

GENERAL TERMS AND CONDITIONS OF PURCHASE DOC. N° SPC-APP-002

Rev.: 05
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3	28.03.2007	General terms and conditions of purchase	M. Boattini	B. Lombardi	F. Arpe
4	22.05.2009	General terms and conditions of purchase	Ufficio Affari Generali	F. Arpe	B. Lombardi
5	21.04.2016	General revision	M. Boattini	P. Vago	R. Montaletti

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ART. 1 – DEFINITIONS

The following definitions shall be used for the purpose of interpreting the CONTRACT (as the term is defined below.)

“**CLIENT**” shall mean the client which awarded a contract for the PROJECT to PURCHASER as specified in the ORDER, including its co-ventures any CLIENT’S assignee.

“**CONTRACT**” shall mean the agreement between PURCHASER and SUPPLIER as regards the GOODS, with the meaning ascribed thereto in Article 3 (The Contract).

“**CONTRACT DOCUMENTS**” shall mean all documents referenced in the ORDER.

“**CONTRACT PRICE**” shall mean the aggregate amount of all ORDERS issued at any time by PURCHASER to SUPPLIER and concerning the same PROJECT.

“**DAYS**” shall mean calendar days.

“**DEFECT**” shall mean any (i) defect in materials, design or workmanship, (ii) materials or workmanship not being in accordance with the CONTRACT or (iii) any failure of the GOODS or any part thereof to comply with the CONTRACT including, without limitation, any delay, error, omission, deficiency, performance shortfall in the GOODS.

“**DELIVERY DATE**” shall mean the date in which the GOODS must be: completed, tested, verified in accordance with the CONTRACT and delivered to PURCHASER “DDP” (as the term is defined in the

Incoterms 2010) or in accordance with the INCOTERM indicated in the ORDER. Partial and/or incomplete delivery of the GOODS shall not be deemed to constitute delivery and/or the DELIVERY DATE notwithstanding receipt and/or any payment thereof.

“**G.C.P.**” shall mean these General terms and conditions of purchase;

“**EFFECTIVE DATE**” shall mean the date on which the CONTRACT becomes effective as specified in the ORDER.

“**FORCE MAJEURE**” shall mean any unforeseeable event which is unforeseeable and beyond the control of the PARTY claiming to be affected thereby, and which by the exercise of reasonable care and diligence that PARTY is unable to prevent, including but not limited to, the following to the extent only that they satisfy the above criteria: riot, war, insurrection, rebellion or sabotage, invasion, act of foreign enemies, hostilities, acts of terrorism, civil war, rebellion, revolution, insurrection ionising radiations or contamination, earthquake, flood, and/or other natural physical disaster, strikes at a national level.

“**GOOD**” or “**GOODS**” shall mean the goods to be supplied by SUPPLIER to PURCHASER pursuant to the CONTRACT and includes spare part, consumables, special tools, equipment and any service/work as described in the ORDER..

“**KEY DATES**” means any date upon which the specific GOODS or part thereof must be completed, or delivered in accordance with the CONTRACT as specified in the ORDER and/or in any relevant CONTRACT DOCUMENT.

“**MATERIAL DEFAULT**” shall mean any breach or series of breaches by SUPPLIER under the CONTRACT, including a DEFECT, which is not or cannot be remedied by SUPPLIER within the DELIVERY DATE, or the impact of which (or in the case of a series of breaches, the cumulative impact of which) is substantial and adverse to PURCHASER’S interests.

“**PARTY**” shall mean PURCHASER or SUPPLIER and “**PARTIES**” shall be construed accordingly.

“**PURCHASER**” shall mean Fores Engineering S.r.l. , a company incorporated and existing under the laws of Italy, with registered office in Forlì (Italy) via Secondo Casadei 12.

“**PROJECT**” shall mean the project defined in the ORDER.

“**SITE**” shall mean the off/on-shore site of the CLIENT where the plant concerning the PROJECT, is to be installed, commissioned and operated.

“**SUBCONTRACT**” shall mean any contract between SUPPLIER and a third party for the performance or supply of the GOODS or in any manner related to the scope of the CONTRACT.

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“**SUBSUPPLIER**” shall mean any party (other than SUPPLIER) to a SUBCONTRACT (of any tier) including its employees and agents.

“**SUPPLIER**” shall mean the company entrusted by PURCHASER with the supply of GOODS, pursuant to the terms set out in the CONTRACT.;

“**ORDER**” shall mean every purchase order, which incorporates these terms and conditions, duly signed and accepted by the PARTIES.;

“**TAX**” and “**TAXES**” shall mean, all existing or future taxes, corporate income tax or gross revenue taxes, personal income tax, employment taxes and social charges, national insurance, sales taxes, property taxes, impost, duties, customs duties, levies, withholdings taxes and fees, stamp duties, charge and other assessments in the nature of taxes, including any fines, penalties or interest, assessed or levied by the appropriate authority.

“**WARRANTY PERIOD**” shall mean twenty-four months (24) months as of the DELIVERY DATE or the other term indicated in the ORDER.

ART. 2 – NOTICES

2.1 Any notice or other communication given under or in connection with the matters contemplated by the CONTRACT is to be in writing and shall be signed on behalf of the PARTY serving it. Said notices or communication is to be served by delivering it personally or sending it by pre-paid recorded delivery or registered post to the address and for the attention of the person indicated in the ORDER and copied to such other persons as may be indicated in writing from time to time. Any e-mail, unless receipt thereof is acknowledged by recipient, shall be confirmed via fax and *vice versa*. The addresses and fax numbers of the PARTIES for the purposes of this Article are specified in the ORDER and may be modified from time to time by the relevant PARTY through written notice to the other PARTY. Any notice shall contain the number of the ORDER as reference.

ART. 3 – THE CONTRACT

3.1 The CONTRACT shall comprise the following documents:
1) the ORDER; and
2) these General Terms and Conditions of Purchase; together with any other document that is expressly incorporated as part of the CONTRACT in the ORDER (i.e. the CONTRACT DOCUMENTS).
These documents shall be read and construed as one sole document the contents of which, in the event of any ambiguity or contradiction, shall be given priority and construed in light of the order indicated above and in the ORDER..

3.2 Each ORDER sent by PURCHASER to SUPPLIER, in so far it concerns the same specific PROJECT, shall be deemed to constitute part of one agreement. All ORDERS

shall be subject to the CONTRACT and these terms and conditions unless otherwise expressly specified in writing by PURCHASER. Save as expressly provided in the ORDER, these terms and conditions are the only conditions upon which PURCHASER shall contract with SUPPLIER and they shall govern the CONTRACT to the entire exclusion of all other terms or conditions.

