



GENERAL TERMS AND CONDITIONS OF PURCHASING OF GOODS AND SERVICES of GILARDONI S.p.A. a Socio Unico

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1. FIELD OF APPLICATION

- 1.1. The following general purchasing terms and conditions shall be applied with immediate effect to all the purchases of goods and/or supplies of services made by Gilardoni S.p.A a Socio Unico (hereafter GILARDONI), regarding the supplier, pursuant to any purchase orders that may be sent from time to time by GILARDONI as of 1 January 2019
- 1.2. The following general conditions shall therefore override any Supplier's general or particular sale conditions, as defined below, regardless of previous agreements or established commercial practices between the parties, and shall constitute an integral part of any Purchase Order, as defined below.
- 1.3. Any modification or addition to these general terms and conditions of purchasing of goods and services shall be valid only in case of specific written acceptance by Gilardoni.
- 1.4. Modifications and additions to these general conditions shall be limited to the specific purchase for which they are agreed.
- 1.5. If Purchase Orders deal only with the purchase of goods, the provisions of these General Conditions which make specific and exclusive reference to Services, as defined below, shall not be applied. Conversely, if Purchase Orders deal only with the execution of Services, the provisions of these General Conditions which make specific and exclusive reference to Goods shall not be applied.

2. DEFINITIONS

In the context of these General Terms and Conditions, the following terms shall have – when indicated with a capital letter – the meaning below respectively assigned to each of them in this article:

- a) **"Non-Disclosure Agreement"**: it is the non-disclosure agreement which is a document signed by the Supplier separately and which here is understood to be entirely referenced and to be an integral part of the General Conditions;
- b) **"Affiliate and/or Affiliates"**: any legal person/entity directly or indirectly controlled by, controlling or under the common control of GILARDONI, such control being exercised through the ownership, directly or indirectly, of 50% or more of the share capital or voting rights in the ordinary meeting of such legal person/entity. Each Affiliate shall have the same rights and obligations as GILARDONI towards the Supplier in accordance with the General Conditions and shall be entitled to exercise them towards the Supplier. Any reference to GILARDONI contained in these General Conditions shall also be considered as a reference to the Affiliates; too;
- c) **"Goods"**: it means material or immaterial goods supplied by the Supplier to GILARDONI pursuant to Contracts and Purchase Orders, including, but not limited to, raw materials, or other materials, goods and/or equipment, software, drawings, information, reports, manuals, or other specific documentation, as well as, if emerging from the context, services that are necessary or ancillary to the delivery of Goods in accordance with the Purchase Order;
- d) **"General Conditions"**: it indicates these general terms and conditions for the purchase of Goods and Services, according to terms and conditions set out below and which form an integral part of the Contract and/or Contracts;
- e) **"Particular Conditions"**: it means the terms and conditions of the Supply that are specified by GILARDONI in a Purchase Order;
- f) **"Contract"** and/or **"Contracts"**: specific contracts, already including these General Conditions, from time to time concluded between GILARDONI and the Supplier with the acceptance of a Purchase Order by the Supplier pursuant to Art. 3.2 and 3.3 or with the issuance of a Purchase Order that follows a Supplier Contractual Offer pursuant to Art. 3.8;
- g) **"Supplier"**: it indicates the supplier of Goods or Services covered by the Purchase Orders, organized in autonomous and/or professional and/or individual or collective legal form;
- h) **"Supply"**: it means the purchase of Goods and the supply of Services considered cumulatively, in their entirety;



- i) **"GILARDONI"** or **"Customer"**: Gilardoni S.p.A. a Socio Unico, with registered office in Milan – Piazza Luigi di Savoia n. 28, Head Office and Facility in Mandello del Lario (LC) – Via Arturo Gilardoni n. 1, tax code and VAT number n. 00734000151, and GILARDONI's Affiliates, as defined above, as well as any successor or assignee of GILARDONI or its Affiliates as well as the owner, possessor or end user of the Goods and/or Services;
- j) **"Confidential Information"**: it means any (i) commercial or industrial secret concerning Customer's affairs and business, its industrial and intellectual property (regardless of whether it is object of a patent, invention or registration), product specifications, information, know-how, formulas, recipes, processes, designs, sketches, photographs, graphics, drawings, prototypes, inventions, ideas, processes and results of researches and/or development carried out in the past, present or planned for the future, current or planned methodologies and/or production or commercial processes, customer list, customer requests – current or foreseeable –, price lists, market studies, business plans, commercial or advertising planning, studies or strategies, software and computer programs (including object codes and source codes), databases, systems, structures and designs (and related formulas, compositions, processes, developments, improvements) and any other information or data constituting a commercial or industrial secret; (ii) information concerning Customer's activity and business (including, but not limited to, financial forecasts and budgets, names and curricula of key personnel, personnel training and related techniques and materials) however deduced; and (iii) notes, analyses, compilations, lists, studies, summaries and any other document prepared by and for the Parties, including or based, in whole or in part, on the above information;
- k) **"Purchase Orders"**: shall mean the requests for the Goods or Services issued by GILARDONI towards the Supplier and having form and content requirements referred to in art. 3.1, as well as any subsequent additions and/or modifications agreed between the Parties;
- l) **"Parties"** and **"Party"**: they must be understood as, respectively, jointly GILARDONI and the Supplier, separately GILARDONI or the Supplier, depending on the context;
- m) **"Price and/or Prices"**: it means the price agreed between the Parties as payment of Goods and/or Services;
- n) **"Contractual Proposal"**: it must be understood as any proposal for sale of Goods or for performance of Services submitted in writing by the Supplier to GILARDONI;
- o) **"Results"**: they must be understood as all the results of creative and inventive activity conceived, realized or developed by the Supplier in execution or as result of Services, including projects, inventions, data, results, information, methods, specifications, know-how, software, photographic or video images, products or molds.
- p) **"Services"**: it means any service, including, but not limited to, design, engineering, transport, installation, repair and maintenance services, indicated in the Purchase Order and supplied by the Supplier;
- q) **"Technical Specifications"**: they must be understood as any type of technical, functional or quality specifications relating to Goods or the way the Services are carried out, including, for example, drawings, models, samples, prototypes, films, photographs, renderings, from time to time communicated by GILARDONI to the Supplier or confirmed for or by GILARDONI.

