

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. General principles

1.1 The General Terms and Conditions of Purchase hereto form an integral part of any Purchase Agreement drawn up between Siapi Smartech s.r.l. VAT n. 00827420159, with legal site in 20126 Milan (MI), Via Fratelli Bressan, 21 (hereinafter referred to as the “**Buyer**”) and the Supplier of components/products (hereinafter referred to as the “**Supplier**”). Any other terms different from these Terms and Conditions shall be valid only with specific written confirmation by the parties.

1.2. The General Terms and Conditions of Purchase shall be effective except as otherwise expressly set forth and signed in each order placed by the Buyer (hereinafter the “**Order**”).

1.3. The General Terms and Conditions of Purchase hereto shall be effective unless expressly revoked by the Buyer or replaced by new ones that shall become effective from the moment of the replacement and in any event of the communication of such replacement made to the Supplier.

1.4. The General Terms and Conditions of Purchase do not bind the Buyer to grant the Supplier with future supplying orders. In any event it is to be understood that eventual different terms and conditions of purchase set forth thereto coming from the Supplier shall not be effective except as otherwise expressly approved in writing by the Buyer.

2. Orders and their amendments

2.1. Orders, contracts and delivery or supply requests as well as any amendments or additions shall be set forth and accepted in writing.

2.2. In any event it is to be understood that any oral agreements as well as any amendments or integrations to these Terms of Purchase shall require written confirmation by the Buyer to be effective.

2.3. Any communication sent by fax or email or any other online communication shall also be considered as written confirmation

2.4. Cost estimates shall be binding and shall give no right to fees of any kind in favour of the Supplier, except if specifically agreed by the Supplier and the Buyer (hereinafter referred to as the “**Parties**”).

2.5. If the Supplier fails to accept, or does not confirm, the order in writing within 5 (five) calendar days of receipt thereof, the Buyer shall have the right to cancel it.

2.6. Where provided, the agreements on quality, safety and health at work, environmental protection and social responsibility (Quality Assurance Agreement), the Logistics Manual and the Delivery and Packaging Specifications form an integral part of the agreement with the Supplier that expressly declares having examined it and accepted it in the Terms of Purchase hereto.

3. Execution of sale – Prices

3.1. The Supplier shall confirm to the Buyer the acceptance of the Order within 5 (five) working days from its receipt, by sending signed copy to the Buyer. Upon expiry of that period with no written communication from the Supplier, the Order shall be considered confirmed in its entirety and it can be cancelled by the Buyer at its complete discretion with no the right from the Supplier to ask for compensation and/or damages under any circumstances.

3.2. The prices set forth in the Order are fixed and shall not be modified; these include the cost of the related delivery packaging.

4. Invoice

4.1. The invoice sale issued by the Supplier shall state the following: i) the reference Order number, ii) the material code iii) the number of the delivery note, iv) the quantity of the products, v) description of the merchandise, vi) unit price and total amount, vii) VAT, viii) origin of the merchandise.

5. Delivery place and terms

5.1. The products shall be delivered by the Supplier at its risks and responsibility until the moment of the delivery accomplished according to the terms and places set forth in the Order. The delivery agreed terms are exhaustive and in total favour of the Buyer. Therefore, the Supplier shall deliver the products at the term set forth in the Order but not before the final date of the same, unless otherwise expressly requested in writing by the Buyer.

5.2. The Buyer is entitled to reject and return to the Supplier, with costs borne by the latter, the products delivered prior to the delivery date set forth in the Order. However, should the Buyer decide to approve the delivery, even though in advance, the payment terms will start in any event from the date set forth in the Order.

5.3. The Products shall be delivered together with the delivery note with detailed statement of the following: i) the Order number, ii) material code and description, iii) measure unit, iv) quantity, v) weight, vi) origins of the merchandise and, if available, the instructions and operations manual containing technical features and any other information regarding their use. Upon Buyer's request the Supplier is bound to issue the EC Declaration of Conformity to all the applicable Directives and Regulations.