3.3 No terms or conditions endorsed upon, delivered with or contained in SUPPLIER's quotation, acknowledgment, acceptance of the ORDER, invoice, specification or similar document shall form part of the CONTRACT or apply to its subject matter and SUPPLIER waives any right which it otherwise might have to rely on such terms and conditions. In any event PURCHASER shall have the right, without incurring in any liability to SUPPLIER, to withhold any payment due and/or payable to SUPPLIER until such date in which SUPPLIER returns complete copy of ORDER/S (INCLUDING THE CONTRACT DOCUMENTS) duly signed. There shall be no variation to the CONTRACT unless expressly agreed in writing by PURCHASER.

ART. 4 – PRICES

4.1 Unless otherwise agreed later on, the prices agreed and indicated in the ORDER shall be fixed and unchangeable and shall not include VAT. They shall however include all taxes, dues, contributions and custom duties.

4.2 Unless otherwise specified in the ORDER, prices shall also include storage and transport to the place of delivery as well as all services connected with these activities.

4.3 No additional cost of any kind may be charged to the PURCHASER, unless previously accepted in writing by the PURCHASER.

ART. 5 – REPRESENTATION AND WARRANTIES

5.1 SUPPLIER acknowledges and agrees that quality requirements are essential to the performance of the CONTRACT. SUPPLIER shall perform all the contractual obligations in accordance with the CONTRACT. In particular, without limiting the foregoing, the GOODS shall be in accordance with the provisions of the CONTRACT and shall be new, free from DEFECTS, of good quality, material and good workmanship and fit for its or their intended purpose as set out in the CONTRACT or if no purpose is specified, for its or their ordinary purpose, and conform in all respects with the CONTRACT and specifications supplied or advised by PURCHASER or SUPPLIER, if any. SUPPLIER shall complete and deliver the GOODS on or before the DELIVERY DATE in accordance with the ORDER.

5.2 Without prejudice to any other right or remedy which PURCHASER may have, if any GOOD is not supplied in accordance with any of the terms of the CONTRACT, PURCHASER shall be entitled (whether or not any part of the GOODS have been accepted by PURCHASER) to rescind the CONTRACT or to reject the GOODS (in whole or in part)

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- and return them to SUPPLIER at the risk and cost of SUPPLIER on the basis that a full refund for the GOODS so returned shall be paid forthwith by SUPPLIER.
- 5.3 SUPPLIER warrants and represents that it has satisfied itself, before entering into the CONTRACT, as to the extent and nature of the GOODS, the correctness and sufficiency of all CONTRACT DOCUMENTS and all sums, rates and prices entered in the ORDER, general and local conditions, and all other matters which could affect progress or performance for the supply of the GOODS as a part of the PROJECT reference frame.
- 5.4 In particular but without limiting the foregoing, SUPPLIER has checked and verified the completeness of information provided by PURCHASER, indicated in the CONTRACT DOCUMENTS (such as, as the case may be, all detailed design, engineering, calculations, drawings, specifications, including the generation of procedures, working documentation, 'as-built' documentation and any other engineering requirements), if any, vis a vis the purposes indicated in the CONTRACT and do not contain any errors, omissions, deficiencies, inaccuracies, contradictions, ambiguities and/or discrepancies. All design for the GOODS prepared by or on behalf of SUPPLIER for the purposes of the CONTRACT are, or as the case may be, shall be in all respects adequate, accurate and shall be fit for their purpose as indicated in the CONTRACT. Any failure by SUPPLIER to take account of matters which affect the GOODS shall not relieve SUPPLIER from its obligations under the CONTRACT.
- 5.5 It is understood that, the GOODS and the CONTRACT PRICE further include the provision of such necessary or incidental goods or activities, supplies, consumables, utilities, tools, labour, facilities, equipment, services and works which are necessary for the contractual performance in accordance with good oil & gas industry standards and practice unless expressly excluded in the CONTRACT.

ART. 6 – OPERATIONAL PLAN

- 6.1 Within 15 days from the EFFECTIVE DATE, SUPPLIER shall submit to PURCHASER an operational plan for the supply of the GOOD for approval. Such a plan shall be organised in such a way to meet the KEY DATES and shall be in compliance with the CONTRACT DOCUMENTS.
- 6.2 SUPPLIER shall transmit to the PURCHASER, in a form acceptable to the PURCHASER, weekly reports on the supply progress. These reports shall include at least a global evaluation of the supply progress as well as the planned and estimated dates for the completion of the supply activities in progress and the percentage of work carried out to date in relation to the single activities (for example: planning, procurement, manufacturing, running tests, other tests).

ART. 7 – MATERIAL INSPECTION AND REFUSAL OF THE GOOD

- 7.1 At any time prior to DELIVERY DATE of the GOODS or any part thereof by SUPPLIER, the PURCHASER, or its appointed representative(s), including the CLIENT shall have the right (but not the obligation), upon simple request, to gain access to, test and inspect the GOODS and all documentation relating thereto. SUPPLIER shall ensure that PURCHASER, CLIENT, their employees or agents shall have reasonable access to the SUPPLIER'S and SUB SUPPLIER'S facilities. SUPPLIER shall be entitled to require such persons to comply with any rules and regulations in force at the SUPPLIER'S facilities at the time of the visit and shall be entitled to reject or to refuse entry to any person failing so to comply. During this visit, SUPPLIER shall liaise, co-operate with and afford all reasonable facilities and assistance to PURCHASER, CLIENT, other contractors, and its and their employees and agents..
- 7.2 PURCHASER may send some representatives of its own to the places of execution of the supply of the GOOD, even on a full-time basis. SUPPLIER shall provide all the necessary assistance to help the PURCHASER's representatives carry out their activities, providing them with suitable working and communication instruments for the whole period of time deemed necessary by the PURCHASER.
- 7.3 If the results of such inspection or testing cause PURCHASER to be of the opinion that there is a DEFECT in the GOODS or any part thereof, PURCHASER shall inform SUPPLIER and SUPPLIER shall immediately take all necessary action as required by PURCHASER to rectify the DEFECT at no cost to PURCHASER. In addition, PURCHASER shall have the right to require and witness further testing and inspection and rework.
- Notwithstanding any such inspection or testing, SUPPLIER shall remain fully responsible for the GOODS, and any such inspection or testing shall not diminish or otherwise affect SUPPLIER'S obligations under the CONTRACT.
- 7.4 PURCHASER shall be entitled to reject the GOOD not complying with the Contract Documentation. The refusal of the GOOD shall be notified to SUPPLIER by means of a written notice given in any form acknowledging its receipt by SUPPLIER.
- 7.4.1 SUPPLIER shall, on its own and at its own expense, collect the GOOD supplied to and rejected by PURCHASER within 10 days from the day it has been informed of the refusal of the good.
- 7.4.2 Under no circumstance shall any payment made by PURCHASER to SUPPLIER before the delivery of the GOOD be considered as the acceptance of the GOOD by PURCHASER.
- 7.5 Without prejudice to the provisions contained in the ORDER, as to quantities, weights and sizes, the values measured by PURCHASER upon incoming inspection of the GOODS shall apply.

