

GENERAL CONDITIONS OF PURCHASE

1. Scope of application

These general conditions of purchase govern the procurement of goods and/or services of Stahlbau Pichler s.r.l. (also referred to as CUSTOMER). The provisions contained in individual contracts prevail over these general conditions in the event of conflicting information.

Under these general conditions of purchase the following definitions shall apply:

- SUPPLIER: each individual, association or company that agrees to supply the CUSTOMER with goods and/or services;
- Contract: any agreement between the CUSTOMER and the SUPPLIER, even if it is governed by purchase orders, memoranda of understanding or any other document;
- Contract specifications: technical contractual documentation governing the execution of the supply, including any Drawings and Technical Requirements of the CUSTOMER;
- Material, products, goods or services: the object of the supply.

2. Subject and procedure for executing the supply

The SUPPLIER shall perform the service entrusted to it in accordance with the contract and the instructions of the CUSTOMER or its representative, and also in line with standard workmanship and commercial practice.

If there is uncertainty about how to perform the service, the SUPPLIER is obliged to seek clarification from the CUSTOMER without delay.

If the SUPPLIER has reservations on the procedures for the execution of the supply or services by third parties, which may affect or impede the successful outcome of its own provision according to standards of good workmanship, it is obliged to notify the CUSTOMER in writing promptly and in any case prior to the execution of its own provision.

The SUPPLIER guarantees that the goods supplied are consistent with the contract specifications, in terms of quality, quantity and weight. The CUSTOMER reserves the right to return the received goods to the SUPPLIER (at the expense of the SUPPLIER) if the quantity exceeds the provisions defined in the contract.

Any modification of the agreed provision by the SUPPLIER, in terms of quality, weight, quantity or timing, requires express written consent from the CUSTOMER in advance, otherwise the latter reserves the right to terminate the contract and seek compensation for damages.

The SUPPLIER undertakes not to make any change to the agreed execution procedures for the supply, unless written authorisation has been given by the CUSTOMER. Any modification to the agreed procedures for the execution of the supply carried out by the SUPPLIER, without authorisation from the CUSTOMER, gives the latter the legal right to revise the fee and to terminate the contract for non compliance, without prejudice to its right also to seek compensation for damages.

The SUPPLIER is not entitled to revise its prices. Prices established under the contract are fixed and immutable, even in the event of suspension of the supply due to force majeure or to events that are however not attributable to the SUPPLIER, as well as in cases mentioned in Art. 1467 of the Italian Civil Code, for which the parties declare their express intention to waive.

If the contract specifies that an amendment to the provision defined by the CUSTOMER determines an increase or reduction of the fee payable to the SUPPLIER, any such variation must be agreed in writing by the parties. In the event of disagreement about the fee variation, the CUSTOMER is entitled to assign to third parties the part of the provision for which an agreement on the fee has not been reached. In such cases, the fee payable to the SUPPLIER will be reduced according to the part of the provision entrusted to the third party.

The supply must be accompanied by the transport document and packing list (list of materials contained in the package, with the information required by the contract). Where required by the contract, the provision must be carried out in compliance with the samples provided and approved by the CUSTOMER.

The SUPPLIER is not entitled to transfer the contract and/or any receivables deriving from it.

3. Documentation and reference regulations

The execution of the supply must be performed in compliance with:

- a) Drawings, technical requirements and any additional document of the CUSTOMER and/or end customer;
- b) Applicable regulatory requirements of the country in which the goods supplied must be assembled, installed or put into operation;
- c) Applicable European legislation concerning the marking of products.

4. Quality control

The CUSTOMER has a certified quality management system according to the standard EN ISO 9001. The SUPPLIER undertakes to bring its supplies into line with this management system and to provide documentation regarding this. If the SUPPLIER also has a ISO 9001 quality management system, it undertakes to provide suitable documentation when the contract is signed.

The provision must be carried out in accordance with the contract specifications. The SUPPLIER undertakes to submit to the purchaser its own manufacturing and control plan that provides exhaustive documentation on the process/product controls, operating procedures, instrumentation used, supervisory responsibilities and the documentary records that it undertakes to produce for the entire performance.