5.4. Unless otherwise foreseen in the agreement between the parties, the risk for loss and/or damage of the products shall be transferred from the Supplier to the Buyer, at the exact moment of the delivery at the place set forth in the Order. Therefore, the burden of the risk for loss and damage of the products shall be borne by the Supplier even when the Buyer has chosen the forwarder. Moreover, the Supplier shall be held liable for eventual damage and/or loss of the products, following the delivery, as a consequence of insufficient or flawed and/or occult packaging material discovered *a posteriori*.

6. Acceptance of the supply

6.1. The Supplier undertakes to supply state-of-the-art made products (intended as the best practice to be demanded during the production time) and in accordance with the specific techniques set forth in the Order as well as with the applicable current legislation.

6.2. The acceptance of the products delivered to the Buyer does not constitute acknowledgement of the conformity of the same ones stated in the Order not even in case of eventual apparent defects; therefore there is no obligation for the Buyer to unpack the products at the acceptance moment of the delivery. In any case the products received by the Buyer are to be considered accepted as subject to verification of the quantity and quality that can be contested even subsequently to the terms provided by the Italian Civil Code but within and no later than 2 (two) months following their delivery.

6.3. The payments shall be made only on condition that the delivery of the products has been fulfilled within the agreed terms and the products have not suffered defects and do not present non-conformities of any kind.

6.4. In case of products imported from the Non-EU Countries the Supplier guarantees the fulfillment of all the connected obligations such as the customs, administrative ones or of any other kind.

6.5. The Buyer has the right to reject eventual deliveries, non compliant in quantity with the Order, with costs incurred by the Supplier, according to the terms pursuant to the article 8.3.

7. Packaging

7.1. Unless otherwise foreseen in the agreement the label of the packaging shall state the following: i) code and description of the article of the Buyer, ii) code of the manufacturer, iii) quantity iv) reference order number/purchase agreement, v) number of the production batch.

8. Warranty

8.1. Unless otherwise foreseen in the agreement, the Supplier guarantees the proper functioning of the products for a period of 12 (twelve) months as from the delivery date. This is without prejudice to the articles 1490 and subsequent ones of the Civil Code.

8.2. Should the products be flawed or lacking in technical qualities as set forth in the Order, the Buyer is entitled to, alternatively: i) reject the products and return them freight collect to the Supplier, with consequential reimbursement of the price eventually already paid by the Buyer; ii) request for the replacement/repair free of charge of the flawed/defective products with costs of collection, repair or replacement to be borne by the Supplier; iii) request for a price reduction. Whenever possible, upon Buyer's request, the warranty shall cover also the sold and delivered products to the Buyer's customers. This is without prejudice to the Buyer's right to ask for compensation for the damages suffered.

8.3. In case the Buyer incurs in costs for the supply of defective Products, they shall be at the Supplier's expense, (including but not limited to: transportation, shipment, processing, labour force, assembly and disassembly, material or cost for inspection and control), the defected and/or deformed products shall be shipped exclusively at the expense and risks of the Provider, subject to any type of charges related to the handling and storage of the same products as well as to any further costs.

8.4. As from the products' replacement/repair date a new warranty term covering further 12 (twelve) months shall become effective.

8.5. The Supplier guarantees that the delivered products are free and clear of encumbrances, any lien, security interest as well as free of retention of title not supplying goods or services of which it does not detain full ownership, and shall undertake to keep the Buyer safeguarded and protected against any request or claim whatsoever expressed by a third party, and holds full guarantee on eviction and claim.

8.6. The Parties shall agree that, notwithstanding the third paragraph of art. 1495 of the Italian civil code, the expiry date for compensation requests regarding defects shall be 3 (three) years, except for cases of wrong declaration for fraudulent purposes.

8.7. The Parties agree that in case the Buyer contests the supply for any reason, it shall be entitled to suspend relative payment until it has been ascertained legally through a final sentence; for this reason the Supplier shall not be entitled to act to recover said credit and no interest of any kind, not even legal and what is foreseen by Legislative Decree 231/2002 shall be applied to the sums not paid by the Buyer.

8.8. The Buyer shall be entitled to compensate the sums requested by the Supplier against damages with those owed for the supply and even in case the Buyer's credit is not certain, available and collectable.