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ART. 8 – DELIVERY TERMS

- 8.1 Unless otherwise specified in the ORDER, the GOODS shall be delivered DDP (as the term is defined in the ICC Incoterms 2010 edition) on the DELIVERY DATE to PURCHASER'S place of business specified in the ORDER (or to such other place as agreed by PURCHASER in writing) at risk and cost of SUPPLIER.
- 8.2 In any case, notwithstanding any inspection or testing, also according to any provisions contained in the ORDER, SUPPLIER shall remain fully responsible for the GOODS, and any such inspection or testing shall not diminish or otherwise affect the SUPPLIER'S obligations under the CONTRACT. It is understood that PURCHASER does not have any obligation to carry out any inspection, including any visual inspection upon Delivery.
- 8.3 PURCHASER may grant to SUPPLIER extensions of the delivery only after:
1- Variations requested and approved by PURCHASER (Article 13);
2- Suspension requested by PURCHASER (Article 18);
3- Force Majeure (Article 11).
- 8.4 PURCHASER can decide to delay the supply for up to a max. of 60 days without incurring in any additional charge by notifying SUPPLIER accordingly. In such a case SUPPLIER shall store the GOODS in its warehouse in a safe manner and ready for shipment. In this case the time terms for invoicing shall be deferred for a period of time corresponding to the storage period. Any advance payment established by the ORDER as well as any payment to be made after the delivery of the GOODS shall remain invariable in any case.
- 8.5 If the GOODS are not delivered within the DELIVERY DATE agreed, then, without prejudice to any other rights which it may have, such failure shall constitute a MATERIAL DEFAULT and PURCHASER shall have the right to terminate the CONTRACT in whole or in part in accordance with the provisions of Article 19 (Termination). Receipt by PURCHASER of any goods shall not per se constitute acceptance; a partial or incomplete delivery of the GOODS shall not constitute DELIVERY DATE for the purpose hereof.

ART. 9 – PACKAGING

- 9.1 The packaging is included in the price of the GOODS and SUPPLIER shall be liable for any damage to the materials caused by an unsuitable packaging. SUPPLIER shall provide a proper packaging of the supplied materials to be supplied according to the ORDER or, if not specified, according to the best practices usually applied in the oil & gas industry, in order to guarantee the material is not damaged during transportation and storage, including all operations of handling, loading and unloading.

ART. 10 – SHIPMENT

- 10.1 SUPPLIER shall inform PURCHASER about shipping dates with a 15 days advance written notice.
- 10.2 Should the supply be delivered "carriage-free", SUPPLIER shall notify PURCHASER of the means of transport and of the general expediting program. The shipment shall take place only upon PURCHASER'S written consent.
- 10.3 Should the costs of transportation be borne by PURCHASER, SUPPLIER shall notify PURCHASER in writing of the weights and dimensions of the various packages which are part of the supply in order to choose the most appropriate means of transportation. Such notice shall be given at least 15 days before the delivery date in case of packaging of normal dimensions and at least 60 days before the delivery date in case of parcels of exceptional dimensions, that is, bigger than 12.5 x 2.5 x 2.5 m or heavier than 25 ton.
- 10.4 PURCHASER shall be entitled to delay the supply up to 90 days without incurring in any additional charge by notifying SUPPLIER accordingly. In such a case, SUPPLIER shall store the materials in its warehouses in a safe manner and ready for shipment. In this case, the terms for invoicing shall be deferred for a period of time corresponding to the storage period. Any advance payment established by the ORDER as well as any payment to be made after the delivery of the GOOD shall remain invariable in any case.

ART. 11 – FORCE MAJEURE

- 11.1 If either PARTY is prevented from, or delayed in, performing any of its obligations under the CONTRACT by FORCE MAJEURE, whether in whole or in part, it must promptly notify the other PARTY of the circumstances constituting the FORCE MAJEURE and of the obligations the performance of which is thereby delayed or prevented and in the event of a delay, the likely duration of such delay.
- 11.2 In the event that a FORCE MAJEURE occurrence exists and is preventing or delaying performance of any obligation under the CONTRACT, the PARTY giving notice shall be excused from the performance, or the timely performance, as the case may be, of such obligation for so long as the circumstances giving rise to such prevention or delay may continue. Notwithstanding the foregoing, no PARTY shall be released from its obligations hereunder as a result of any event contributed to by the negligence/fault on the part of the PARTY claiming FORCE MAJEURE nor shall a PARTY be released from its obligations hereunder due to the effects of a FORCE MAJEURE occurrence that could have been avoided or mitigated by the exercise of reasonable care and diligence on the part of the PARTY claiming relief. Inability of a PARTY to secure funds shall not be regarded as FORCE MAJEURE.
- 11.3 In the event of an occurrence of FORCE MAJEURE, PURCHASER and SUPPLIER shall promptly meet and jointly agree on a course of action and such course of action shall be implemented immediately after the meeting. Neither

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PARTY shall be liable for failure to perform their obligations which arises as a direct consequence of a FORCE MAJEURE occurrence and both parties shall bear their own respective costs arising from and attributable to FORCE MAJEURE.

11.4 Should the FORCE MAJEURE last for more than ten (10) consecutive days and/or, in any case, for more than thirty (30) days in the aggregate, PURCHASER shall be entitled to forthwith terminate the CONTRACT by means of written notice to the other PARTY.

11.5 In such a case, SUPPLIER shall discontinue performance of the works concerning the supply of the GOODS and shall comply with PURCHASER'S instructions regarding such termination. PURCHASER shall pay SUPPLIER, in respect of the work satisfactorily performed up to the date of termination, in accordance with the terms of the CONTRACT, together with any reasonable associated direct costs necessarily incurred by SUPPLIER in complying with PURCHASER'S instructions in regard to such termination, including but not limited to all reasonable and unavoidable cost of cancelling/terminating any SUBCONTRACTS placed or committed to for the GOODS. Any such costs shall be subject to audit to the satisfaction of PURCHASER. In no event shall SUPPLIER be entitled to any prospective profits, reimbursement of costs or any damages because of termination under this Article 11.

ART. 12 – WARRANTY

12.1 PURCHASER, at any time throughout the WARRANTY PERIOD, may give notice in writing to SUPPLIER within thirty (30) days as of discovery date, that the GOODS are defective and/or fail to meet the requirements or the performance indicated in the CONTRACT or that a damage has occurred to the GOODS, which damage is as a result of the acts and/or omissions of SUPPLIER.

SUPPLIER shall forthwith upon receipt of such notice, and at its own risk and cost, repair or replace the GOODS as required by PURCHASER.