3. ISSUANCE, ACCEPTANCE, CANCELLATION AND MODIFICATIONS OF PURCHASE ORDERS

- 3.1. Purchase Orders shall be issued in written, paper or electronic form, and shall contain at least the following items:
 - (i) Goods and/or Services covered by the individual Purchase Order;
 - (ii) Quantity, characteristics and terms of delivery of Goods or Services;
 - (iii) Prices, terms and conditions of payment;
 - (iv) Any Particular Conditions, even in derogation of these General Conditions.
- 3.2. Purchase Orders, in their completeness and without modifications or additions, shall become binding between the Parties once they are accepted by the Supplier or, if earlier, when the Supplier has started their execution.

- 3.3. Purchase Orders shall be considered accepted and shall become binding between the Parties even if the Supplier does not send to GILARDONI an expressed written communication of refusal within the peremptory deadline of 5 (five) days since the receipt of the Purchase Order itself.
- 3.4. GILARDONI reserves the right to refuse the acceptances of Purchase Orders received after the deadline referred to in paragraph 3.3 above.
- 3.5. The acceptance by the Supplier, or the complete or partial execution of a Purchase Order, shall constitute acceptance of both these General Conditions and the Particular Conditions attached to the Purchase Order by the Supplier, strictly excluding the implicit acceptance by the Customer of any different general condition.
- 3.6. GILARDONI may revoke and cancel a Purchase Order at any time prior to the Supplier's acceptance, pursuant to art. 3.2 and 3.3. GILARDONI may revoke and cancel a Purchase Order and/or withdraw from the Contract even after the acceptance by the Supplier pursuant to art. 3.2 and 3.3, but in this case GILARDONI shall immediately inform the Supplier, who will be entitled only to receive the part of the Price eventually accrued relative to the Purchase Order and/or Contract revoked, cancelled, withdrawn that has already been executed on the date of revocation, cancellation or withdrawal.
- 3.7. If after the acceptance of the Purchase Order, GILARDONI requires some modifications involving a considerable variation in costs or in the Particular Conditions, the Parties shall renegotiate these aspects in good faith. If the Parties should not reach a common solution within the deadline of 7 days from GILARDONI's request for modification-renegotiation, the Particular Conditions originally indicated in the Purchase Order shall apply.
- 3.8. If a Purchase Order is issued as a result of the submission of a Contractual Offer sent by the Supplier, the Purchase Order shall become immediately binding, including the General and Particular Conditions, for the Parties at the time of the sending of the Purchase Order to the Supplier without the further approval of the Supplier, provided that such Purchase Order makes expressed reference to such Offer.
- 3.9. For the purposes of these General Conditions, the communications exchanged between the Parties by letter, fax, e-mail or any other form of written business correspondence form shall be considered performed in written form. Such communications shall be considered to have been received by the addressee at the same time they are sent where they occur through computer instruments such as e-mail, or received by the addressee where they occur through mail or similar.
- 3.10. The sale of Goods or the supply of Services shall be regulated not only by the provisions included in the General Conditions, but also in the Technical Specifications, in the Purchase Orders and in any documents referred to in the Purchase Orders, including the Contractual Offers. In case of conflict or discrepancy between Technical Specifications and Contractual Offers with respect to Purchase Orders or General Conditions, the content of General Conditions and Purchase Orders shall prevail.
- 3.11. These General Conditions do not imply any commitment for GILARDONI to issue a minimum or predetermined number of Purchase Orders and do not represent any administration form.

4. NON-TRANSFERABILITY OF CREDITS AND CONTRACTS

- 4.1. Contracts, Purchase Orders and Supplier's credits towards GILARDONI, arising from the supply of Goods and/or Services, are not transferable by the Supplier without the prior written consent of GILARDONI.

5. DELIVERY OF GOODS AND PERFORMANCE OF SERVICES

5.1. Delivery

- 5.1.1. The costs of the packaging, logistics, sorting, warehouse, shipping, insurance, customs, transport are on the Supplier's own responsibility and expenses, as well as any other cost relating to the transport of the Supplies which shall be carried out with any precaution to protect them

from any damage, in compliance with the conditions provided by the "Incoterms" standards currently in force and the delivery shall take place at the headquarters indicated in the Purchase Order according to the "DDP" (pursuant to the "Incoterms" standards currently in force) and, in any case, in accordance with the best market standards.

5.1.2. With the Supply, the Supplier shall deliver the delivery note with the identification data of the Purchase Order.

5.2. Times and delay

5.2.1. The Supplier will be bound to the respect of the terms and modalities of delivery of Goods and performance of Services indicated in Purchase Orders, to be considered essential in GILARDONI's interest. Any expense or cost necessary to comply with the terms indicated in Purchase Orders shall be borne exclusively by the Supplier.

5.2.2. GILARDONI shall have the right to refuse the Supply delivered before the agreed term or to charge to the Supplier the storage costs and the financial charges relating to the period of early delivery. Early acceptance of the Supply by GILARDONI shall not result in any modification of the additional terms originally provided in the Purchase Order.

5.2.3. If the Supplier delivers Goods in excess of those authorized by the Customer, the Supplier shall bear the risk of custody and/or loss and any further charges for the recovery of the Goods without any burden for the Customer.