The SUPPLIER must ensure that the material has the characteristics specified in the contract specifications.

Records of the checks provided for in the contract and/or by the legislation in force, must be made available to the CUSTOMER, together with significant samples of the tests performed, which are deemed to be the responsibility of the SUPPLIER.

The SUPPLIER undertakes to guarantee access to its production facilities for the personnel appointed by the CUSTOMER, including third party auditors, for carrying out checks on the finished product or during its processing. The personnel appointed for the control have the right to carry out all the tests that are deemed appropriate in order to verify the correspondence of the materials produced with the contract specifications.

The SUPPLIER undertakes to provide adequate advance notice of its work programme in order to allow the CUSTOMER's appointed personnel to attend the phases identified as significant. The SUPPLIER also undertakes to ensure, without any charge to the CUSTOMER, the necessary assistance during the checks carried out by the CUSTOMER or by its appointed personnel.

5. Certifications and marking

The SUPPLIER guarantees compliance with the standards set by the CUSTOMER and/or by the relevant regulations, in the execution of the provision and also undertakes to provide the CUSTOMER with all the certifications required by the latter or by the local and European legislation in terms of production, marketing and use of the supplied products. Failure to deliver the required certifications is a justified reason

for the reduction or suspension of payments and/or for the termination of the contract for non compliance.

The goods supplied must always be identifiable and marked in such a way as to show the correspondence with the drawings of the CUSTOMER and, more in general, with the contract specifications.

Unless otherwise indicated in the contract, all materials must be provided with CE marking in compliance with the harmonised European Technical Specifications, updated on the basis of the references published in the Official Journal of the European Union and based on references published in the Official Journal of the Italian Republic.

6. Timings

The SUPPLIER undertakes to immediately inform the CUSTOMER of any event that may result in the failure to comply with the terms agreed upon. In the event of any delay with respect to the deadlines agreed upon with the SUPPLIER, the penalty defined in the contract shall be applied. If any penalty is applied, this is without prejudice to the right of the CUSTOMER to terminate the contract and/or seek compensation for damages.

The SUPPLIER cannot raise any objections or exceptions regarding orders to suspend the supply given by the CUSTOMER as a result of contingent technical and/or production requirements or in the exercise of its rights as CUSTOMER, or for priority requirements or coordination of the activities of a third company. Such suspensions do not give the SUPPLIER any right to revise prices or seek any indemnity and/or compensation for damages, and the SUPPLIER will also be solely responsible for any financial burden arising from the inactivity of its personnel and/or equipment or machinery. This is without prejudice to the right of the SUPPLIER to ask for a reasonable extension of the agreed delivery terms.

If suspended, the resumption of the activities will be notified to the SUPPLIER with at least 5 calendar days' notice. Any dispute or disagreement with the CUSTOMER does not entitle the SUPPLIER to suspend the execution of the supply, as the SUPPLIER is required to demand the settlement of any disputes through the arbitration procedure to be established only after the full execution of the provision.

In the event that the SUPPLIER communicates, for any reason, its unavailability to continue the execution of the provision, the CUSTOMER is free to entrust the completion to third parties. In that case, the SUPPLIER shall be liable for all damages and costs incurred for the completion of the provision. This also applies to any necessary intervention, performed by the CUSTOMER, or by any appointed third party, to repair or replace the supplied materials in whole or in part, according to the product warranty.

7. Delivery and acceptance of the materials

The delivery takes place at the headquarters of the CUSTOMER, via Edison 15, 39100 Bolzano, or at a different address indicated by the latter. The final and intermediate delivery terms are compulsory.

The delivery of the goods to the receiving personnel does not imply acceptance of the goods. Acceptance is made after the delivered goods have been checked for the absence of defects and are deemed in compliance with the contract specifications. The CUSTOMER is entitled to report the non-compliance of the delivery or the presence of defects, within 10 working days from the date of delivery, regardless of any payments already made. In the event of non-acceptance of the goods, the SUPPLIER is obliged to replace it in reasonable time for the CUSTOMER and, in any case, within the deadline given by the CUSTOMER. The costs for the return or disposal of unaccepted goods are charged to the SUPPLIER.