Such rework shall include all necessary re-design, repair or replacement, at SUPPLIER'S sole cost, expense and risk including for investigation, redesign, search, dismantling, removal from SITE, transportation, replacement, re-installation and re-testing. If SUPPLIER repairs or replaces any portion of the GOODS, the provisions of this Article shall apply to the repaired/replaced GOODS or to such portion until the expiry of twenty-four (24) months from the DELIVERY DATE of the supply unless otherwise indicated in the ORDER.

12.2 If SUPPLIER fails to commence the necessary works required in this Article immediately, or fails to diligently and satisfactorily carry out the activities required within five (5) DAYS, PURCHASER shall have the right to carry out directly the necessary works or to have the necessary work performed by others and recover from SUPPLIER all rea-

sonable costs necessary to remedy such defect, either directly or by deducting such costs from any monies due or which become due to SUPPLIER. However, replacement of any loss or repair of any damage may, at the option of PURCHASER, be entrusted to another contractor without any compensation to SUPPLIER but in such a case, SUPPLIER shall not guarantee that part of the work so repaired.

When making good any such damage, or in case of rework, SUPPLIER shall have care and custody of the part of the GOODS affected by such damage or rework.

12.3 SUPPLIER acknowledges that all the warranties contained herein (including the warranties obtained by SUPPLIER from any SUBSUPPLIER) shall run not only for the benefit of PURCHASER, but also for that of CLIENT and, should CLIENT deem necessary, shall be enforceable directly by CLIENT; PURCHASER shall have the right to assign or transfer to the CLIENT all warranties in the CONTRACT providing written notice to SUPPLIER.

ART. 13 – VARIATIONS

13.1 VARIATION requested by PURCHASER

At any time, through a VARIATION, PURCHASER shall have the right to modify (by additions, deletions, substitutions or any other alterations) the scope of the GOODS, the DELIVERY DATE or any other part of the CONTRACT. Upon receipt of PURCHASER'S request, SUPPLIER shall within 5 days, or the other term indicated by PURCHASER, prepare at its own cost and expense, and submit to PURCHASER for written authorisation, an evaluation and estimate of any and all consequences such modification would have on the PERSONNEL, equipment and materials requirements, CONTRACT PRICE, time impacts and/or DELIVERY DATE, as a direct necessary net consequence, and shall attach to each modification evaluation a detailed back-up dossier.

13.2 VARIATION due to PURCHASER'S action or omission

PURCHASER may also authorize a VARIATION if SUPPLIER can prove that it has suffered material delay and/or incurred material additional cost as a direct result of any substantial default or breach by the PURCHASER. In said circumstances the SUPPLIER, within seven (7) days from the moment the occurrence causing the VARIATION was known, or could reasonably have become known to the SUPPLIER, shall request in writing that PURCHASER issue a VARIATION providing the relevant details indicated in article 13.1 above.

13.3 Assessment of a VARIATION

To determine any VARIATION, relevant factors will be taken into account such as necessary and unavoidable direct additional time and/or cost which includes any additional overheads, but not profit thereon. Should any parts of the WORK be withdrawn by a VARIATION, SUPPLIER shall cease performance on such parts of the WORK and shall not be entitled to receive any amount other than reimbursement of unavoidable direct costs (if any). In the event that specific rates and

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prices are included in the CONTRACT DOCUMENTS, or otherwise have been used to determine the CONTRACT PRICE, then such rates and prices shall be used where appropriate to evaluate any adjustment to the CONTRACT PRICE and, as applicable, shall be deemed to represent the whole of the direct cost to the SUPPLIER.

13.4 Mandatory requirements for a VARIATION

If SUPPLIER fails to submit a requests for VARIATION in accordance with the terms and conditions stated above and/or fails to provide adequate supporting evidence and estimates as provided for in Article 13.1 and 13.2, SUPPLIER shall forfeit any right to receive any such VARIATIONS and any rights concerning adjustment to the CONTRACT PRICE and/or the DELIVERY DATE.

13.5 Execution of a VARIATION

If PURCHASER decides to proceed with a VARIATION and accepts SUPPLIER's estimate of consequences, it shall issue to SUPPLIER a written VARIATION with a full description of the modifications. SUPPLIER shall sign and return such VARIATION to PURCHASER as its acceptance to comply with the requested VARIATION. SUPPLIER shall carry out all modifications (by additions, deletions, substitutions or any other alterations) and shall strictly comply with the schedule, terms and conditions set forth in such VARIATIONS and with all CONTRACT requirements unmodified therein.

13.6 Disagreement on a VARIATION

Should the PARTIES fail to reach agreement on any VARIATION, PURCHASER shall have the right to establish such conditions, including means and amount of compensation and the proposed invoicing schedule thereof, and any adjustments to the work time schedule it considers, in good faith, fair and appropriate to the circumstances, and SUPPLIER shall proceed with the modifications to the Scope of work, the work time schedule, the DELIVERY DATE or any other part of the CONTRACT and SUPPLIER agrees to so proceed.

ART. 14 – LIQUIDATED DAMAGES

14.1 In the event SUPPLIER fails to complete and/or deliver the GOODS by KEY DATES and/or the DELIVERY DATE indicated in the ORDER, SUPPLIER shall be liable to pay the liquidated damages as specified in the ORDER. If no liquidated damages are specified in the ORDER, SUPPLIER shall pay liquidated damages in an amount equal to 0.4% of the CONTRACT PRICE for each day of delay up to a maximum amount of 10% of the ORDER value, without prejudice to the provisions under Article 19 (Termination) of these G.C.P

14.2 In the event that the GOODS fail to comply with the performance criteria specified in the ORDER (if any), SUPPLIER shall be liable to pay liquidated damages as specified in the ORDER (if any).

14.3 In any event of non-fulfilment by the SUPPLIER, PURCHASER shall be entitled to immediately suspend any

payment due to SUPPLIER at any title. PURCHASER shall be also entitled to withhold any other sums due to SUPPLIER in the future up to the amount of the penalties applicable to the specific case.

14.4 All amounts of liquidated damages for which SUPPLIER may become liable are agreed as a genuine pre-estimate of the losses which may be sustained by PURCHASER in the event that SUPPLIER fails in its relevant obligations under the CONTRACT and not as a penalty. Liquidated damages shall be in addition to any other right and remedy available to PURCHASER under the CONTRACT or at law.

ART. 15 – INVOICING AND PAYMENT

15.1 In consideration of delivery of the GOODS in accordance with the terms of CONTRACT, PURCHASER shall pay, or cause to be paid, to SUPPLIER the CONTRACT PRICE at the times and in the manner specified in the ORDER. The CONTRACT PRICE constitutes SUPPLIER's full compensation for any all costs whatsoever for the supply of the GOODS in accordance with all terms and conditions of the CONTRACT.

15.2 Any partial delivery shall be expressly authorized by PURCHASER. Invoices shall correspond to the actual value of the partial delivery.