5.2.4. In case of delayed Supply delivery or performance, GILARDONI, without prejudice to its right to claim the compensation for the greatest damage suffered, shall have, at its own choice, the right to:

- (i) refuse the delivery of the Supply or the execution of the same, revoking and cancelling the Purchase Order, terminating the Contract for breach of contract by the Supplier pursuant to art. 1456 of the Italian Civil Code
- (ii) partially refuse the Supply delivery or performance, revoking and canceling, partially, the Purchase Order, partially terminating the Contract for breach of contract by the Supplier pursuant to art. 1456 c.c.;
- (iii) partially refuse the Supply delivery or performance, applying for the non-delivered or non-performed part of Supply the penalty provided for by the subsequent clause (iv).
- (iv) accept the Supply against the payment by the Supplier as a penalty pursuant to art. 1382 c.c., an amount corresponding to 0.5% of the Supply Price (or part of the Supply late delivered or performed) for each day of delay on the delivery or performance, up to a maximum of 5% of the Supply value (or part of the accepted Supply), without prejudice to compensation for further damage;

5.2.5. In the cases referred to in clause 5.2.4 above, letters (ii) and (iii), GILARDONI shall automatically compensate the late delivery or performance Price with the amount due by the Supplier as a delay penalty, without prejudice to compensation or further damages suffered as a result of the Supplier's default.

5.2.6. In any case, the Supplier shall immediately inform GILARDONI if it foresees difficulties that may hinder its ability to deliver the Supply or perform the same promptly with the required quality.

5.3. Quantity

5.3.1. The Supplier shall ensure that the amount of delivered Goods and supplied Services corresponds to the quantity indicated in Purchase Orders. In default, GILARDONI may:

- (i) require the Supplier to recall the excess quantities of those ordered, with the right to return them directly at the expense and risk of the Supplier and to charge to the Supplier the financial costs resulting from any payment already made and the storage costs, if the Supplier does not provide it immediately;

- (ii) require that the Supplier immediately send the quantities of goods or perform the Services found to be missing or, alternatively, notify the termination of the Contract and, in any case, ask for the compensation for the damage resulting from the Supplier default.

5.4. Representations and warranties of the Supplier – Remedies

5.4.1. The Supplier, after inspection and/or testing of the Goods and Services, declares and ensures that they are and, in any case, will be:

- (i) compliant to the applicable European and national regulation and to the best safety and quality, health and environmental standards in force;
- (ii) compliant to General Conditions, Purchase Orders and Technical Specifications;
- (iii) equipped with CE marking;
- (iv) without design, production or preservation defects;
- (v) compatible with any parts that might be assembled or built on Goods according to the Technical Specifications or other information provided by GILARDONI;
- (vi) suitable for the use for which they are usually intended or for the different uses intended by GILARDONI and which should have been brought to the Supplier's attention by GILARDONI;
- (vii) compliant to the characteristics and quality of specimens presented by the Supplier as samples or models;
- (viii) compliant to any other certificate of conformity as specified in the Purchase Order;
- (ix) compliant to directives/regulations on restrictions on the use of substances, including, but not limited to, List of Regulated Substances "Bomcheck", in the latest current variation published on <https://www.bomcheck.net/en/suppliers/restricted-and-declarable-substances-list>, including, in fact, the compliance required by Directive 2011/65/UE "RoHS 2" and the Regulation 1907/2006/UE REACH, including any subsequent updates and integrations, list pursuant to "Dodd Frank Wall Street Reform and Consumer Protection Act" relating to "Conflict Free Minerals", and subsequent amendments.

5.4.2. GILARDONI may require the Supplier to issue an additional certificate stating the contents of what has been declared pursuant to clause 5.4.1 above.

5.4.3. Any lack of declarations referred to in clause 5.4.1, or of the required certificate of conformity referred to in clause 5.4.2, shall be considered as non-conformity of the supplied Goods and/or performed Services to the Purchase Order with the consequences provided for by article 5.5 below.

5.5. Supply acceptance – Defects and non-conformities – Remedies

5.5.1. GILARDONI may inspect and/or test the delivered Goods and the performed Services according to the timing deemed reasonable by GILARDONI. The Supplier remains subject to the certification obligation pursuant to clause 5.4.1.

5.5.2. The receipt of the Supply by GILARDONI and/or the payment of the Price in no case will constitute acceptance of Goods and Services in the absence of express written acceptance by GILARDONI.

5.5.3. In the event of defects or non-conformities of Goods and/or Services as established by clause 5.4.1 and, however, prior to their acceptance pursuant to this article 5.5, GILARDONI, without prejudice to its right to claim the compensation for the greatest suffered damage, may, alternatively and at its own discretion:

- (i) refuse in whole or in part the nonconforming Goods and/or Services and, in case of partial acceptance, apply a reduction of the Price;
- (ii) ask for a reparation, replacement and performance of nonconforming Goods and/or Services, within the time limit set by the Customer and, in any case, within 5 days from GILARDONI's request, in accordance with the warranties provided by clause 5.4.1;



(iii) notify the termination for breach of Contract relating to non-conforming Goods and/or Services, pursuant to art. 1456 c.c., after repeating the price already paid and, in any case, the compensation for damages.

5.5.4. If, in relation to defects and non-conformities, there are delivery delays, in addition to the provisions of clause 5.5.2 above, it is understood between the Parties that the provisions on delays in article 5.2 above shall apply.

5.5.5. Any defects and/or non-conformities of Goods and/or Services appeared at their acceptance can be notified by GILARDONI to the Supplier within 60 (sixty) days from their discovery. Upon receipt of such communication it would be fine the Supplier will delete any defects, non-conformities and/or lacks by replacing, at the choice of GILARDONI, the defective and/or nonconforming Goods and/or Services. In the absence of a timely intervention by the Supplier, GILARDONI may proceed personally or through third parties to delete the aforementioned defects and/or non-conformities, it being understood that any relative expense and/or cost will be the exclusive responsibility of the Supplier, except for the compensation of the greatest damage.

5.5.6. In the event that the Goods already marketed turn out to be defective, non-conforming to the Technical Specifications or otherwise dangerous, the Supplier commits to cooperate with any recall campaign or withdrawal of Goods from the market that GILARDONI may carry out and to reimburse GILARDONI for the costs of the recall campaign, including the cost of hours/work of GILARDONI's personnel and external consultants used for the recall campaign.