8.9. In case the supply has already been paid, this shall not in any way prejudice the Buyer's right to contest it and to repeat payment and claim for compensation for all damage suffered, none excluded, from the Supplier.

9. Claims for defects

9.1. In the event a product liability claim is asserted against the Buyer, the Supplier shall be obliged to hold the Buyer harmless from such claims if and to the extent that the damage was caused by a defect in the product related to the design, production, information or to the development of the product supplied by the Supplier; the latter shall sustain all costs and expenses, thus including those for any legal action. In cases of liability based on fault, this only applies, however, if the Supplier is at fault. Insofar as the cause of the damage falls within the area of responsibility of the Supplier, the Supplier shall prove that it is not at fault. The Supplier shall sustain all costs and expenses, thus including those for any legal action.

9.2. In all other cases, the law shall be applied.

9.3. Before recalling any products, due fully or partially to a defect in the product related to the design, production, information or to the development of the product supplied by the Supplier, the Buyer shall inform the Supplier, offering the latter the chance to collaborate and shall discuss with the Supplier the most efficient withdrawal action to be carried out, unless the occurrence of specific urgencies does not allow any communication or collaboration. Recalling costs shall be the Supplier's liability if they are to be attributed to a defect in the product supplied by the Supplier itself.

9.4. The Manufacturer guarantees to be in possession of appropriate product liability insurance and Recall valid worldwide that can be acted in case of eventual reimbursement requests made by third parties, and shall be able to produce evidence of the above said to the Buyer.

10. Changes in the production process

10.1. The Supplier is bound to give notice in good time and in writing to the Buyer of an eventual intention to amend the production process and/or change the place of production of the product and/of the materials and/of the subcontractors.

11. Industrial and Intellectual Property

11.1. The Supplier represents and warrants that the supplied products shall not infringe on any patent, author rights, or on any other right of Intellectual or Industrial property of third parties and shall defend, hold harmless and indemnify the Buyer against any suit, claim or action and against any resulting damages, expenses, including attorney's fees and expenses.

12. Technical documentation – Equipment

12.1. The Supplier is bound to preserve with scrupulous attention and to guarantee the privacy the drawings, the samples and any other document and/or material received from the Buyer and to return them at the end of the contract upon Buyer's request. The Supplier is specifically prohibited to use and reproduce the above documents and materials for purposes different from the current supply contract agreed with the Buyer. The aforementioned commitment is accomplished by the Supplier with regards to its own employees/consultants and subcontractors also pursuant to the article 1381 of Civil Code.

12.2. The Supplier shall maintain correct registration of the test results, of the controls and of the related technical examinations both related to its own production and to the one of the eventual subcontractors, to exhibit upon request to the Buyer. The Supplier shall be forced to preserve the said registration of the results for a period of at least 3 three years and undertakes to provide the Buyer with it, at any moment, upon the simple request of the latter.

12.3. In any case, the Supplier shall preserve the entire documentation abovementioned at the article 12.2 even for a longer period of time from the moment a dispute arises through judicial or non judicial means until the termination of the same.

12.4. The Supplier, according to ordinary diligence, is bound to safeguard all the supplies of the Buyer's property located at its address exclusively for production purposes and shall handle their ordinary administration.

12.5. The Supplier is bound moreover to ensure the equipment against theft and fire on its own expenses.

12.6. Upon termination of the supply contract or upon simple request of the Buyer, the Supplier shall return to the Buyer the entire equipment.

12.7. The Supplier is bound to compensate all direct and indirect damages arising from eventual accidents and/or breakage of the equipment to be attributed to its neglect. The aforementioned commitment is accomplished by the Supplier with regards to its own employees/consultants and subcontractors also pursuant to the article 1381 of Civil Code.

13. Confidentiality

13.1. The Supplier undertakes not to use directly or indirectly, by third parties, institution or company and not to disclose to third parties, even after the termination of the contract with the Buyer, for whatever reason that caused the said termination, the information and the data provided by the Buyer or which it became aware of (including data obtained from items, documents or software and any other information or experience through direct vision or in any other intelligible way) on occasion or during the fulfillment of the contract itself, with particular reference to technical specifications provided by the Buyer, to the products of the latter, to the production process developed during the fulfillment of the contractual engagements, to the company of the Buyer, etc.