15.3 PURCHASER shall have the right to offset monies owed to PURCHASER by SUPPLIER against amounts due to SUPPLIER by PURCHASER hereunder. SUPPLIER shall pay to PURCHASER within thirty (30) DAYS of receipt of an invoice any sums outstanding after such right of offset has been applied.

15.4 PURCHASER may, at its option, subordinate payment of the rates of compensation to submission by SUPPLIER of the documentation certifying that SUPPLIER has effected payments in relation to salaries, social security and social insurance contributions, as well as payment of withholding taxes in respect of its personnel. In case of subcontracting, SUPPLIER shall give documentary evidence of such payments in respect of the personnel of its SUBSUPPLIERS.

15.5 The following data and/or documents shall be included in and/or enclosed to the invoices:

- 1 - ORDER number with relative number of Modification addendum, if applicable;
- 2 - number, description, delivered quantity and unit price of each item of the ORDER;
- 3 - crediting bank (including all references required for payment) and current account number;
- 4 - shipping documents.

15.6 SUPPLIER shall be solely responsible for and shall bear and pay all TAXES connected with the GOODS assessed or imposed on SUPPLIER (including, without limiting the foregoing, TAXES connected with personnel) and shall fulfil all administrative and registration and de-registration requirements, maintain proper accounting records and properly file all necessary documents. SUPPLIER shall comply with all applicable laws, regulations and directives

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concerning all legal, company or branch office tax registration and de-registration requirements. SUPPLIER shall procure that each SUBSUPPLIER shall bear and pay all TAXES connected with the GOODS assessed or imposed upon such SUBSUPPLIER (including, without limiting the foregoing, TAXES connected with personnel) and that such SUBSUPPLIER shall fulfil all administrative and registration and de-registration requirements, maintain proper accounting records and properly file all necessary documents. SUPPLIER hereby indemnifies and undertakes to keep PURCHASER GROUP and CLIENT indemnified from and against all claims/losses whatsoever connected with any assessment or imposition made in respect of all or any TAXES upon SUPPLIER or any SUB SUPPLIER connected with the GOODS together with any costs of compliance.

- 15.7 Neither the presentation nor payment nor non-payment of an individual invoice nor issuance of a credit note shall constitute a settlement of a dispute, an accord, satisfaction, a remedy of account stated, or otherwise waive or affect the rights of the PARTIES hereunder.

ART. 16 – BANK GUARANTEES

- 16.1 To guarantee the due performance of SUPPLIER's obligations under the CONTRACT, SUPPLIER shall provide such bank guarantees (if any) and/or any renewal thereof as specified in the ORDER in accordance with the form appended thereto. Failure to provide any bank guarantees in accordance with the forms provided in the ORDER, including any extension thereof as required by PURCHASER, shall constitute a MATERIAL DEFAULT, and in addition to any other right or remedy at law or under the CONTRACT, PURCHASER shall have the right to withhold any payment until such date in which the relevant bank guarantees are issued in accordance with the CONTRACT.

ART. 17 – SPECIAL TOOLS, PARTS AND SERVICES FOR WORK OPERATIONS

- 17.1 For PURCHASER's and CLIENT's benefit, SUPPLIER shall provide or obtain, directly or through SUBSUPPLIERS, a firm commitment for the continuous availability with the best terms, prices and conditions of all related special tools, spare parts and maintenance services necessary for a duration of ten (10) years after the DELIVERY DATE except as otherwise provided for in the ORDER. Spare parts shall be standard, off-the-shelf supply insofar as possible, and when such is not possible shall be manufactured sufficiently in advance and in such quantity so as to ensure continuous availability for GOODS operational requirements. Notwithstanding any provisions to the contrary, SUPPLIER shall remain bound by all and any proposals it has made to PURCHASER in writing at any time concerning the maintenance services and supply of spare parts with respect to the CONTRACT.

ART. 18 – SUSPENSION

- 18.1 PURCHASER shall have the right, by notice to the SUPPLIER, to suspend the supply of GOODS or any part thereof to the extent detailed in the notice, for any of the following reasons:
- (a) in the event of some default on the part of the SUPPLIER; or
 - (b) in the event that suspension is necessary for the proper execution or safety of the works concerning the supply of GOODS, or persons; or
 - (c) to suit the convenience of the PURCHASER;
 - (d) in the event the upstream contract for the PROJECT with the CLIENT is suspended.
- 18.2 Upon receipt of any such notice, SUPPLIER shall, unless instructed otherwise: (a) discontinue the works concerning the supply of GOODS or the part of the GOODS detailed in the notice, on the date and to the extent specified; (b) properly protect and secure the GOODS as required by the PURCHASER; (c) take all reasonable measures to minimize the costs and losses of PURCHASER and the SUPPLIER, including placing no further orders and making no further SUBCONTRACTS with respect to the suspended portion of the works concerning the supply of GOODS other than as specified in the notice; (d) promptly make every reasonable effort to obtain suspension upon terms satisfactory to PURCHASER of all outstanding orders and SUBCONTRACTS to the extent they relate to the execution of the portion of the works concerning the supply of GOODS suspended; and (e) continue to perform all unsuspended parts of the CONTRACT.
- 18.3 In the event of default on the part of SUPPLIER and before the issue by PURCHASER of a notice to suspend the works concerning the supply of GOODS or any part thereof PURCHASER shall give notice of default to SUPPLIER giving details of such default. If SUPPLIER, upon receipt of such notice, does not commence immediately, or within the period stated in the PURCHASER'S notice, and thereafter continuously proceed with action satisfactory to PURCHASER to remedy such default, PURCHASER may issue a notice of suspension in accordance with the provisions of this Article.
- (iii) Unless the suspension arises as a result of default on the part of the SUPPLIER, the CONTRACT PRICE and programme shall be adjusted in accordance with Article 13 – VARIATIONS, it being understood that any storage activity shall be at no cost for PURCHASER.
- 18.4 If suspension results from default on the part of SUPPLIER, any additional costs reasonably incurred by PURCHASER as a result shall be recoverable by PURCHASER from SUPPLIER.
- 18.5 In the event of any suspension, PURCHASER and SUPPLIER shall meet with a view to agreeing a mutually acceptable course of action during the suspension. PURCHASER may, by further notice, instruct SUPPLIER to resume the supply of GOODS to the extent specified.

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18.6 If the period of any suspension not arising as a result of default on the part of SUPPLIER exceeds 90 DAYS SUPPLIER may serve a notice on PURCHASER requiring permission within fourteen (14) days from the receipt of such notice to proceed with the works concerning the supply of GOODS or that part thereof subject to suspension. If within the said fourteen (14) days PURCHASER does not grant such permission the SUPPLIER, by a further notice, may (but is not obligated to) elect to treat the suspension as either: (a) where it affects part only of the GOODS, a deletion of such part under Article 13 - VARIATIONS; or (b) where it affects the whole of the GOODS, termination in accordance with the following provision.

