

## **GENERAL PURCHASE CONDITIONS**

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This document contains the general conditions of purchase (hereinafter «General Conditions») of Alfamation S.p.A. (P.iva 02111480964) having its registered offices at Via Cadore, 21, 20851 Lissone (MB), Italy (hereinafter “Alfamation”), for the purchase of goods and/or services to be used in manufacturing products or providing services or otherwise in its business.

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### **1. Scope**

**1.1** These General Conditions shall govern all contracts between Alfamation and the supplier being the addressee of this document (hereinafter “Supplier”) for the purchase by Alfamation of those Supplier’s products or services described in the documents exchanged between the parties from time to time, such as for example RFQs, quotations, orders, purchase contracts (hereinafter respectively defined as “Products” and “Services”).

**1.2** Any deviations from, or changes to these General Conditions shall be valid only if expressly accepted in writing by Alfamation and shall only apply to the orders and/or purchase contracts to which they refer. Therefore, any provision introduced by the Supplier which is in conflict with or in addition to these General Conditions shall be considered void and unenforceable, unless it is expressly accepted in writing by Alfamation.

**1.3** No amendments to individual purchase contracts shall be valid and enforceable unless they are agreed upon in writing by both parties’ legal representatives or other duly authorized representatives.

### **2. Contract formation and conclusion**

**2.1** A contract for the purchase of Products or Services is formed by means of the issuing by Alfamation of a purchase order (hereafter: “Order”) and the acceptance of the same by the Supplier. An Order may be sent by e-mail or in any different manner as may be agreed between the parties, including electronically.

**2.2** A purchase contract is concluded when Alfamation receives the Supplier’s written acceptance of its Order. The Supplier’s acceptance shall occur either by a written note in the Order or by means of a separate written confirmation, whose content shall be identical to the Order.

The Order confirmation shall be sent together with these General Conditions duly signed.

**2.3** As an alternative to the provision of art.2.2, acceptance of an Order by the Supplier may also occur as follows:

- in an implied manner ( by conduct) by performing an Order; or
- in a silent manner, if the Supplier does not respond in writing to an Order within 5 (days) following receipt of the same.

In both the above mentioned cases, however, Alfamation may unilaterally in its discretion cancel an Order and/or refuse or suspend performance of a contract at any time even after its formation, in the event the Supplier does not send a formal written acceptance of an Order together with these General Conditions duly signed.

**2.4** Any changes, additions or conditions made by the Supplier to the content of an Order, shall in any event be subject to Alfamation's written acceptance of the same.

**2.5** In the absence of an express written agreement to the contrary, neither the sending of one or more Orders nor the submission of these General Conditions shall imply an undertaking by Alfamation to purchase minimum quantities of Products or Services, nor shall they create a long term contractual relationship with the Supplier. Any purchasing forecasts or plans shall not be binding unless it is agreed otherwise in writing.

### **3. Drawings, technical documents, equipment, software of Alfamation**

**3.1** Any drawings, technical documents, equipment, materials, software and any other items that Alfamation may place at the Supplier's disposal for the performance of Orders, shall remain the exclusive property of Alfamation (or of any Alfamation's customers, as the case may be) and shall be considered by the Supplier as confidential information. Therefore, they may not be used by the Supplier for any purposes other than the performance of its duties as supplier to Alfamation. They may not be reproduced, copied or placed at third parties' disposal and they shall be promptly returned to Alfamation at termination of their contractual relationships or even earlier upon simple written request by Alfamation, without being entitled to retain any copies thereof.

**3.2** Should the Supplier discover any defects, inconsistencies or shortages in the information, drawings, documents, equipment, materials, software and any other items placed at its disposal by Alfamation for the performance of Orders, the Supplier shall immediately inform Alfamation thereof. If the Supplier fails to do so, Alfamation shall be exempted from any liability in connection with the above.

**3.3** For the purpose of performing Orders, Alfamation may require the Supplier to procure or produce specific equipment, for example molds, work equipment, control equipment, software,

and others. Such equipment may be used only in favor of di Alfamation.