13.2. Information is exclusively Buyer's property and shall not be duplicated or used commercially – except for deliveries to the same – without prior written permission from the Buyer. Upon request of the latter, all information communicated by the Buyer (including any existing copies or recordings), and goods and instruments provided for use by the Buyer for the Supplier shall be returned immediately or destroyed with proof. All rights on said information shall be reserved to the Buyer (including Industrial and Intellectual property rights). Said reserve also applies to information provided by third parties.

13.3. Goods made based on documentation like drawings, models and similar, set up by the Buyer or based on confidential information belonging to the Buyer, any goods made using Buyer's tools or tools modelled to them, shall never be used by the Supplier outside the Supply agreement with the Buyer, nor offered or transferred to third parties.

13.4. Services provided to the Buyer by the Supplier, or parts of them, shall not be supplied by the Supplier to third parties in the same way for two years from the time they are carried out; unless the technology they are based on belongs to the general state of art and knowledge.

13.5. Concerning technical and commercial information received by the Buyer to carry out the service, the confidentiality obligation shall also continue after the fulfillment and conclusion of the agreement, till and to the extent that said information does not become of public knowledge for reasons not related to the Supplier, or if the Buyer renounces to said confidentiality commitment in writing.

14. Visits to the Supplier

14.1. The Buyer reserves the right to visit, prior notice, the Supplier's plant with the scope to evaluate its production process organization (facilities, labour force, approval of materials, manufacture processes, testing, shipment etc.)

15. Recommendations

15.1. The Buyer's name shall be used as reference by the Supplier exclusively prior written authorisation from the same.

16. Penalties

16.1. In case of any delivery delays that do not result in production stops, the Buyer shall apply a penalty equal to 1% of the total amount of the of the Order per each delayed week or its fraction up to maximum 5% starting from the 8th delayed delivery day.

16.2. Should the delivery delay result in production stops, a penalty equal to 1.000 Euro/line/day shall be applied.

16.3. Should the products present defects that result in selection/reprocessing/repairs a penalty of 25 Euro/person/hour shall be applied.

16.4. In order to open and manage the technical-administrative procedure a penalty equal to 50 Euro/non compliance shall be applied.

16.5. The penalties shall be billed by the Buyer as deductions from the sums owed to the Supplier, should there be enough margins.

16.6. This is without prejudice to the Buyer's right to make request for further damage.

17. Safety Data Sheet

17.1. The safety data sheet related to the consumables and dangerous non-dangerous substances/products shall be mandatory furnished by the Supplier to the Buyer for proper information on the dangers of the chemical substances and of the chemical preparations used in the supplied product. The data sheet must be supplied beforehand or in occasion of the first product supply, and each time the Buyer makes request. The documentation may be supplied in either paper or computer medium format, shall be compliant with the provisions of the annex to the Ministerial Decree dated 4th April 1997 and subsequent amendments and supplements, it shall be drawn in Italian and it shall record the date of the compilation and eventual update.

18. Subcontractors

18.1. The Supplier has the right, under its own exclusive responsibility and prior to Buyer's written consent, to entrust completely or partially the product production to third parties, with the commitment to provide with punctual respect – from third parties – of the duties and obligations set forth in the Order and in these General Terms and Conditions of Purchase. It is being understood that the said parties shall not sign any contract whatsoever with the Buyer; consequently the Supplier shall remain solely and exclusively liable to the Buyer for the proper fulfillment of the contract.

18.2. Considering the fiduciary type of the contract, the Buyer reserves the right to withdraw from the contract, effective immediately, in case it ascertains that the subcontractor does not provide experience, competence, technical-professional suitability, equipment, personnel, and necessary technology.