ART. 19 – TERMINATION

19.1 PURCHASER may terminate the CONTRACT in the following circumstances:-

(a) Termination for default:

(i) In the case of SUPPLIER'S default which can be remedied, PURCHASER shall give notice of such DEFAULT to SUPPLIER and if, upon receipt of such notice, SUPPLIER does not commence and thereafter continuously proceed with action satisfactory to PURCHASER to remedy such DEFAULT within ten (10) days, PURCHASER may terminate the CONTRACT at any time thereafter by written notice to SUPPLIER.

(ii) In the case of a MATERIAL DEFAULT, PURCHASER may terminate the CONTRACT forthwith by written notice to SUPPLIER.

(iii) If SUPPLIER becomes bankrupt or insolvent, is unable to pay its debts as they fall due, goes into liquidation, has a receiving or administration order made against it or a petition or application made for same, makes an arrangement with its creditors, or carries on business under a receiver, trustee, administrator or supervisor for the benefit of its creditors, or if any act is done or event occurs which (under applicable laws) has a similar effect to any of these acts or events PURCHASER may terminate the CONTRACT at any time by written notice to SUPPLIER.

(iv) Termination shall take effect from the date specified in such written notice ("Effective Date of Termination"). Without prejudice to the right of PURCHASER to reject the GOODS in whole or in part SUPPLIER shall not be entitled to any further remuneration for work performed prior to termination until such time as the works concerning the supply of GOODS is completed to the satisfaction of PURCHASER and PURCHASER has finally ascertained all costs. Except in respect of remuneration for work satisfactorily performed prior to termination, SUPPLIER shall not be entitled to any

further compensation following the effective date of termination.

(v) In the event of termination in accordance with this Article 19.1(a), PURCHASER shall be entitled to recover from SUPPLIER all costs incurred by PURCHASER in procuring alternative supply of GOODS by a third party in excess of those costs that PURCHASER would have incurred if the CONTRACT had not been terminated.

(b) Termination for convenience

PURCHASER shall have the right to terminate the CONTRACT:

(i) At any time without cause giving SUPPLIER written notification specifying the date of termination. On the effective date of such termination, SUPPLIER shall discontinue performance of the WORK and shall comply with PURCHASER'S instructions regarding such termination. PURCHASER shall pay SUPPLIER, in respect of the WORK satisfactorily performed up to the date of termination, in accordance with the terms of the CONTRACT, together with any reasonable associated direct costs necessarily incurred by SUPPLIER in complying with PURCHASER'S instructions in regard to such termination. Any such costs shall be subject to audit to the satisfaction of PURCHASER. The foregoing shall constitute the sole compensation due to SUPPLIER and the sole liability of PURCHASER to SUPPLIER in the event of termination for convenience.

19.2 In the event of termination of the CONTRACT for any reason, SUPPLIER shall:

(a) discontinue immediately the performance of the work concerning the GOODS and shall comply with PURCHASER'S instructions regarding such termination endeavouring at all times to mitigate the relevant costs;

(b) If so requested, promptly deliver to PURCHASER all documents, all in native format, prepared or obtained by SUPPLIER in connection with the work concerning the GOODS under the terminated CONTRACT;

(c) carry out PURCHASER'S instructions concerning any cancellation or assignment of SUBCONTRACTS and any other matters arising out of the CONTRACT that has been terminated which PURCHASER decides are necessary or expedient;

(d) allow PURCHASER or its nominees full right of access to SUPPLIER'S facilities so as to remove and/or take over the WORK under the CONTRACT, or the relevant part of the WORK, and to remove and/or take over possession of all materials and equipment purchased for the; and

(e) assign to PURCHASER or its nominee the rights relating to the work concerning the GOODS which SUPPLIER may have acquired, if requested by PURCHASER.

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19.3 Except as expressly provided for elsewhere, in no event shall SUPPLIER be entitled to any prospective profits, reimbursement of costs or any damages because of termination under this Article 19.

ART. 20 - INDUSTRIAL/INTELLECTUAL PROPERTY RIGHTS

20.1 For the sole and limited purpose of operation and maintenance of the GOODS, together with the right to export, re-sell and operate, use and maintain in any country the GOODS, SUPPLIER shall grant, or have granted, to PURCHASER and CLIENT, its/their, successors and assignees, an irrevocable world-wide royalty-free non-exclusive licence to use, or have used, any industrial/intellectual property rights in SUPPLIER's possession upon EFFECTIVE DATE as well as any SUPPLIER owned industrial/intellectual property rights developed, acquired or obtained in the performance of the CONTRACT. SUPPLIER shall obtain from its affiliates and SUBSUPPLIERS, the same undertaking.

20.2 SUPPLIER agrees to indemnify and hold harmless PURCHASER and CLIENT against any action, suit, claim or demand which may be brought against PURCHASER and/or CLIENT at any time from any source of infringement of any patents.

20.3 All PURCHASER - supplied documents may be PURCHASER'S or CLIENT'S shall remain the property of PURCHASER OR CLIENT and shall be returned to PURCHASER by SUPPLIER as soon as they are no longer necessary for the performance of the CONTRACT and at the latest, at the time of delivery of the final documentation. However, SUPPLIER may keep a copy for record purposes only.

20.4 SUPPLIER'S DOCUMENTS:

a) All SUPPLIER's documents which are specific to SUPPLIER's normal operations and have not been specially developed in connection with the GOOD, shall remain the property of SUPPLIER.

b) All SUPPLIER documents, with the exception of the SUPPLIER's documents described in paragraph a) hereinabove, shall, as of commencement of the supply of GOODS thereon, become PURCHASER property, and consequently a CLIENT property, and shall be delivered to PURCHASER immediately upon request. However, SUPPLIER shall retain record copies of such documents until the expiry of all of its obligations under the CONTRACT subject to provisions of this Articles as applicable, and Article 24 (Confidential Information).

c) The above provisions shall apply mutatis mutandis to SUPPLIER documents issued by SUBSUPPLIERS.

ART. 21 - RISK AND TITLE

21.1 SUPPLIER shall be responsible for the care of the GOODS whilst in the custody of SUPPLIER as a bailor. If any loss or damage occurs when the GOODS are in the custody of

SUPPLIER, SUPPLIER shall at its own cost repair or replace the same. The GOODS shall be in the custody of SUPPLIER until delivery to PURCHASER. Notwithstanding the transfer of title to PURCHASER in accordance with Article 21.2 hereof, risk and responsibility to the GOODS shall remain with SUPPLIER whilst they remain within the custody of SUPPLIER..

21.2 Title to the GOODS or any component part thereof, or any part thereof, shall vest in PURCHASER absolutely as soon as prepared, delivered to PURCHASER or paid for by PURCHASER (whichever occurs first). All such items shall be clearly identified as being owned by, and held on behalf of, PURCHASER.