5.5.7. GILARDONI shall have the right to make accesses at the Supplier's offices to verify the regular performance of General Conditions, Technical Specifications and Purchase Orders provisions.

5.6. Warranty of Goods and Services

5.6.1. The Supplier undertakes to supply Goods and Services in compliance with Purchase Orders and with the provisions of this and full article 5.

5.6.2. Without prejudice to clause 5.6.1 above, in addition to the warranties provided by the Supplier in other clauses of these General Conditions and in accordance with applicable laws and without prejudice to any provisions thereof, the Supplier guarantees against defects, non-conformities and/or lacks of Goods and Services for a minimum period of 24 months since the delivery.

5.6.3. The same warranties and the same warranty period shall apply to the Goods and Services, depending on the situation, replaced, repaired or performed again by the Supplier pursuant to clauses 5.5.2 and 5.5.5.

5.6.4. The Supplier also undertakes to indemnify GILARDONI from any damage, action, right or claim of third parties in any way deriving from or linked to the Supplies, as well as any cost, expense and damage deriving from or linked to or resulting from (i) the existence of defects, non-conformities and/or lacks or the missed or delayed removal of such defects, non-conformities and/or lacks, and (ii) the violation of declarations and warranties issued by the Supplier pursuant to these General Conditions and/or pursuant to the applicable law, including, but not limited to, product liability, general product safety, regarding health and safety, prohibition of intermediation and interposition at work, as subsequently amended; in any case, with GILARDONI's right to quantify such damages and directly invoice the related amount to the Supplier.

5.6.5. The warranties and the remedies expressly provided for by this and integral article 5 shall be understood as additional and not substitutive with respect to other remedies and warranties provided by law in case of Goods and Services defects or non-conformities.



6. PRICES

- 6.1. Unless otherwise agreed in writing between the Parties, the Prices for Goods and/or Services shall be set out in Purchase Orders. The Prices indicated in Purchase Orders accepted pursuant to art. 3.2 shall be fixed and not subject to revisions or adjustments. Equally, once agreed for a certain period, the Prices shall be fixed and not subject to revisions or adjustments for the agreed period.
- 6.2. The Price established pursuant to art. 6.1 is all-inclusive. Additional costs and expenses will therefore be recognized to the Supplier only if they have been previously authorized by GILARDONI in writing and after the submission of written evidence.
- 6.3. Prices may not be increased unless authorized by the issuance of a modification of the Purchase Order signed by a representative of GILARDONI vested with powers. The Supplier declares and ensures that the Supply Price and conditions provided for by the Purchase Order are no less advantageous than those applied by the Supplier to other customers for the same or equivalent supplies. In the event that more advantageous terms and conditions are provided to other customers for the same or equivalent supplies, GILARDONI shall also be entitled to apply these more favorable terms and conditions also in its favour and, if the case, to the acknowledgement of a credit for an amount equal to the difference between the price initially offered to GILARDONI and the more advantageous price applied by the Supplier to other customers for the same or equivalent supplies.
- 6.4. Any tax, fee or duty due in connection with a Supply shall be exclusively borne by the Supplier, unless otherwise expressly agreed in writing between the Parties. Only the Supplier shall be liable for the compliance of its obligations as a withholding agent. Any penalty or interest, of fiscal or other nature, due to the missed Supplier's compliance with its obligations as a withholding agent shall be at the exclusive expense of the Supplier.

7. PAYMENTS

- 7.1. Payment terms and modalities shall be indicated in Purchase Orders or established in separate written agreements between the Parties. Failing this, the payment will be made by bank transfer within 60 (sixty) days from the end of the month in which the invoice and the copy of the bill of lading (where applicable) have been received.
- 7.2. Payments are conditioned:
 - (i) to the delivery of Goods to GILARDONI and/or the proper Service performance;
 - (ii) to the issuance, by the Supplier, of the relevant invoice. Each invoice shall bear the number and date of the Purchase Order, the quantity, the delivery date and the Price and in defect of these indications, GILARDONI can refuse the invoices. The invoices shall reach GILARDONI within the tenth day of the month immediately following the date of delivery of Goods or Service performance. The payment terms indicated in Purchase Orders will be calculated from the date on which duly completed invoices are received by GILARDONI. In the event that duly completed invoices reach GILARDONI after the tenth day of the month following the delivery date, the payment terms indicated in Orders will be calculated from the date of the last day of the month in which such invoices have been received by GILARDONI.
 - (iii) compliance with the obligations provided for by art. 9, in the case of provision of Services.
- 7.3. In case of non-fulfillment by the Supplier of the obligations provided for by art. 7.2, GILARDONI may reject the invoices, suspending their payments, without determining an accrual of interests and/or penalties.
- 7.4. The payments provided for by this article are subject to applicable adjustments and compensations in accordance with what is established for delays, defects, nonconformities provided for by the article 5 above.
- 7.5. Payments provided for by art. 7.1 do not imply the acceptance of Services and/or Goods by GILARDONI in terms of quality, quantity and price conditions and do not imply any waiver by GILARDONI of rights deriving directly or indirectly from these General Conditions or from the applicable legislation.



