

S.P.I.I. S.p.a.**General purchasing conditions applied by Schaltbau Holding AG and the group's companies****1. General provisions**

- a) Our General Terms of Purchase (hereinafter referred to as "GTP") shall apply exclusively with the effect that other Supplier conditions or provisions in contradiction with or derogatory to these General Terms of Purchase with S.P.I.I. S.p.a. (hereinafter referred to as "SPII") shall not apply.
- b) The provisions of the agreements, possibly derogatory to, or supplementary to, or contained in special purchase conditions agreed between SPII and the Supplier are subject to the provisions. If SPII accepts a delivery or makes a payment without attaching any GTP, such behaviour cannot, in any way, be interpreted as accepting any commercial conditions that are in contradiction with or derogatory to these GTPs.
- c) The agreement between SPII and the Supplier on the conclusion of a contract must take place in written form, failing which it shall be void. Any changes to the conclusion of the contract according to the aforesaid prescription on the form of the contract must also be agreed in writing.
- d) GTPs apply only to qualified Suppliers.
- e) The GTPs also apply to all future transactions with the Supplier.

2. Offers and documents for estimates

- a) Estimates and cost calculations of the Supplier, apart from eventual separate agreements, shall be binding and cost free on SPII's account. Unless expressly agreed upon, SPII shall not accept any cost charges, nor recognize fees for inspections, meetings, project planning or any other preliminary services provided by Supplier.
- b) Unless otherwise previously agreed upon between the Parties, SPII shall retain all ownership rights and all copyrights on illustrations, projects, drawings, calculations and other documents submitted to Supplier. Access to such documents by third parties may only be allowed following SPII's written consent, and such documents may be used only as foreseen in the supply request or the purchase order. In the case of a request or an offer not developed into an order, such documents and any provided data shall remain confidential or shall have to be deleted or, in any case, destroyed, or even simply returned to SPII under the full responsibility of the Supplier, who, in so far as possible, shall undertake to prove to SPII the destruction or return of the aforementioned documentation.
- c) The Supplier is prohibited to pass on any of SPII's orders to subcontractors or to use subcontractors without SPII's prior written consent. In case of such eventuality, the contract shall be terminated by law, under the terms and effects of art. 1456 c.c., by fact and the fault of the Supplier, who shall be obliged to compensate SPII, without exception and without any ceiling, all damages borne by SPII.

3. Order confirmations and deliveries

- a) The Supplier shall be committed to confirm supply requests issued under the form of permanent SPII purchase orders within 3 (three) working days from the date of receipt of the order. SPII purchase orders, unless contested or rejected by the Supplier within 15 (fifteen) calendar days, shall become binding and duly considered to have been accepted.
- b) Delivery dates and delivery terms specified in the purchase order are binding. Delivery deadlines shall begin from receipt of order confirmation. In the case of products delivered in advance, SPII shall reserve the right to return them to the sender at Supplier's expense. In case Supplier does not withdraw the goods delivered in advance, the goods shall be kept at a SPII warehouse at Supplier's expense and risk until the originally agreed date of delivery. In particular, the storage costs of said goods is calculated at 0.1% of the value of the goods per each day of missed or delayed withdrawal.