**3.4** The Supplier shall be responsible for the custody and use of the items described in the previous paragraphs with the utmost care in compliance with the legal safety requirements. In addition, the Supplier shall, unless otherwise instructed in writing by Alfamation:

1. at its own expenses, keep such items in good conditions and provide to their ordinary maintenance;
2. identify them by means of proper labeling/markings and take all appropriate measures to keep them separated and distinguished from the Supplier's properties preventing third parties from taking them;
3. keep the documents pertaining to such items in compliance with the applicable regulations;
4. insure them against the risks of loss, damage or removal for any reason;
5. promptly notify Alfamation about any changes, extraordinary repairs, replacements, reworking that are deemed necessary, with the utmost urgency; being it understood that Alfamation shall be entitled to take any decisions about such interventions. Such interventions shall be intended in favour of Alfamation unless they are due to incidents, negligence or other reasons attributable to the Supplier, in which case all expenses shall be borne by the Supplier;
6. not to remove such items from its own premises unless with Alfamation's prior written consent;
7. allow Alfamation's authorized persons to inspect the manner by which such items are kept and used and their conditions;
8. not to use them unless for the performance of Alfamation's orders;
9. make sure that Alfamation is entitled to use them without restrictions;
10. comply with Alfamation's instructions with regard to their return, disposal or keeping for further orders.

#### **4. Modifications**

**4.1** The Supplier shall bring modifications to Products or Services, if and as requested in writing by Alfamation from time to time. Any price variations in connection to the above shall require Alfamation's prior written consent.

**4.2** Any modifications to Products or Services requested by the Supplier, may only be valid if approved by Alfamation in writing, and the documents pertaining thereto shall be promptly placed at Alfamation's disposal.

**4.3** The Supplier shall notify Alfamation of any technical innovations that may improve the

quality and/or the functional characteristics of Products or Services, and of any changes that may affect the quality/price ratio. If such innovations are capable of being protected as intellectual property, Alfamation shall be granted a license of the maximum extension possible in order to allow Alfamation to use such invention in its industrial and commercial activities without prejudice to any different agreements.

## **5. Delivery of Products and provision of Services**

**5.1** Unless otherwise agreed upon, Products shall be delivered to Alfamation at the agreed time (purchase Order or offer) and at the place shown in the purchase order. Delivery terms shall be interpreted according to the Incoterms® of the International Chamber of Commerce, edition in force on the Order date.

**5.2** The documents concerning the supply, marking, packaging, labeling, identification, as well as collection, shipping, transport, delivery of the Products ordered, shall be prepared and carried out by the Supplier in compliance with Alfamation's instructions as shown in the Order and in any event pursuant to the applicable laws. The requested documents shall be identifiable by the following codes:

- u.1) Order number, goods' codes
- u.2) those codes identifying materials, Product and Service as established by Alfamation
- u.3) materials/Products/Services/quantities specifications pursuant to the Order or pursuant to the program established by Alfamation
- u.4) any other codes and/or mandatory obligations according to the applicable laws.

The unloading process, when performed by the Supplier, shall be carried out in compliance with the applicable safety regulations.

With regard to the documents and registrations pertaining to individual supplies, the Supplier undertakes to:

- 1) supply the goods accompanied by the appropriate documentation (Declaration of Conformity and, where required, Safety Data Sheet, Technical Data Sheet ESD/EMC, Test Report, UL Certificate, etc.);
- 2) keep appropriate records relating to the supplied Products and place them at Alfamation's disposal for inspection if required by Alfamation or its customers.

**5.3** The Supplier guarantees to supply the same quantity of Products as agreed with Alfamation,

according to art. 2 of these General Conditions.

In the event the quantity of Products supplied is different from the agreed quantity, Alfamation may, in its exclusive discretion, exercise one or more of the following rights:

- in case of shortage:
  - a. request the Supplier to supply additional Products promptly, at the Supplier's expenses and risk;
  - b. request the Supplier to refund the price of Products paid in excess;
  - c. purchase the missing quantity of Products from different suppliers;
  
- in case di excess:
  - a. request the Supplier to collect the quantity of Products in excess, being it understood that if the Supplier does not immediately collect, Alfamation may ship the Products at the Supplier's expenses and risk and charge Supplier with the burden and costs of storage;
  - b. retain the quantity in excess and pay for them according to the same terms as those agreed upon in the contract.

**5.4** The time agreed for delivering Products or performing Services is to be considered essential even if not so specified in the order documents.

**5.5** Alfamation is entitled to reject and return to Supplier any supplies received before the agreed delivery time, at the Supplier's expenses and risk. Alternatively, at its discretion, Alfamation may accept the supply and charge the Supplier with the costs and financial burden for the storage, being it understood that even when Alfamation does not exercise said right, the payment terms for the invoice relating to the supplies delivered in advance shall start running from the agreed upon delivery date.