8. THIRD PARTY SERVICES – SUBCONTRACT

- 8.1. The Supplier may subcontract in whole or in part the performance of Services to third parties only and exclusively after written request addressed to GILARDONI followed by a written consent by GILARDONI.
- 8.2. It is understood that the Supplier will remain, in any case, the sole responsible person towards GILARDONI for the proper execution of the Purchase Order and, in any case, will be liable on its own for all the activities of the subcontractor as if they had been carried out by the same Supplier and shall indemnify and hold harmless GILARDONI from any request and/or claim of any nature, linked to the performance of Services, which can be made against the Customer, also pursuant to article 1676 of the Civil Code, by any third parties, whether external third suppliers, employees and/or auxiliaries belonging to the Supplier and/or its subcontractors and/or otherwise by the personnel employed for the performance of Services, and/or in relation to any joint and several liability for the payment of remunerations and social security contributions to be paid to employees pursuant to the second paragraph of art. 29 of the Law n. 276/2003 and its subsequent amendments and/or additions, or for the payment by the Supplier of the withholding taxes on employees' income pursuant to art. 35 paragraph 28, of Decree Law 223/2006 and its subsequent amendments and/or integrations, as well as for the remuneration due by the Supplier in favour of the third parties themselves.

9. ADDITIONAL SUPPLIER OBLIGATIONS

- 9.1. The Supplier shall comply with the Technical Specifications provided by GILARDONI.
- 9.2. The Supplier shall apply to GILARDONI the best possible conditions regarding price, discounts, payment terms, warranties and technology.
- 9.3. The Supplier shall comply with and apply all laws, regulations, orders, conventions and standards (including the sector standards) of the countries of origin and destination of the Supply, regarding production, labeling, transport, import, export, licensing, approval or certification of Goods and/or, as appropriate, Services, including, but not limited to, data protection, environment, storage, handling, recycling, destruction or disposal of refuse or waste material, wages, working hours and conditions, subcontractor selection, discrimination, worker safety and health and vehicle safety. Upon GILARDONI's request, the Supplier will certify in writing the compliance with the above.
- 9.4. In case of Services that must be performed at GILARDONI's establishment and/or offices or at different location (Affiliates or final users), the Supplier will comply and apply, and will ensure that its representatives, employees, agents, consultants, subcontractors (where applicable) comply and apply any regulation, standard and working hours in force at such establishments and offices, notwithstanding the observance of the provisions of General Conditions.
- 9.5. The Supplier shall supply the Customer with the necessary spare parts for a period of 10 years from the date of delivery of Goods, at market prices, and ensures that such spare parts will continue to be manufactured for the same period.
- 9.6. The Supplier shall use the maximum diligence and care necessary to keep and maintain in good order and service, at its own risks and expenses, including those for ordinary and extraordinary maintenance, all good and/or machinery, for example, but not limited to, raw materials and molds which have been supplied by GILARDONI in relation to one or more Supplies ordered to the Supplier. For the entire period during which such goods and/or machineries will be located at the Supplier, the latter shall provide the Customer with a complete inventory of such goods and/or machineries, periodically and in any case at least once every year, at their care and expenses.
- 9.7. Goods and machineries supplied to the Supplier pursuant to clause 9.6 above shall remain GILARDONI's property and at its disposal, which shall retain the right to inspect and/or use them at any time. The Supplier shall refund and indemnify GILARDONI from any loss or damage to such goods and/or machineries or in any way resulting therefrom, damages that shall be immediately notified to GILARDONI by the Supplier.
- 9.8. Specific obligations for the supply of Services

- 9.8.1. Services subject to the Purchase Order shall be performed by the Supplier in full organizational and means autonomy, and with the assumption by the latter of all business risk.
- 9.8.2. The Supplier declares and ensures to own, and that the enterprises and/or the self-employed that will be used, after the authorization of the Customer, own the technical-professional suitability requirements necessary to perform the works entrusted with the Purchase Order. In this regard, the Supplier is required to deliver to GILARDONI, no later than 10 (ten) days prior to the start date of the works, a copy of the following documents, for itself and for each executor enterprise and/or self-employed worker (if applicable):
- (i) certificate of registration with the Chamber of Commerce, Industry and Craftsmanship, updated on the date of acceptance of the Purchase Order, with the business purpose inherent to the type of Service;
 - (ii) self-certification, pursuant to the article 47 of the Consolidated Law on administrative documentation/, of the possession of the technical-professional suitability requirements;
 - (iii) any other document that may be required by law on work health and safety.
- 9.8.3. In case of subcontract, if provided for in compliance with these General Conditions, it is up to the Supplier's employer to verify the technical-professional suitability of subcontractors or self-employed. For this purpose, the Supplier shall provide a self-declaration in substitution of attested affidavit, in accordance with the law on administrative documentation, confirming the possession of the technical-professional suitability requirements of such subjects, verified as specified in this clause.
- 9.8.4. The Supplier is required to cooperate with GILARDONI for the implementation of measures of health and safety against risks at work affecting the work activity subject to the Purchase Order, also for the proper drafting of the DUVRI in accordance with the Consolidated Law on Health and Safety, undertaking the responsibility for the completeness and truthfulness of all the given information as well as their timely updating.
- 9.8.5. The Supplier shall deliver to GILARDONI, no later than 10 (ten) days prior to the start date of the works related to the Service supply, copy of the following documents, signed in original by the Supplier's employer that is indicated in clause (i) below:
- (i) references of "employer" and "health, safety and environment manager" of the Supplier pursuant to the Consolidated Health and Safety Act relating to itself and to its appointed third parties (including any subcontractors in accordance with the General Conditions);
 - (ii) list of subjects, employees, collaborators, third enterprises (names of the employed persons, any subcontractors if authorized by the Customer in accordance with the General Conditions) that will be used by the Supplier to perform Services, with the indication of the relevant personal data;
 - (iii) a single document of regularity of contribution (in Italy known as "DURC") updated and valid for the duration of the performance of Services relating to itself, its third parties (including any subcontractors in accordance with the General Conditions);
 - (iv) self-declaration of the Supplier and third parties appointed by the Supplier (including any subcontractors in accordance with the General Conditions) certifying that they regularly, timely and properly pay the remunerations, social security and insurance contributions relating to the workers and collaborators listed in clauses (i) and (ii) above;
 - (v) declaration by the Supplier's employer not to be subject to suspension or disqualifying measures provided to in article 14 of the Consolidation Law on Health and Safety, relating to themselves, to their appointed third parties (including any subcontractors in accordance with the General Conditions);
 - (vi) risk assessment document (in Italy known as "DVR") in accordance with the law, relating to themselves and to their appointed third parties (including any subcontractors in accordance with the General Conditions);