- c) In the event of foreseeable delays in delivery or service, or otherwise circumstances indicating that the agreed delivery terms or delivery date may not be met, the Supplier, without delay and without hesitation, shall undertake to give prompt information to SPII, communicating also the reasons and the probable duration of the delay, while leaving the unquestionable right of SPII to terminate the contract, under the terms and effects of art. 1456 c.c., and to place claim compensation without exception and without any ceiling for all damages borne.
- d) In the event of a failure of the Supplier, in addition to the highest damage borne, SPII may also ask to receive payment of a contractual penalty equal to 5% of the value of the order for each week of delay, and in any case up to a maximum of 25% of the value of the order. SPII shall reserve the right to request payment of the penalty at latest by the end of the month following the acceptance of the last products and services received against the related order.
- e) SPII's unconditional acceptance of late deliveries of products or services shall not waive the claim for damages borne as a result of the delay in delivery or service.
- f) SPII accepts partial deliveries only by agreement. In the case of agreed partial deliveries, the amount of the remaining order must be indicated. In the case of deliveries exceeding the normal commercial volumes, SPII reserves the right to return the goods delivered in excess at Supplier's expense and in the manner better specified in clause 3.b).
- g) The Supplier may dispute with SPII for the eventual absence of documentation to support the products to be supplied, on the condition that the Supplier itself has previously sent SPII a written memo relating to the documents to be received which have not been delivered to him within a reasonable time.
- h) The Supplier shall be obliged to provide all documents required by SPII to support (such as, but not limited to, certificates of origin) in order to meet customs obligations and/or obtain other favourable conditions. In the event that the origin of the goods is different from the Supplier's declaration delivered to SPII, the change must be expressly indicated in the delivery note and invoice, and the country of origin must be declared.
- i) The Supplier is solely responsible for the products and services of its subcontractors as if they were products and services of the supplier.
- j) If SPII has informed the Supplier the destination of use of the products or services, or even in the absence of such explicit communication while the intended use is clear to Supplier, the Supplier is obliged to notify SPII without delay or hesitation if the products or services are not eligible according to applicable regulations or commercial usage for such destination.
- k) The Supplier shall also be obliged to immediately communicate in detail any changes in the composition of the processed materials or the design or processing of products and services of a similar nature provided up to that date. Changes of this type require written consent of SPII, in the absence of which, the Supplier's products and services shall consequently be found to be defective, or in any case, non-compliant.

4. Acceptance of products and services

- a) Any unforeseeable circumstance at the time of carrying out the order shall relieve SPII of the obligation to accept the products until such circumstances persist and, where SPII is unable to avoid such circumstances by diligently adopting the appropriate technical measures or otherwise the most appropriate measures to deal with such circumstance.
- b) In cases of force majeure, both contractual Parties are relieved of enforcement obligations for the duration of the interference and to the extent of its effects. The Parties undertake to provide the necessary information without delay or hesitation in order to adapt where reasonably possible, in good faith, their obligations to the changed circumstances.
- c) SPII shall be relieved, in full or in part, of the obligation to accept the products or services ordered and shall have the right to withdraw itself from the contract in cases when, due to a delay resulting from a force majeure event or trade union dispute, the

products or services ordered – by virtue of the commercial aspects – are no longer of any use or interest.

5. Risk transfer and delivery

- a) For products involving laying and assembly, and more generally for performing services, the risk is transferred upon the acceptance of SPII's order; for all other products, the risk is transferred upon the receipt of the goods at the delivery point communicated by SPII.
- b) Unless otherwise agreed, shipping and packaging costs, customs rights, expenses, taxes and other taxes are borne by the Supplier. The products being delivered must be properly packaged and delivered, with the assumption of every risk, the costs of which shall be at Supplier's expense, considering the requested country of destination, in compliance with the regulations on packaging, deliveries and the like. In the case of agreed prices from the factory or free of sale, the shipment must be arranged at the lowest cost, unless indications otherwise on the mode of transport have been specified by SPII. SPII expressly reserves the right to give instructions to the Supplier on the routes to follow in the delivery of the products.
- c) The Supplier agrees, in case of eventual delayed delivery forecasts, to pay the additional costs for deliveries or packaging or faster means of transport deemed necessary to recover delivery deadlines.
- d) Delivery notes and invoices must always indicate SPII's purchase order number, the product code or reference number, or account number. Deliveries made directly by the Supplier to SPII customers are permitted only if properly and pre-arranged, in addition to having to be made on behalf of SPII, with the latter receiving the communications of those shipments on the date of the shipment itself.
- e) Partial deliveries and residual orders should be described as such in shipping documents. Unless agreed otherwise, the Supplier shall in any case be charged with the additional costs incurred to make partial deliveries from aggregate units. The Supplier shall also be liable to cover all costs sustained by SPII as a result of Supplier's own non-compliance to the preceding arrangement or otherwise due to Supplier's incorrect use of an incomplete or wrong address intended for the delivery.
- f) SPII shall in no way be responsible to pay costs for the insurance of the goods, in particular the insurance for the delivery. The Supplier, upon SPII's request, shall undertake to disclose the data of all the insurances, including those required by applicable legislation, signed for carrying out its business.