**5.6** Should any causes of foreseeable delay in supply occur, the Supplier shall promptly inform Alfamation thereof, and notify in writing both the occurrence and the termination of such events. Notwithstanding the above, in case of delay in delivery not caused by proven circumstances of force majeure, Alfamation will be entitled, at its choice, to exercise one or more of the following rights:

- a. request the Order to be performed, in whole or in part, without prejudice to the provisions of the following paragraphs b), c) and d);
- b. charge a penalty equal to 1 % of the Order value for each day or week of delay (as specified in the Order and without prejudice to a different penalty amount stated in the Order), up to the maximum amount of 5% of the Order value (unless the Order provides otherwise), and such penalty shall be automatically charged on the purchase price, without prejudice to the right to be compensated for the damages suffered in excess;
- c. in case the delay in delivering Products or providing Services exceeds 5 days in respect of the agreed upon term, or in case of repeated delays in supplies, Alfamation will be entitled to terminate the contract at any time by written notice to the Supplier, without prejudice to Alfamation's right to be compensated for the damages suffered;
- d. in the event described in paragraph "c" above, Alfamation will be entitled to purchase all or part of the Products or the Services subject matter of the Order from third parties, at the Supplier's costs and risk, and shall inform the Supplier thereof.

**5.7** In performing the Services, the Supplier shall organize the necessary means and manage its business at its own risk, with the utmost care and diligence. The Supplier shall perform the Services in accordance with the manner and service levels agreed upon from time to time.

**5.8** The Supplier shall comply with all the laws and regulations applicable to the supply of the Products and Services, as well as with all the laws, regulations and collective bargaining agreements concerning the employees and collaborators involved in the supply of Products and Services, and the laws and regulations applicable to its business from time to time, including without limitation those regarding the following matters: provisions about safety and health of workers, hygiene, prevention of accidents, environmental and waste disposal regulations, provisions about personal data protection, provisions against supply of counterfeit items. The Supplier shall indemnify and hold Alfamation harmless from and against any and all damages, expenses, charges, liabilities arising from any violations to the above, in any event without prejudice to Alfamation's right to terminate the contract with immediate effect in case a violation is found. The Supplier shall also comply with good practices on sustainability, rational use of energy sources, reduction of environmental impact, prohibition of child labour, corporate social responsibility, prohibition of discriminations at the workplace.

**5.9** If the law so prescribes in consideration of the type of contractual relationship between Alfamation and the Supplier, the latter undertakes to supply Alfamation with all the documents needed to prove that the tax and contributions payment obligations have been met. If such documents are not provided, Alfamation may suspend the payments due.

**5.10** If the contract provides for the Services to be performed at Alfamation's premises, the Supplier and/or any authorized third parties shall carry out the agreed activities in compliance of all the applicable hygiene and workplace safety regulations and shall make sure that such rules are complied with by the personnel and workers employed for the performance of such activities. The parties shall fulfil their statutory duties including without limitation art.26 of the Legislative Decree 81/2008 and any other applicable rules.

## **6. Packaging**

It is the Supplier's responsibility to package the Products appropriately in order to ensure their best protection and safety. Electronic materials/devices shall be packaged in compliance with the applicable regulations (e.g. ESD regulations), being it understood that the Supplier shall be liable for any damages or defects in Products arising from inappropriate packaging.

## **7. Prices and payments**

**7.1** Prices shown in the Order are fixed and inclusive of any and all charges, expenses, taxes and duties with the exception of VAT or similar tax when due. Prices include the packaging and those other items provided for by the applicable Incoterm or otherwise agreed (e.g. transport, insurance, etc..). Prices are intended in Euros, unless otherwise agreed in writing. Any changes to the Order prices shall require Alfamation's express written consent; in the absence of such written consent, the Order price shall apply. In case of reference to the Supplier's list prices for standard Products, any changes to the price list shall be effective for Alfamation subject to providing a prior written notice of no less than 90 (ninety) before the effective date of such changes.

**7.2** Alfamation shall make payments in accordance with the terms and timing set forth in the Order, subject to receiving the documents mentioned in Article 7.3 duly completed and without prejudice to the provisions of Article 11.5 (suspension in case of claims). The Supplier shall promptly notify Alfamation of its bank data as well as any other updated data that Alfamation needs for making payments and recording such data.

