other documents in order not to exceed the contractual deadline for execution.

15.2 The review of any documents by the Principal shall not relieve the Supplier of any of its responsibilities under the contract.

15.3 Any models, samples, drawings, data, materials and other documents provided to the Supplier by the Principal (hereinafter "**Principal Documentation**") shall remain the property of the Principal and must be returned to the Principal forthwith upon its request at any point in time. The Supplier shall have no rights to retain any Principal Documentation. The Supplier must observe the proprietary rights of the Principal in and to all Principal Documentation.

15.4 The Supplier is obliged to keep confidential all technical, scientific, commercial and other information obtained either directly or indirectly within the scope of the contract, in particular the information given in Principal Documentation (hereinafter "**Confidential Information**"). The Supplier may not exploit Confidential Information for commercial purposes, make it the object of industrial property rights, pass it on or make it accessible to third parties in any way. The Supplier is entitled to share confidential information with subSuppliers approved by the Principal if the subSupplier requires this information in order to fulfill the contract.

Confidential Information may not be used for any purpose other than fulfilling the contract. The aforementioned confidentiality obligation shall continue to apply for a period of ten (10) years after the contract has ended.

15.5 This confidentiality requirement shall not include any information that the Supplier lawfully possessed prior to the Principal's disclosure of such information, or is lawfully known to the public, or has been lawfully obtained from a third party. Also excluded from this confidentiality requirement

shall be information that is disclosed to persons subject to a legal obligation to confidentiality, whereas the Supplier shall not release such a person from its obligation to confidentiality. The burden of proof for such an exception lies with the Supplier.

- 15.6 The Supplier shall ensure that its employees and other vicarious agents deployed to fulfill the contract are obliged to confidentiality according to the above confidentiality provisions by means of appropriate contractual agreements, too. Upon request, the Supplier shall confirm compliance with these obligations to the Principal in writing.
- 15.7 The Supplier shall specifically undertake all required, appropriate precautions and measures to effectively protect the Confidential Information obtained at all times against loss or against unauthorized access. This includes in particular the creation and maintenance of appropriate, required access and entry precautions for facilities, repositories, IT systems, data storage devices and other information storage devices, especially those which contain Confidential Information. This also includes informing and instructing those people who are granted access to Confidential Information pursuant to this clause. The Supplier is required to promptly notify the Principal in writing in the event that Confidential Information is lost and / or accessed by unauthorized parties.
- 15.8 The Supplier shall grant the Principal rights of use free from any restrictions as to area, content or time for all plans, drawings, graphics, calculations and other documents related to the contract, in all known media formats including electronic media, Internet and online media saved to all imaging, audio and data storage devices, for the contractually agreed purposes or purposes implied as per the contract. This information may have either been prepared by the Supplier itself or by third parties.

16. Publicity Ban, Severability Clause, Applicable Law, Place of Jurisdiction

- 16.1 The Supplier may only refer to or publicly disclose otherwise its business relationship with the Principal with the prior written consent of the Principal, or where this is unavoidable in order to fulfill the contract.
- 16.2 The invalidity or unenforceability of any provision or part of a provision of the contract shall not affect the validity of the entire contract.
- 16.3 The contract shall be construed and be governed by the laws of Italy with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (“CISG”) dated 11 April 1980.
- 16.4 At the Principal's option the place of jurisdiction shall be either the court competent for the Principal's registered office.