6. Invoices

Invoices must be issued in double copy separately for each order. Invoices must show SPII's purchase order number, item number and product descriptions, account number, and other references required by SPII. VAT must always be indicated separately.

7. Prices and payment terms

- a) The prices indicated in the purchase order are binding.
- b) The payment deadline begins when the products have been delivered or the services rendered, and the invoice received. However, the payment deadline does not start before the contractually agreed delivery date.
- c) In cases where the Supplier has an obligation to provide test certificates, product quality documents or other technical documentation or other, in support of the supply, the receipt of such documents shall be a precondition for the completion of the related products and services.
- d) The place of payment is the headquarters of SPII or either the legal headquarters of the Schaltbau Holding AG Group company based on who placed the order.
- e) Payments cannot be considered as confirmation that the products or services are compliant with the contract.
- f) Unless agreed otherwise in written form, payment terms are 120 days from the date of the payment deadline. The date of receipt of

the transfer from the Bank of SPII shall be used to certify the punctuality and correctness of the payment.

8. Responsibilities for defects

- a) Products or services must comply with technical characteristics and other indications, such as sectoral standards and other information, provided in the purchase order. In any case, the products and services must comply with the generally accepted rules of the best technique, the official and legal safety regulations and the environmental protection legislation, which are in force in Italy or which, in any case, are approved with a transition period.
- b) The Supplier shall be committed to constantly implement, maintain and up-date all controls of outgoing products as part of its quality assurance, thus making it unnecessary for SPII to verify the received products. As a consequence, SPII shall only perform a check on received products in case of obvious defects, transport damage, integrity and completeness, as well as to fully identify the products. In the case of hidden defects, it shall be up to SPII to notify the Supplier of any defects within 365 (three hundred and sixty-five) calendar days. In addition, it shall be up to SPII to notify the Supplier of any defects found during normal activity, or in other ways, within 365 (three hundred and sixty-five) calendar days from the detection.
- c) The statutory rights towards defects are up to SPII without limitation. SPII has, in any case, the right to ask Supplier, in its own unquestionable judgment, to eliminate defects or deliver a new product. In this eventuality, SPII would withhold the possibility to request termination of the contract, while reserving the right, in any case, to place claim for damages.
- d) In any case, the Supplier undertakes to reimburse, immediately and without delay to SPII, the costs and expenses incurred as a result of the products provided by the contract that are defective or non-compliant, including, but not limited to, shipping costs, travel, labour, material or costs for an audit that goes beyond the norm.
- e) In the event of Supplier's inability to eliminate the defect, SPII shall be entitled, at Supplier's expense, to proceed directly or through third parties with the elimination of the defect.

9. Supply of spare parts

The Supplier undertakes, on reasonable terms, to deliver spare parts for the normal period of technical use of its products/services and, in any case, for a period no less than 10 (ten) years from the date of the last supply of the relevant item. If the Supplier ceases to supply spare parts, or stops for any reason, after the expiry of the afore-mentioned period, SPII shall have the right to place a last order and, in any case, to receive the relevant production documentation free of charge.