**7.3** Invoices shall be prepared, issued and handled in compliance with the law rules and in

accordance with the Order prescriptions. In the event of inconsistencies between an invoice and an Order, Alfamation shall be entitled to suspend the payment terms for the supply in question until a corrected document is received, without prejudice to the provisions of Article 11.5.

**7.4** The Supplier represents and warrants that the prices applied to Alfamation shall at any time be the most competitive among the prices applied to its customers for similar products and services. Should Alfamation discover a breach of such warranty in a contract already concluded, Alfamation may request the Supplier to reduce the price accordingly and, if the Supplier does not accept, Alfamation may terminate the contract with no liability.

**7.5** Credits for payment of supplies to Alfamation may not be assigned by the Supplier to any third parties in whatever form.

## **8. Acceptance and return**

**8.1** During the production and before any delivery the Supplier shall monitor its own production processes and check the Product made, checking its compliance with drawings and specifications and performing the tests agreed upon with Alfamation. The Supplier shall inform Alfamation of any non-conformities detected.

**8.2** Upon receipt of any lot of Product purchased, Alfamation will, pursuant to its own procedures, check the items received, in terms of quantities, packaging conditions, documents, quality and anything else that can be reasonably detected on receipt.

Any non-conformities discovered upon such checks may be notified to the Supplier, by issuing and sending him a “Non-Conformity Report” within 30 (thirty) days following the date of Product receipt.

Alfamation may return in whole or in part the defective supply at the Supplier’s expense, require shipment of substitutive supply or repair, suspend payments or issue a debit note to the Supplier, without prejudice to the rights and claims available by law or contract.

Upon receipt of a Non-Conformity Report, the Supplier shall immediately respond and act promptly as requested by Alfamation.

In any event, Alfamation’s rights with regard to defects and non-conformities not detectable on receipt of goods shall remain unprejudiced. It is understood that Alfamation may dispose of the Product or material subject matter of a Non-Conformity Claim, at the Supplier’s expense, if the Supplier does not provide Alfamation with different instructions within 7 (seven) days from the Non-Conformity Claim date.

**8.3** Taking delivery and/or receipt and/or payment of Products or Services may in no event be



interpreted as implied acceptance of the same by Alfamation in terms of quantity and quality, and shall not prejudice Alfamation's rights arising from the contract or the law. The execution of an acceptance report, even without reservations, shall not prejudice Alfamation's right to enforce the Supplier's contractual and legal warranties.

## **9. Inspections**

**9.1** Without prejudice to the Supplier's entrepreneurial independence, Alfamation shall be entitled to check the Supplier's performance under these General Conditions and the special conditions set forth in individual Orders, in such timing and manner as Alfamation may deem fit. For this purpose, the Supplier undertakes to provide Alfamation with all the information and documents that Alfamation may from time to time consider appropriate or necessary to carry out such inspections.

**9.2** On Alfamation's request, the Supplier shall allow Alfamation's authorized officers to access the Supplier's production facilities, and/or the facilities of any permitted subcontractors, subject to a prior notice of no less than 5 (five) days unless there are urgency reasons. Such authorized officers may directly inspect the activities connected with the production of Products or the provision of Services as well as those particular activities included in each Order. The Supplier shall provide Alfamation's authorized officers with the information and assistance needed to carry out their duties. In such occasions, the persons authorized by Alfamation may request for samples or materials to be tested.

## **10. Right to earlier termination**

**10.1** If, during the exercise of its inspection rights, Alfamation should discover that the Supplier is not performing the contract in compliance with the agreed conditions – for example in such a way that the performance will not be completed by the agreed time, or in a negligent or unskilled manner - Alfamation will be entitled to require the Supplier to comply with the agreed conditions within a specific reasonable deadline. The reasonableness of the deadline will be assessed by Alfamation on a case by case basis in consideration of the nature and type of the Order. If such deadline is not met, the contract shall be considered as immediately terminated by law, without prejudice to Alfamation's right to be compensated for any damages suffered.

**10.2** Alfamation shall be entitled to terminate the agreement at any time in its sole discretion by providing a reasonable prior notice to the Supplier. Alfamation shall pay the Supplier the price due for Products and/or Services properly completed and performed until the termination date.

The Supplier shall in no event be compensated for any direct and/or indirect damages.