- (vii) complete documentation attesting, for each worker or collaborator (either himself or of appointed third parties including any subcontractors in accordance with the General Conditions) the suitability to perform certain tasks and to have acquired the necessary certificate as well as professionalism and training.
- 9.8.6. The Supplier also commits, in the performance of Services and in the realization of Goods, for themselves and for all third parties (including any subcontractors in accordance with the General Conditions):
- to pay regularly their personnel and ensuring a scrupulous application of the applicable employment contracts and collective agreements, as well as punctually comply with their social security and healthcare duties in accordance with any law provisions in force;
 - to apply scrupulously the regulations on work health, safety and environment, as well as the provisions of GILARDONI Code of Conduct attached to these General Conditions;
 - to ensure that their employees and/or collaborators (including subcontractors in accordance with the General Conditions) that will perform their work in the execution of Services or in the realization of Goods scrupulously comply with the regulation in force on work safety;
 - to regularly pay withholding taxes on the income from work related to the personnel used to perform the Services, as well as VAT and all direct and indirect taxes related to the Services and the realization of the Goods.
- 9.8.7. The Supplier will perform the Services at the location indicated by GILARDONI in the Purchase Order.
- 9.8.8. For the execution of the Services the Supplier shall arrange, on its own responsibility and at its own expense, for the appropriate equipment to the interventions to be performed, in compliance with accident prevention and good technique standards and in any case such as to offer the necessary guarantees of safety and compliance with all legal regulations. In no case may the Supplier use means or equipment owned by GILARDONI.
- 9.8.9. In particular, but without limitation for any other legal obligation or prevention measure, the Supplier shall provide with and use and ensure that all personnel, including the personnel of the executing companies or, if provided in accordance with these General Conditions, the subcontractor's personnel engaged in the performance of the activities inherent in and related to the Contract relating to the performance of Services is equipped with and uses the personal protections provided in relation to the individual tasks and risks of the work environment in which they shall operate. In addition, the Supplier must respect, and ensure that all personnel, including the personnel of the executing companies or, if provided in accordance with these General Conditions, the subcontractor's personnel engaged in the performance of the activities inherent in and related to the Purchase Order respect the provisions included in the incoming instructions and in the code of conduct prepared by the Customer.
- 9.8.10. In case of non-fulfillment of what is provided in the clauses provided for by this article 9.8, GILARDONI shall have the right, at its sole discretion and in addition to any other legal remedy (i) to suspend the works related to the performance of Services or to expel from the establishment or construction site the non-fulfilling workers, or (ii) to terminate the Contract for breach of contract.
- 9.8.11. The Supplier shall ensure that the personnel, including the personnel of the executing companies, the self-employed workers or, if provided in accordance with these General Conditions, the subcontractor's personnel engaged in the performance of the activities inherent in and related to the Contract, is equipped with an appropriate identification card.
- 9.8.12. Without prejudice to what is provided in article 7, as an additional condition for the payment of amounts due to the Supplier for the Services, the Supplier is required to provide for documentary evidence of the fulfillment of the obligations provided in this article 9.8, upon request of GILARDONI.



10. WITHDRAWAL

- 10.1.** In addition to the rights of withdrawal and termination provided by law, GILARDONI may withdraw from the Contract, revoking and cancelling the Purchase Order, through a simple written communication sent with 30 (thirty) days' notice to the Supplier.
- 10.2.** GILARDONI can, at its discretion, immediately terminate the Contract, giving notice to the Supplier, in the event of change of control of the Supplier, that is in case of:
- (i) sale, assignment or any other act of disposal of all or a significant part of the goods which have been used to produce Goods and/or perform Services;
 - (ii) sale or assignment or any other act of disposal of the controlling interest in the Supplier's share capital;
 - (iii) conclusion of a voting or voting syndicate or list agreement, or any other agreement having the effect of modifying the Supplier's shareholding or controlling interests in the Supplier's capital;
- 10.3.** The Supplier shall inform GILARDONI in writing of the change of control within 10 (ten) days following the date on which the change of control became effective.
- 10.4.** No compensation is provided pursuant to art. 1373, paragraph 3, c.c. for the exercise of the right of withdrawal provided for by art. 10.1 and 10.2.

11. EXPRESS TERMINATION CLAUSE

- 11.1.** GILARDONI can notify in any moment the termination of Contracts, pursuant to art. 1456 c.c., for breach, even partial, of what is provided for by art. 4, 5.2.4, 5.3.1, 5.5, 8.1, 9, 12.2, 14.4, 15 and, in addition, in the following cases:
- (i) delay in the performance of Services by the Supplier;
 - (ii) interruption of Services ascribable to the Supplier for more than 7 (seven) working days;
 - (iii) in the event of the Supplier's submission of any act preparatory to the commencement of bankruptcy proceedings and/or debt recovery and restructuring, and in the event of access to bankruptcy proceedings;
 - (iv) where the Supplier implements conducts that are seriously detrimental to the reputation and goodwill of GILARDONI or its products.
- 11.2.** The termination of the contractual relationship shall be effective only for the supplies of Goods and for the performance of Services not yet performed at the date of the termination.