10. Responsibilities for faulty products

- a) If the Supplier is liable for damages caused by a product, the supplier agrees to indemnify SPII upon first request against any third-party claims, independently from the amount requested. Additionally, Supplier agrees where liable to compensate any costs arising from or related to any recall actions taken by SPII. In such eventuality, SPII undertakes, as far as reasonably possible, to notify the Supplier of the issue and the extent of any recall actions to be taken and shall give the Supplier the opportunity to submit clarifications.
- b) Unless agreed otherwise, the Supplier shall commit subscription to a faulty product liability insurance with a maximum lump sum of, and, in any case, no less than EUR 5,000,000.00 (five million) per claim for personal injury/damage to things, including an event of death. This provision does not undermine any claims by SPII for further damages for an exceeding part of the afore-said amount. The Supplier undertakes to provide SPII, upon simple request, a copy of the insurance policy with a bond in its favour, for liability from a defective product, together with evidence of the payment of the required premiums.

11. Industrial property rights and other third-party rights

- a) The Supplier shall be committed to ensure that products once processed are delivered free of third-party rights and that no third-party property rights are violated by the delivery of them.
- b) The Supplier shall be committed, as of now, to indemnify SPII from any claims made against SPII itself for violation of industrial property rights or other third-party rights and to bear the costs of maintaining those rights if the claims are based on infringements on a duty for which the Supplier is responsible. SPII is committed to promptly communicate any disputes to the Supplier in a timely manner.

12. Rights on items provided by SPII

- a) SPII reserves all and every ownership right on models, designs, production equipment, tools, measuring and testing tools, supplied materials, drawings, company designs, prints and documents similar to the same provided. The Supplier shall limit its making of any production tool and equipment based on orders on behalf of SPII. The Supplier undertakes to preserve such items with the diligence of a prudent and diligent entrepreneur, free of charge, separating them from other items in its possession, to properly mark them as property of SPII and to use them only for the purpose of realizing products and services in favour of the latter. Supplier shall be committed to bear the costs to preserve, maintain, and renew the part of production resources provided by SPII or produced for SPII. Such production equipment can only be modified upon SPII's written consent. SPII shall reserve the right to request the return of production equipment:

- when this is provided for by a contract to supply production equipment,
- when the Supplier is no longer able to supply the parts made with the production equipment,
- if the Supplier is in a situation of insolvency or even just a pre-crisis of enterprise, in particular, in the case of the initiation of enforcement and/or bankruptcy procedure or
- in case such procedures are taking action

The Supplier shall undertake, upon SPII's request, to insure at its own expense the instruments owned by SPII, at a value as if new, against damage from fire, water and theft. The Supplier, as of then, shall expressly and unconditionally undertake to transfer to SPII any credit rights to such insurance, and SPII, as of then, shall declare that it accepts such transfer.

- b) In the event of the Supplier's violation towards prohibited use of unauthorised items, SPII, without prejudice to all other rights, shall reserve the right to terminate the contract, under the terms and effects of art. 1456 c.c., and to require compensation for all subsequent damages suffered.

13. Withdrawal and cancellation of the order

- a) SPII shall have the right to withdraw from each order, by means of a recommended letter by notice of receipt or communication by certified e-mail or e-mail, without paying any penalty to Supplier, (a) before Supplier's confirmation of the order under the previous art. 3a), or (b) in case of the following eventualities: (i) the Supplier does not deliver the products or properly fulfil its obligations, within the dates indicated in each order, and the delay lasts for more than 7 (seven) working days without prior written authorization by SPII; (ii) the Supplier does not meet the commitments arising from the guarantees issued by the Supplier; (iii) the Supplier violates compliance on liability obligations for defects better specified in the previous art. 8).
- b) SPII may proceed with the immediate cancellation, including the senses and effects referred to in art. 1456 c.c., of each order, by means of a recommended letter by notice of receipt or communication by certified e-mail or e-mail, if the Supplier: (i) is found to be in breach of one of the obligations on the same burden arising General Purchase Conditions and in particular the governing rulings provided for in art. 2), 3), 8), 9), 10) 11), 12) 14) and 15) or the special obligations arising from each order; (ii) is subject to an enforcement procedure for foreclosure of its claims with SPII, by

anyone promoted, i.e. a procedure for insolvency, or other bankruptcy procedure, even in its preliminary phase; or (iii) an event which may result in a delay of more than three months from the agreed delivery date of the products or the services due by the Supplier.