**10.3** Alfamation shall be entitled to terminate the contract at any time for just cause, by written notice via registered letter with return receipt or certified electronic mail (PEC), if any situations, facts or actions should occur, showing that the Supplier is or will likely be unable to ensure proper fulfilment of its duties (including but not limited to: omissions or delays in paying employees, social security institutes, taxes, suppliers or banks; protests; attachment of movable or immovable assets; termination of licenses or permits; acts in preparation or commencement of a voluntary liquidation procedure, application for an arrangement with creditors, whether as a court procedure or out of court, administration, bankruptcy, etc.).

**10.4** In case of Supplier's breach of any of the provisions set forth in Article 3.1 (Confidentiality on Alfamation's property), and/or Article 5.8 (Compliance with rules), Article 12 (Confidentiality and exclusivity), Article 13 (Trademarks and distinguishing signs), 14 (Industrial and intellectual property rights), Article 16 (Prohibition of contract assignment and subcontract), Article 18 (Code of Ethics) of these General Conditions, Alfamation will be entitled in accordance with Article 1456 of the Civil Code to notify termination of any contract with immediate effect, without prejudice to the right of compensation of any damages suffered.

**10.5** Without prejudice to the rights provided for elsewhere in these General Conditions, each of the parties shall be entitled to terminate the agreement if the other party commits a material breach of its contractual obligations and does not remedy to such breach within a deadline no shorter than 30 (thirty) days from receipt of a written notice sent by registered mail with return receipt or by certified electronic mail (PEC) without prejudice to the right to be compensated for any damages suffered.

**10.6** In any event of termination, Alfamation shall be entitled to promptly receive the completed part of supply from the Supplier, and the Supplier may not refuse to supply even in case of dispute. Further, the Supplier shall comply with the provisions of these General Conditions as well as with Alfamation's instructions with regard to the activities to be carried out to terminate the relationship (returns, activities aiming at facilitating Alfamation's transition to a different supplier, etc.).

## **11. Warranty**

**11.1** The Supplier warrants that, for the period agreed upon from time to time and in the absence of any different agreement for a period of no less than 24 (twenty four) months from

the date of actual receipt by Alfamation (or, if commingled with an Alfamation's product or service, from the date of actual receipt of Alfamation's product or service by the end customer) that the Products shall comply with the agreed upon specifications (including any Alfamation's guidelines Alfamation), shall be of high quality and free from defects, shall be produced in compliance with the applicable laws and technical standards, shall be authentic and of the declared origin. For this purpose, the Supplier shall employ workforce and use equipment, devices and materials that ensure compliance with such conformity and quality requirements. The Supplier further guarantees that the supplied documents are complete, updated, compliant with the applicable regulations, appropriate to allow Alfamation to use the purchased Products and Services, not infringing any third parties' rights.

**11.2** Following Alfamation's claim of Product defects or non-conformities, to be notified within thirty (30) days from discovery of the same, the defective or non-conforming Products shall be collected at the Supplier's care and expense at Alfamation's premises or at any different place where the Products may be located.

**11.3** Alfamation may, in its unquestionable discretion, request the Supplier to repair or replace defective Products at the Supplier's cost or to credit the purchase price, and the Supplier shall do so in the shortest time possible, without prejudice to Alfamation's right to damages compensation (which includes compensation for expenses borne as well as lost profits and any other damages that can be compensated by law) and any other rights and remedies available pursuant to the applicable law, including the right to terminate the contract in case of serious or repeated defects. Replacement of a defective Product shall be made on a DDP basis (ICC Incoterms®) at Alfamation's premises. In case of serial defects, the Supplier shall carry out the appropriate remedial actions and apply appropriate control procedures to the manufacturing process also in compliance with any Alfamation's instructions.

**11.4** The Supplier warrants that the Services shall be carried out strictly in accordance with the agreed timing, manner and quality, in compliance with the agreed service levels and in any event in a workmanlike manner and satisfactory to Alfamation's requirements. In case of breach, Alfamation may at its exclusive discretion exercise all rights and actions which it is entitled to in accordance with the terms and conditions of the law.

**11.5** Alfamation shall be entitled to suspend or delay payments in case of claims. Alfamation may exercise set-off rights in whole or in part with regard to any amounts due to the Supplier for the same contract or for different contracts.

**11.6** The Supplier undertakes to compensate, indemnify and hold Alfamation harmless from and against any and all liabilities, damages, costs, expenses and charges of any kind arising out without limitation from breach of contract, breach of representations and warranties, third parties' industrial or intellectual property infringement, contractual and tort liability, products' liability caused by the Supplier's Products, in Italy and everywhere in the world.