12. INTELLECTUAL PROPERTY AND ADMINISTRATIVE AUTHORIZATIONS – DECLARATIONS AND WARRANTIES

- 12.1.** The Supplier declares and ensures:
- (i) that Goods, their components and accessories and the Results do not violate patents, brands, models, copyrights or other intellectual and industrial property rights of third parties;
 - (ii) to be fully entitled to transfer to GILARDONI the full right to use, incorporate and market the Goods and to use and reproduce the Results.
- 12.2.** If an application by a third party or an investigation or decision by the legal or administrative authority state, ascertain or imply the non-existence of the requirements provided for by art. 12.1, even as a temporary or precautionary measure, or have as their object or effect the impossibility to use the Results or to market the Goods or any products in which Goods or Results are incorporated as a consequence of non-existence of the requirements provided for by art. 12.1, GILARDONI shall have the right to terminate pursuant to art. 1456 c.c., the Contracts to which the breach of warranty is ascribable.
- 12.3.** The Supplier exclusively assigns to GILARDONI all intellectual property rights on Results. The agreed payment for the performance of Services includes the payment for the assignment of intellectual property rights on Results.
- 12.4.** GILARDONI may use and exploit, at its own discretion, free from any right or claim of third parties, all the Results achieved when performing Services, including inventions and rights of use and

exploitation according to the industrial property code in force, without any payment to the Supplier.

- 12.5.** The Supplier recognizes and acknowledges that neither these General Conditions nor the Contracts imply in any way a transfer or licensing to the Supplier of the intellectual property rights of GILARDONI.

13. COMPENSATION AND INDEMNITY

- 13.1.** The Supplier undertakes to indemnify and hold GILARDONI harmless, and indemnified against direct or indirect damage, cost, expense or responsibility, including those arising from demands or claims of third parties, which are direct or indirect consequence of:
- (i) breach of warranties and obligations set out in art. 5.4, 8.2, 9.8.2, 12 and 15;
 - (ii) the need to defend against claims of third parties which, if considered to be valid, would involve the existence of a breach of the Supplier's warranties and obligations provided for by articles 5.4, 8.2, 9.8.2, 12 and 15;
 - (iii) any other non-fulfillment of Contracts, Technical Specifications and General Conditions.
- 13.2.** In particular and by way of example, the Supplier shall indemnify and hold harmless GILARDONI from any product liability that might arise for GILARDONI as a consequence of defects of Goods and Services.
- 13.3.** In the event that the Supplier's non-fulfillment is ascertained, GILARDONI may retain the amounts due for previous supplies, even if they are not related to the Purchase Order for which the non-fulfillment occurred, to cover the prejudicial consequences deriving from the breach itself.

14. FORCE MAJEURE

- 14.1.** Without prejudice to art. 14.4, the non-execution of the obligations of a Party that is prevented by objective circumstances occurring outside its control does not constitute a non-fulfillment of these General Conditions or Contracts, such as, for example:
- (i) natural disasters (earthquakes, fires, floods, storms, etc.);
 - (ii) armed conflicts, wars, contentions, attacks, riots, acts of terrorism;
 - (iii) union conflicts or disputes, occupation or lockout, general or sector or establishment strikes;
 - (iv) union conflicts or disputes, general or sector strikes, occupation or lockout regarding the Supplier's suppliers, the carriers, the service companies, the shippers, the post offices, the public offices in general or, however, all those who are interested in the production process;
 - (v) orders of the judicial, governmental or public authority in general;
 - (vi) import bans, embargos, production blocks imposed by health or public authority in general.
- 14.2.** The Supplier shall timely inform the Customer of any fact that may be considered Force Majeure and that may make it difficult to deliver the Goods or perform the Service. In this case the Customer, with the exception of the cases provided for by art. 14.4, shall indicate to the Supplier how the Good may be delivered or the Service performed, possibly even in a different location. The Supplier shall bear the increased costs.
- 14.3.** In no case shall the delays or non-fulfillment of the Supplier's sub-suppliers be considered outside the Supplier's control.
- 14.4.** In the event of force majeure, the Customer may suspend the contractual obligations with the Supplier, at their discretion and upon written communication. If the cause of the suspension protracts for more than 15 (fifteen) working days, the Customer may, alternatively:
- (i) temporarily, purchase Goods and/or Services from another supplier, without prejudice to the commitment for the Customer to repurchase from the Supplier the Goods and/or Services subject to Purchase Orders and Contracts, once the Force Majeure has ended. In this case, GILARDONI shall not be prevented from using the remedy provided for by clause (ii) below.
 - (ii) terminate the Contract pursuant to art. 1456 c.c.

15. CONFIDENTIALITY AND ADVERTISING PROHIBITION

- 15.1. The Supplier is made aware of GILARDONI's particular fields of operation, among which – but not exclusively – the security field, and of the need to consider all information and documents acquired as extremely confidential.
- 15.2. The Supplier has already signed a Non-Disclosure Agreement, which here is considered as fully referenced.
- 15.3. The Supplier is expressly prohibited from disclosing and/or publicizing the activity performed in favor of the Customer, in any form, in the interest of themselves or of third parties, without express written authorization of GILARDONI, at their unquestionable judgment. In this case the Supplier commits to respect the advertising form and any other condition that will be provided by the Customer.

16. INSURANCE

- 16.1. Without prejudice to the Supplier's liability towards GILARDONI, the Supplier undertakes to sign and maintain an adequate insurance policy for the duration of the commercial relations between the Parties, with a primary insurance company and with deductibles and maximum coverage defined at normal market conditions, to cover the civil liability arising from the sale of Goods or performance of Services, with a maximum coverage commensurate with the value of Goods or Services themselves.
- 16.2. The Supplier, upon simple request of the Customer, shall make available to GILARDONI a copy of the insurance policy and of the payment certificate of the relative premium.

17. WAIVER

The possible tolerance of one of the Parties of behaviours of the other Party/Parties violating the provisions of General Conditions and/or Particular Conditions does not constitute a waiver of the rights deriving from the violated provisions, nor of the right to demand the exact fulfilment of all the intended terms and conditions.

18. AMENDMENTS

Any addition, modification and variation to the General Conditions shall be valid and effective on condition that it is performed in writing and signed by the Parties, under penalty of nullity.

19. SEVERABILITY

The possible invalidity of single provisions of the General Conditions shall not determine the invalidity of the Conditions in their entirety or of other agreements of the same.