19. Rights of withdrawal and termination

19.1. The Buyer reserves the right within the meaning and for the purposes of Article 1373 of the Civil Code, to withdraw from the Purchase Order at any moment by sending registered mail or certified e-mail upon prior notice of at least 30 days from the confirmation of the Order. In this case the Buyer shall compensate the Supplier, based on the Supply delivery or on the part fulfilled until the waiver date, with an amount equal to

the value of the rendered services. It is being understood that the Supplier shall not pretend anything to the Buyer for any reason or title whatsoever not even for damage.

19.2. In addition to the right to withdraw as stated at section 20.1 above and to all the contractual resolution rights provided by law, the Buyer, in case of lack or incorrect performance rendered by the Supplier, shall be entitled to terminate the contract in accordance with the article 1454 of Civil Code by sending formal notice of default to be executed within 7 (seven) solar days from the receipt, addressed to the Supplier by registered mail or by registered e-mail. In the event, the Supplier does not commence rectifying the defect by the end of such term, in addition to the consequential immediate termination of the contract, the Buyer shall be entitled, with no obligation to recur to judicial actions, to withhold, as damage compensation arising from failure, the sums accrued on Supplier's account, related also to supplies other than the ones failed to be rendered or erroneously rendered, withdrawing from the contract with the Supplier from that moment on with no objection thereto.

19.3. Moreover the Buyer has the right to withdraw from or terminate the agreement effective immediately in the following cases:

- the Supplier has stopped supplying its customers
- there is or threatens to be a fundamental deterioration to the financial/patrimonial circumstances of the Supplier and as a result of this the performance of a supply obligation to the Buyer is in jeopardy
- the Supplier meets the criteria for insolvency or over-indebtedness, or the Supplier stops making its payments.

19.4. If the Supplier performs only a partial supply, the Buyer shall have the right to cancel the whole agreement if there is no interest in the partial supply.

19.5. If the Buyer withdraws from or terminates the agreement according to the contractual rights or respective termination right as stated at the sections above, then the Supplier shall compensate the Buyer for the loss or damage incurred as a result, unless the Supplier was not responsible for the rights arising to withdraw from or terminate the agreement.

20. Force majeure

20.1. In all cases provided by the law of force majeure, such as trade union disputes, strikes, interruptions of activities outside the Buyer's control, riots, governmental measures and other inevitable events i.e. natural catastrophes, the Buyer shall be relieved from the obligation to approve merchandise and/or services, based on scheduled expiry dates, for the duration of said events. During said events and for the following 2 (two) weeks, the Buyer shall have the right – with no prejudice to any other right – to withdraw entirely or partially, from the supply agreement if said events last a certain time and the Buyer's needs are considerably reduced, as, due to said events, goods must be manufactured elsewhere.

21. Non Assignment of Receivables

22.1. By way of derogation from articles 1260 and the subsequent ones of the Civil Code, the receivables arising from the supplies shall not be assigned to third parties.

22. Miscellaneous

22.1. The premises shall constitute integral and substantial part of the general terms of purchase hereto.

22.2. The Buyer will use the data received from the Supplier in accordance with the provisions of the article 13 of EU Regulation 2016/679 of 27 April 2016 (GDPR). More information are available at the following link: <https://www.siapismartech.com/it/privacy-policy>.

22.3. If a condition in this agreement or subsequent integrating agreements is ineffective this shall not invalidate the other conditions. The Parties shall agree on a replacement clause reflecting the economic intention as much as possible.

22.4. These Terms and Conditions are governed exclusively by Italian law. Application of The Hague Convention regarding the uniform law on international sales of goods, the UN convention on international goods sales agreements or any other convention, regulation or other private international laws regarding law applicable to the sales of goods and/or services are specifically excluded.

22.5. All disputes arising from these Terms and Conditions or connected to them shall be decided exclusively by the Court of Milan. Any other competitive or alternative Court shall be specifically excluded.

22.6. The Parties mutually agree that every single provision of these Terms and Conditions, hereto included the General Terms of Purchase of Products and Services has been amply discussed, agreed and approved specifically by both Parties in their roles as professional operators, as well as every single paragraph and article.

Siapi Smartech s.r.l.

FOR ACCEPTANCE

The Supplier