ART. 22 - LIENS, ATTACHMENTS, AND ENCUMBRANCES

22.1 SUPPLIER shall not issue any lien, attachment, charge, encumbrances or the like on the GOODS or on any property of PURCHASER and/or CLIENT either in the possession of SUPPLIER or at the SUPPLIER'S facilities.

22.2 SUPPLIER shall not permit any lien, attachment, charge, encumbrances or the like to be imposed by any person, firm, or authority upon the GOODS or PURCHASER'S property by reason of any claim or demand against SUPPLIER or any SUBSUPPLIER. SUPPLIER shall immediately notify PURCHASER if there is a possibility that any lien, attachment, charge, encumbrances or the like may affect the GOODS or any part thereof. In the event of the imposition of any such lien, attachment, charge, claim, encumbrance or the like, PURCHASER shall not be obliged to pay any claims or demand by SUPPLIER for any payment whatsoever under or pursuant to the CONTRACT until SUPPLIER shall have secured the removal thereof; and in the event that the same shall not have been removed within fourteen (14) DAYS after written notice by PURCHASER, PURCHASER may remove the same and withhold the cost of removal, including fees and expenses, from any sums due to SUPPLIER hereunder.

22.3 SUPPLIER shall indemnify PURCHASER in respect of all liens, attachments, charges, claims, encumbrances or the like against the GOODS or PURCHASER'S property on account of any claim or demand against SUPPLIER or any SUBSUPPLIER by any person, including any SUB SUPPLIER and, on behalf of PURCHASER and in PURCHASER'S name, SUPPLIER shall defend at its own expense any claim or litigation in connection therewith.

ART. 23 - ASSIGNMENT

23.1 SUPPLIER shall not assign, novate or transfer its rights or obligations under the CONTRACT or any part thereof or any benefit or interest therein without prior written approval of PURCHASER.

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- In particular, SUPPLIER shall not transfer any credit, specific collection orders or other systems of delegation of payment without prior written approval of PURCHASER.
- 23.2 PURCHASER may at any time, prior written notice to SUPPLIER, assign, novate or transfer its rights or obligations under the CONTRACT, in whole or in part, to the CLIENT (including its coventurers) or an AFFILIATE of PURCHASER without SUPPLIER's consent.
- 23.3 PURCHASER may at any time assign, novate or transfer its rights or obligations under the CONTRACT in whole, or in part, to other third party, provided that the prior written consent of SUPPLIER is obtained. Such consent shall not be unreasonably withheld or delayed.
- 23.4 The PARTIES agree that, in the event of an assignment, novation or transfer as described herein, they shall execute without delay a formal agreement, specifying the date of the assignment, novation or transfer of interest, to be effective on the written assumption by the assignee of all obligations of the assignor under the CONTRACT. In case of assignment of the CONTRACT by PURCHASER, SUPPLIER shall reissue the Performance Bank Guarantee and the Parent Company Guarantee (if any), for the benefit of the assignee.

ART. 24 – CONFIDENTIAL INFORMATION

- 24.1 Any information supplied or communicated by SUPPLIER to SUPPLIER or otherwise acquired by SUPPLIER in connection with the CONTRACT, including any information concerning the CLIENT, shall be treated by SUPPLIER as confidential, even when not expressly qualified as such, and shall not, without prior approval, be published or disclosed, or made use of, reproduced or copied by SUPPLIER except to the extent necessary for the purpose of implementing the CONTRACT. SUPPLIER shall ensure that the provisions of this Article are incorporated in any SUBCONTRACT and that the affiliates, officers, employees and agents of SUPPLIER and SUB SUPPLIERS comply with the same..
- 24.2 SUPPLIER undertakes to limit access to such information and data to those of its employees reasonably requiring the same for the supply of the GOODS and CONTRACT and not to use any of such data and information in anyway other than for the purpose aforesaid. If disclosure or availability of such information and data is required for the performance of the CONTRACT and PURCHASER consents in writing to such disclosure, SUPPLIER undertakes to ensure that the recipients of such information and data sign an undertaking identical to that contained in the present provisions.

ART. 25 – GOVERNING LAW AND JURISDICTION

- 25.1 Unless otherwise provided in the ORDER, the CONTRACT shall be construed, governed and take effect in accordance with the Laws of Italy, to the exclusion of the part of the law

- which would subject/direct the interpretation of the CONTRACT to the laws of another jurisdiction.
- 25.2 Any disputes between PURCHASER and SUPPLIER arising out of or in connection with the CONTRACT, including any question regarding its existence, validity or termination or any interpretation thereof which cannot be resolved by agreement between the PARTIES shall be settled exclusively by the Court of Ravenna, Italy.

ART. 26 – PROTECTION OF PERSONAL DATA

- 26.1 Pursuant to Article 13 of Legislative Decree No. 196 of June 30, 2003, "Code for the Protection of Personal Data" (hereinafter "Legislative Decree No. 196/2003") PURCHASER as party responsible for processing the data through the individuals appointed therefor, hereby informs SUPPLIER that:
- (1) The personal data provided by SUPPLIER to PURCHASER will be processed by PURCHASER in accordance with the provisions of the abovementioned statute. The data will be processed for purposes inherent to the mutual obligations that arise from the CONTRACT such as:
- (i) Performance of the obligations that arise from a contract that exists with the party supplying the data (individual/legal entity);
- (ii) Execution of all operational and management activities related to the CONTRACT (e.g., invoicing, credit protection and other administrative, management and organizational activities that are necessary for the execution of the contract).
- 2) The processing of the abovementioned data will be performed with tools that guarantee security and confidentiality and may involve the use of automated devices that can store, manage and transmit the data. Please also be advised that personal data will be handled in compliance with the provisions of Article 11 of Legislative Decree No. 196/2003, and in particular:
- (i) processed in a lawful manner and fairly;
- (ii) collected and stored for specific, explicit and legitimate purposes and used in data processing transactions in a manner compatible with these requirements;
- (iii) accurate and, when necessary, up-to-date; pertinent, complete and not excessive in light of the purposes for which they were collected and later processed;
- (iv) stored in a manner that permits the identification of the party who supplied the data for a period not exceeding the necessary term to achieve the objectives for which the data were collected and processed.
- 3) PURCHASER also advises SUPPLIER that (without prejudice to the obligation of securing your consent as and when required at law) personal data of SUPPLIER may be shared with and/or transmitted in Italy or abroad to:
- (i) authorities and banks;
- (ii) parties to whom, depending on the circumstances, the communication and transmission of personal data is allowed without the consent of the interested party, within the

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limits of the amount of communications and transmissions that may be necessary to satisfy the purpose of the CONTRACT or other administrative or legal requirements;

(iii) Consultants, advisors, commercial partners, prospects, the CLIENT, affiliates, other contractors, and other parties to whom we entrust the task of shipping, communicating or forwarding goods, services.