- c) In addition, except for the following clause d), and unless otherwise agreed in writing, SPII reserves the right to partially or totally cancel the purchase order at any time, by means of a recommended letter by notice of receipt or certified e-mail or e-mail, without having to justify such decision. Upon receipt of such cancellation of the order, the Supplier shall immediately stop any processing related to such order, and shall not, in turn, place any order or undertake any additional commitment for the materials or services to ensure the end of the process, and shall take every reasonable measure to minimise costs and losses due to said cancellation.
- d) In the event of a cancellation not attributable to faults of the Supplier, the Supplier shall have the right, unless the possibility arises for SPII to sell the products or services to other third-party buyers, to place claim for compensation, the amount of which should be decided by mutual agreement of the Parties taking into account the time of cancellation, the amount of working costs and expenses already incurred by the Supplier in relation to the cancelled purchase order.

14. Maintaining confidentiality / Prohibition of advertising

- a) The Supplier undertakes to keep confidential all submitted information, recorded in writing or communicated verbally or included in other items provided by SPII, and not to make it available to third parties without prior consent from SPII. Such confidentiality obligation shall remain in place even after the termination of the contract. The obligation to confidentiality shall only be extinguished if, and to the extent that, the production know-how contained in the documents supplied has become public knowledge. At fault, the Supplier shall be required to compensate all and any damage towards SPII deemed to be a result of Supplier's violation of the content of this regulation.
- b) Any reference, for advertising purposes, by the Supplier referring to the commercial relations with SPII, shall be subject to prior request and expressed consent from the latter, subject to compensation for damage on Supplier's account.
- c) Any subcontractors must be bound by the provisions referred to in the previous points a) and b), liable to the Supplier for eventual damages that may result upon SPII.

15. Disposal of Credits / Compensation

- a) The Supplier must obtain SPII's written consent for the assignment of SPII's own claims.
- b) The Supplier, upon prior SPII's consent, may proceed with compensations only on undisputed and/or final and non-contested SPII claims.

16. Place of execution, applicable law and court of jurisdiction, miscellaneous provisions

- a) The place for the carrying out of product supplies and services shall be the destination of the same. Alternatively, the place of execution shall be the legal headquarters of SPII.
- b) This GTP, as well as each order, including all the obligations provided and related to them, shall be regulated by the Substantive and Procedural Law of the Italian Republic. The application of the UN Convention on International Contracts for the Sale of Goods (The Vienna Convention on Sales) is excluded.
- c) In the event of a dispute of any nature, SPII and the Supplier shall undertake in good faith to resolve the dispute that has opened up through negotiations between the respective representatives, having the power to reconcile the dispute.
- d) At fault, all and any disputes relating to interpretation, enforcement, resolution, as well as any claims relating to these General Terms of Purchase or each order shall be devolved to the exclusive jurisdiction of the Court of Busto Arsizio (Varese), Italy.

- e) We inform the Supplier that the personal data of the Supplier shall be stored in accordance with GDPR 679/2016.
- f) The eventual disability of individual provisions contained in this GTP does not affect the validity of the remaining provisions. In such eventuality, the Parties undertake to replace the invalid provision as soon as possible with a valid provision for the economic purpose of replacing the invalid provision.

Date

Signature

The Supplier declares, pursuant to and for the purpose of art. 1341 and 1342 c.c., that it expressly and specifically approves the following articles: 2) Offers and documents for estimates; 3) Order confirmations and deliveries; 4) Acceptance of products and services; 5) Risk transfer and delivery; 8) Responsibilities for defects; 10) Responsibilities for faulty products; 12) Rights on items provided by SPII; 13) Withdrawal and cancellation of the order; 15) Disposal of credits/compensation; 16) Place of execution, applicable law, court of jurisdiction, miscellaneous provisions.

Date

Signature