**11.7** The Supplier shall apply the manufacturing process and the Products testing according to the agreed upon specifications and undertakes to carry out all the tests and/or checks necessary to assess the reliability and the fitness of the supplies for the intended use.

**11.8** Alfamation may request the Supplier to keep the Products available for a certain time, for the purpose of using them as spare parts for the end customers in connection with warranty services.

## **12. Confidentiality and exclusivity**

**12.1** Each of the parties shall treat as confidential any and all information not generally available to the public, which it learns from the other party in connection with the negotiation or the performance of the contract, regardless of their nature (e.g. technical, technological, manufacturing, commercial, accounting, financial, corporate, business information , etc.) and their form. This confidentiality duty shall remain in force even after the termination of the contractual relationships between the parties, until and to the extent the information in question become generally available to the public for reasons not attributable to the receiving party.

Furthermore, a party receiving confidential information from the other shall use any means and most appropriate measures to protect said information and make sure that its employees, agents, collaborators, suppliers, subcontractors and any other persons having legitimate access to the information in question on a need-to-know basis comply with the confidential duties hereunder; without prejudice to the receiving party's direct liability for any violations committed by said persons.

**12.2** Any technical improvements brought by the Suppliers to Products made specifically for Alfamation may not be applied to products supplied to third parties unless it is agreed otherwise in writing. The Supplier may not manufacture for third parties, nor sell to third parties any products which, due to their technical or aesthetical features, form, color and/or design, are to be considered identical or confusingly similar to any Products expressly developed for, or together with Alfamation or anyway specifically supplied for Alfamation.

**12.3** The Supplier may not advertise its supply relationship with Alfamation, without the

latter's express authorization.

### **13. Trademarks and distinguishing signs**

No rights whatsoever to Alfamation's trademarks or other intellectual property rights of Alfamation or end customers are granted to the Supplier under these General Conditions nor under any individual Orders. In particular, the Supplier shall not in any manner use any distinguishing signs of Alfamation or end customers to liaise with third parties.

### **14. Industrial and intellectual property rights**

**14.1** The Supplier warrants that the Products and Services supplied will not infringe any industrial or intellectual property rights nor any third parties' rights. In case of breach, the Supplier shall indemnify and hold Alfamation harmless from and against all liabilities, costs, expenses, damages, charges of any kind. Alfamation may at its option, either request the Supplier to bring such changes to the Products and/or Services as necessary to make them compliant in order to continue supplying, or may terminate the contractual relationships without prejudice to any other rights.

**14.2** It is hereby understood and agreed that, in case Alfamation engages the Supplier specifically to provide research and development, design or trial activities, all industrial and intellectual property rights to the result of such activities shall belong exclusively to Alfamation, and the price agreed upon for such activities shall be intended as inclusive of the recognition of such rights upon Alfamation.

**14.3** If the contracted services include the development or provision of software, all the intellectual property rights in connection with the development of software for Alfamation shall, unless otherwise agreed in writing, belong to Alfamation. Alfamation shall be entitled to obtain the source code of the above; and, in addition, Alfamation shall be entitled to a license on any pre-existing Supplier's intellectual property rights, to the extent necessary to meet the contract purposes.

### **15. Force majeure**

**15.1** If the performance of any contractual obligation becomes impossible or too burdensome for one of the parties due to unforeseeable events for which such party is not responsible, including, without limitation, fire, flood, earthquake, explosions, accidents, wars, riots, sabotage, epidemics, restrictions due to quarantine, strikes, transport blocks, energy shortage, natural events and acts of God, acts of any Italian or foreign public authority, the party affected

by such events shall be exempted from fulfilling its obligations for the entire period during which it is affected by such event, provided that such party notifies immediately in writing to the other party of the event and the causes thereof, together with the information and documents reasonably requested by the other party to justify the exemption, and takes all the appropriate measures to avoid or limit the consequences of such event and the duration of the suspension.

**15.2** In case the force majeure event duration exceeds 8 (eight) consecutive weeks, or that different period which may be appropriate under the circumstances in an individual contract, such contract may be terminated by either party without liability. In such a case, Alfamation shall be entitled to request third parties to provide the same Products or Services being the subject matter of the contract with the Supplier.