(iv) Personal data may be included in the "list of the references" of PURCHASER which may be available on PURCHASER Internet site and/or in PURCHASER brochures or other advertising material.

4) PURCHASER inform SUPPLIER that refusal to supply the required data will objectively prevent PURCHASER from establishing and properly carrying out a contractual relationship with SUPPLIER. PURCHASER wishes to advise that with regard to the data processing referred to above, SUPPLIER may exercise the rights provided in Article 7 Legislative Decree No. 196/2003. The rights available under Article 7 of Legislative Decree No. 196/2003 may be exercised by sending a specific request to the SUPPLIER's representative indicated in the ORDER.

ART. 27 – ANTI-CORRUPTION UNDERTAKINGS

27.1 SUPPLIER agrees and undertakes that in connection with the CONTRACT and the transactions contemplated by the CONTRACT, it shall comply with all applicable laws, rules, regulations, decrees and/or official governmental orders of any country in which CONTRACT is performed relating to anti-corruption and anti-money laundering.

27.2 As a matter of corporate policy, PURCHASER expressly prohibits payment of bribes and also payment of any so-called "facilitation" or "grease" payments in connection with PURCHASER'S business operations by any contractor or agent engaged to provide goods or services to PURCHASER. SUPPLIER agrees, undertakes and confirms that it, and each of its AFFILIATES, and its SUBSUPPLIERS, and its and their respective owners, directors, officers, employees, agents and representatives, has not made, offered, promised to make or authorized the making of, and shall not make, offer, or promise to make, or authorize the making of, any payment or other transfer of anything of value, including without limitation the provision of any funds, services, gifts or entertainment, directly or indirectly to:-

- (i) any government official;
 - (ii) any director, officer or employee of PURCHASER or PURCHASER'S AFFILIATES or CLIENT;
 - (iii) any political party, official of a political party, or candidate for public office;
 - (iv) any agent or intermediary for payment to any of the foregoing; or
 - (v) any other PERSON,
- for the purpose of obtaining or influencing the award of the CONTRACT or for any improper advantage or improper

purpose in connection with the performance of the CONTRACT and the transactions contemplated hereunder or in connection with any other business transactions involving the PURCHASER, if and to the extent that to do so is or would be in violation of or inconsistent with the principles or requirements of any anti-bribery or anti-money laundering laws applicable to PURCHASER or to SUPPLIER, or to their respective parent companies, including, without limitation, Italian legislative Decree No. 231/2001, the UK Bribery Act 2010, the UK Anti-Terrorism, Crime and Security Act 2001, the U.S. Foreign Corrupt Practices Act and successor legislation, legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption, and/or the anti-corruption or anti-money laundering laws of any country in which CONTRACT is performed. Notwithstanding the foregoing undertakings, SUPPLIER agrees to notify PURCHASER promptly upon discovery of any instance where SUPPLIER has failed to comply with any provisions of this Article.

ART. 28 – CODE OF CONDUCT

28.1 In connection with SUPPLIER'S performance of the CONTRACT, SUPPLIER undertakes that it has carefully reviewed, and undertakes and agrees to act consistently with, PURCHASER Code of Conduct available at www.rosetti.it or, if so required in the ORDER, to the code of conduct of the CLIENT, and to adhere to the principles of said document in connection with SUPPLIER'S performance of the CONTRACT. Failure to comply with this provision constitutes a MATERIAL DEFAULT giving rise to termination pursuant to Article 19 Termination.

ART. 29 – GENERAL PROVISIONS

29.1 Severability

If any provision of the CONTRACT or its application will be invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of all other applications of that provision, and of all other provisions and applications hereof will not be affected or impaired. If any arbitration panel or court shall determine that any provision of this CONTRACT is in any way unenforceable, that provision shall be reduced to the extent necessary to make the provision enforceable and the PARTIES shall seek an arrangement having a valid legal and economic effect which will be as similar as possible to the ineffective provision and will cover the scope of any missing provision in a manner reasonably direct to the purpose of this CONTRACT.

29.2 Entire Agreement

The CONTRACT shall comprise the entire agreement and understanding between the PARTIES. No prior understandings, whether oral or written, shall be taken into consideration in construing the CONTRACT. Any amendment to the CONTRACT shall be made in writing.

29.3 No Partnership

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Nothing in the CONTRACT is intended to or shall operate to create a partnership, joint venture, association or trust between the PARTIES, or to authorise either PARTY to act as agent for the other, and neither PARTY shall have authority to act in the name of or on behalf of or otherwise to bind the other in any way (including but not limited to the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power). Nothing in the CONTRACT is meant or shall be otherwise construed as to create any contractual relationship whatsoever between CLIENT and SUPPLIER.

29.4 **Waiver**

No failure on the part of PURCHASER or SUPPLIER at any time to enforce or to require the performance of any of the terms and conditions of the CONTRACT shall constitute a waiver of such terms and conditions and/or affect or impair such terms or conditions in any way or the right of PURCHASER or SUPPLIER at any time to avail itself of such remedies as it may have for each and every breach of such terms and conditions.

29.5 **Non-Reliance**

Each of the PARTIES acknowledges and agrees that in entering into the CONTRACT it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking of any person (whether a PARTY to the CONTRACT or not) other than as expressly set out in the CONTRACT. Provided, however, that this Article shall not restrict any rights of either PARTY with respect to any statement, representation or warranty which is made fraudulently.

29.6 **Continuing Obligations**

Save as otherwise expressly provided herein, delivery of the GOODS or termination or expiration of the CONTRACT shall not affect the continuing rights and obligations of PURCHASER and SUPPLIER under any provision herein which is expressed or intended to survive such delivery, termination or expiration or which is required to give effect to such termination, delivery or expiration or the consequences of such termination, delivery or expiration.



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5	21.04.2016	General revision	M. Boattini	P. Vago	R. Montaletti

FOR PURCHASER

FOR SUPPLIER

SUPPLIER declares that the CONTRACT has been entirely reviewed and it has been subject to negotiation between the PARTIES. In so far it is necessary or required by the applicable law, SUPPLIER hereby declares that it has thoroughly reviewed, read and well understood these GENERAL TERMS AND CONDITIONS and approves expressly and specifically the following Articles:
ART. 8 – DELIVERY TERMS, ART. 12 – WARRANTY, ART. 13 – VARIATIONS, ART. 14 – LIQUIDATED DAMAGES, ART. 18 – SUSPENSION, ART. 19 – TERMINATION, ART. 20 - INDUSTRIAL/INTELLECTUAL PROPERTY RIGHTS, ART. 23 – ASSIGNMENT, ART. 25 – GOVERNING LAW AND JURISDICTION, ART. 27 – ANTI-CORRUPTION UNDERTAKINGS, ART. 28 – CODE OF CONDUCT

FOR PURCHASER

FOR SUPPLIER