20. COMMUNICATIONS BETWEEN THE PARTIES

All notifications, communications, consents, approvals, waivers or other communications of the Parties pursuant to General Conditions and Particular Conditions shall be sent in writing, under penalty of nullity, and they shall be deemed to have been received (i) at the time of the delivery, where delivered by hand, with written confirmation of receipt; or (ii) at the time of the receipt by the addressee, if sent by courier or registered mail with advice of delivery or certified e-mail (PEC).

In any case the communications shall be made to the addresses specified below:

- if to GILARDONI: to the address indicated on the Purchase Order, to the attention of the buyer, reference purchase manager, or to a different address that shall be communicated by the Customer;
- if to the Supplier: to the e-mail address ascribable to them or to the legal head office of the Supplier, or to the address explicitly communicated by the Supplier.



21. APPLICABLE LAW AND COMPETENT COURT

- 21.1. The General Conditions and the Contracts are governed by Italian law.
- 21.2. Any dispute arising between the Parties and that should not be resolved amicably shall be subject to the exclusive jurisdiction of the court of Lecco.
- 21.3. GILARDONI shall, at its own discretion, have the right to waive the exclusive jurisdiction provided for by art. 21.1 and to settle the dispute in the court where the defendant is domiciled or in any other competent court according to the ordinary criteria of allocation of jurisdiction and authority.

22. PROCESSING OF PERSONAL DATA

- 22.1. GILARDONI, for the sole purpose of managing the contractual relationship of supply/purchase, uses data concerning the Supplier, whose knowledge, although not compulsory, is necessary to initiate the Contracts. Such data are collected in paper and computer archives managed by GILARDONI (responsible for the processing of personal data) and processed in a manner strictly necessary for the indicated purposes. In particular, such data refer, but not limited to: business name, headquarter, VAT number, tax code, etc. Such data, pursuant to art. 13 of EU Regulation 679/2016 – GDPR, shall be processed in compliance with the current legislation and for the execution of the obligations assumed with the Contract.
- 22.2. In any case the Supplier shall have the rights provided for by art. 15 of the EU Regulation 679/2016 - GDPR.

23. DURATION OF GENERAL CONDITIONS

- 23.1. The duration of these General Conditions complies with the duration indicated by Purchase Orders and/or Contracts.
- 23.2. At the expiration date, the General Conditions continue to have effect in relation to the Contracts already in force at the expiration date. In any case, the expiration date of the General Conditions shall not limit in any way the Supplier's obligations pursuant to articles 15 (Confidentiality) and 21 (Applicable law and competent court).

24. ETHICAL CODE

- 24.1. The Supplier declares to have viewed and to know the "Organization, Management and Control Model" and the "Ethical Code", published and accessible at the website <https://www.gilardoni.it/codice-etico-gilardoni-spa/> and which set out the principles to which GILARDONI informs the management of their activities and the relationships with third parties.
- 24.2. In the light of the foregoing, the Supplier commits, in relation to the execution of each Contract and each Purchase Order: (i) to manage its own activity/activities complying with: - all the principles, values and commitments as expressed in the aforementioned GILARDONI documentation; - similar policies and commitments – if any – taken publicly by its company; (ii) and in particular it undertakes to - neither use nor support the use of child labor and forced labor; - assure equal opportunities and freedom of association, promoting the development of each individual; - take position against the use of corporal punishments, mental or physical coercion, verbal abuse; - respect industrial laws and standards of working hours and ensure that wages are sufficient to satisfy the primary needs of the personnel; - establish and maintain the procedures necessary to evaluate and select suppliers and sub-suppliers on the basis of their level of social and environmental responsibility; - not tolerate any kind of corruption in any form or manner, in any jurisdiction, even if such activities were in practice permitted, tolerated or not prosecuted; - evaluate and reduce the environmental impact of their products and services throughout their life cycle; - use resources responsibly with the aim of reaching a sustainable development respecting the environment and the rights of future generations.



- 24.3. The Supplier also commits to impose to their subcontractors and sub-suppliers the abovementioned principles, values and policies, regularly monitoring that they actually comply with this obligation.
- 24.4. The Supplier recognizes that GILARDONI has the right to verify at any time, directly or through third parties, that the Supplier has fulfilled the obligations assumed by them pursuant to this article.
- 24.5. The Supplier is obliged to report to GILARDONI any violation or suspected violation with reference to the "Organization, Management and Control Model" and the "Code of Ethics"; the reports must be provided in a non-anonymous form, any anonymous report shall in any case be evaluated. Such reports shall contain a description of the facts that constitute a violation or a presumed violation of the provisions of the abovementioned GILARDONI documents, including information regarding the time and place of occurrence of the represented facts, as well as the involved persons. GILARDONI protects employees and third party collaborators from any detrimental consequences deriving from the report, assuring the confidentiality of the identity of the reporters, without prejudice to legal obligations.

Supplier signature and stamp for acceptance

Place _____

Date _____

Pursuant to and for the purposes of Articles 1341 and 1342 c.c, the Supplier specifically approves in writing the following conditions: art. 1 (Field of application), art. 3 (Issuance and acceptance of Purchase Orders), art. 4 (Non-transferability of Credits and Contracts), art. 5 (Delivery of Goods and performance of Services), art. 6 (Prices), art. 7 (Payments), art. 8 (Third party services – subcontract), art. 9 (Additional Supplier obligations), art. 10 (Withdrawal), art. 11 (Express termination clause), art. 12 (Intellectual property and administrative authorizations – declarations and warranties), art. 13 (Compensation and indemnity), art. 14 (Force majeure), art. 15 (Confidentiality), art. 16 (Insurance), art. 17 (Waiver), art. 18 (Amendments), art. 19 (Severability), art. 20 (Communications between the Parties), art. 21 (Applicable law and competent court), art. 22 (Processing of personal data), art. 23 (Duration of General Conditions), art. 24 (Ethical Code).

Supplier signature and stamp for acceptance

Place _____

Date _____