## **16. Prohibition of contract assignment or subcontract; corporate changes**

**16.1** Each Order is granted to the Supplier in consideration of its reputation and technical abilities. The Supplier may not, therefore, assign or subcontract to third parties all or part of its rights or obligations under any contracts with Alfamation, without Alfamation's prior written consent, and such consent may be subject to certain conditions being fulfilled.

**16.2** The Supplier shall remain directly responsible towards Alfamation of the actions of any third parties appointed by it for the performance an entire contract or a part of it, even when such third parties have been authorized by Alfamation. The Supplier shall indemnify and hold Alfamation harmless from and against any claims or actions that such third parties or their employees or collaborators may raise against Alfamation for any reason.

**16.3** The Supplier shall notify Alfamation in case it intends to bring substantial changes in its corporate structure (change of shareholders or directors, transfer of business assets, or other extraordinary transactions such as mergers, spin-offs, acquisitions, liquidation resolutions, etc.). In any of such cases, Alfamation may terminate the contract with no liability.

## **17. Insurance**

**17.1** The Supplier shall, completely at its own expense, procure appropriate insurance coverage for any damages suffered by it and any collaborators in the performance of an Order, as well as appropriate product's liability insurance (including coverage for recall and withdrawal of Products from the market) and professional liability insurance to cover damages occurring to third parties due to defective Products or Services, and such coverage shall be extended to the entire world. The Supplier shall in addition procure appropriate insurance to cover all risks to which any materials, equipment and other property of Alfamation may be exposed as long as

they are in the Supplier's possession or under its control. The maximum coverage value shall be appropriate for the risk. Alfamation may request the Supplier to submit the insurance policies and/or other documents to evidence the adoption of such insurance coverage.

**17.2** It is understood and agreed that the Supplier shall in any case indemnify all damages caused to anybody in connection with the performance of Orders, even if and to the extent that, for any reason, they are not covered by insurance according to Article 17.1.

### **18. Code of ethics**

The Supplier shall strictly comply with Alfamation's code of ethics which can be found in the website [www.alfamationglobal.com](http://www.alfamationglobal.com). Alfamation may terminate the contract with immediate effect for Supplier's breach in accordance with Article 1456 of the Civil Code, in the event a Supplier's violation to the code of ethics is found.

### **19. Governing laws**

These General Conditions and all purchase contracts between Alfamation and the Supplier, shall be governed by and interpreted according to the Italian laws.

### **20. Independent contractors**

Each of the parties shall be considered independent and autonomous from the other. Neither party may enter into binding obligations on behalf of the other party.

A contract may not be interpreted as to establish a joint-venture, de-facto company, trust, mandate, employment or personal services agreement between the parties.

### **21. Autonomy**

Should any of these General Conditions be considered void or unenforceable, such invalidity or unenforceability may not affect the validity of the other clauses, which shall continue to be fully enforceable.

### **22. Jurisdiction and venue**

22.1 The courts of Milan, Italy, shall have the exclusive jurisdiction and shall be the only venue on any and all disputes arising out of these General Conditions and any purchase contracts made pursuant thereto.

22.2 As an express deviation to the foregoing provision, Alfamation will be entitled, in its unilateral discretion, to sue the Supplier before any other court where a dispute is pending between Alfamation and a final customer or a third party, due to the Supplier's actions.

### **23. Notices**

All notices relating to a contract shall be made in writing to the addresses that each of the parties will provide to the other from time to time. Operating communications may occur by

facsimile or e-mail or in those other ways as the parties may expressly agree upon.

The Supplier shall establish and notify Alfamation of the names of those persons within its organization who are authorized to liaise with Alfamation in connection with the functions which are relevant for the performance of the contract.

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THE SUPPLIER

For the purposes of Articles 1341 and 1342 of the Civil Code, the Supplier declares he has reviewed and he specially approves the following clauses: Art. 2 (Contract formation and conclusion); Art. 3 (Drawings, technical documents, equipment, software of Alfamation); Art. 4 (Changes); Art. 5 (Delivery of Products and provision of Services); Art.7 (Prices and payments); Art.8 (Acceptance and returns); Art.9 (Inspections) Art.10 (Advance termination rights); Art. 11 (Warranty); Art. 12 (Confidentiality and exclusivity); Art.13 (Trademarks and distinguishing signs); Art.14 (Industrial and intellectual property rights); Art. 15 (Force Majeure); Art.16 (Prohibition of contract assignment and subcontract; corporate changes); Art.17 (Insurance); Art.19 (Governing laws); Art. 22 (Jurisdiction and venue).

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THE SUPPLIER