Goods that need to be installed, assembled or put into operation with some additional activity other than their delivery, or in any case that are used by the CUSTOMER for its production processes, are deemed delivered only after the goods have been installed, assembled and put into service.

8. Packaging and transport

The SUPPLIER shall protect the supplied material with suitable packaging to avoid any damage until it has been successfully unloaded.

The packaging costs for the supplied material are understood to be included in the agreed supply fee. Should the packaging be returned to the SUPPLIER or to a third party appointed by the latter, the cost of the return will be borne by the SUPPLIER itself.

The transport of the material is carried out under the responsibility of the SUPPLIER; the material travels at the risk of the SUPPLIER.

9. Payments and sums withheld as surety

The payment due for the properly executed service is made in accordance with the contract. If the invoice is to be accompanied by documentation necessary for its verification, or provided for by law, the payment terms remain suspended until the delivery of such complete documentation. Deadlines at the end of August or end of December, are extended to the 15th of the next month.

If the payments have been established on the basis of progress reports, the SUPPLIER must give written notice to the CUSTOMER about the achievement of the defined progress of the works, inviting the CUSTOMER itself to check such progress. The declaration of achievement of the work progress by the CUSTOMER, is the precondition necessary for the issue of each invoice and must be attached to each one when issued.

Partial or final payments do not involve in any case the acceptance of the supplied goods or rendered service.

The CUSTOMER is entitled to withhold payments in the event of delays or other contractual breaches of the SUPPLIER. The CUSTOMER may also effect offsets with the receivables due from the SUPPLIER, even if they are uncertain, liquid or payable, due to delays, faults or defects of the supply or related to other orders entrusted to the same SUPPLIER by the CUSTOMER or by another company of the group of the CUSTOMER.

Any withheld sums from the payments are made to guarantee the proper fulfilment of all contractual obligations by the SUPPLIER. Any surety provided for by the contract shall be issued in accordance with the model provided by the CUSTOMER.

10. Product warranty

The supplier guarantees the correct execution of the provision, in terms of correspondence of the product with the technical and operating specifications, and in terms of quality of the used materials, the processing and functioning of each part and of the whole, for a period of 12 months from the acceptance of the goods.

During the warranty period the SUPPLIER shall, upon the CUSTOMER's request, intervene to repair or replace, as soon as possible and at its own expense, any part of the supply that may be defective or show faults or discrepancies, at the premises of the CUSTOMER or at any other address where the goods are used.

The repaired or replaced parts will be guaranteed under the same conditions of the main supply, for a period equal to that originally intended

for the main supply, starting from the date of the replacement or repair.

During the warranty period, the SUPPLIER undertakes to make available an adequate number of spare parts (same type as the installed ones) for any replacement.

If the CUSTOMER is called to answer for defects that have occurred at any time, on products assembled by the CUSTOMER or by third parties, the CUSTOMER can seek recourse to the SUPPLIER which can be held responsible for the fault of the assembled component.

The SUPPLIER shall be liable for defects of the supplied materials, even if defects are easily recognisable at the time of delivery to the CUSTOMER.

11. Professional qualification warranty

In the execution of the provision, the SUPPLIER guarantees:

- a) compliance with all applicable regulations;
- b) the possession of all certificates, licences, authorisations or permits required for the execution of the provision;
- c) the employment of qualified personnel for the execution of the provision.

12. Protection of the rights of the CUSTOMER

Drawings, samples or any other material made available by the CUSTOMER for the execution of the provision, remain the property of the CUSTOMER and the CUSTOMER can require their restitution in any moment. The SUPPLIER is not entitled to use such material for any purpose other than the execution of the provision. Any drawings, samples or other material, regardless of the object of the provision, which have been produced by the SUPPLIER under the contract, remain the property of the CUSTOMER.

The SUPPLIER shall clearly identify any materials received as property of the CUSTOMER and store it separately. The SUPPLIER shall be liable for any damage, loss, theft or depreciation due to its responsibility. The SUPPLIER is not entitled to any right of retention.

13. Confidentiality and patents

The SUPPLIER undertakes not to disclose, without the written consent of the CUSTOMER, any documents, information or data of any kind, regarding the job assigned, that has come into its possession or knowledge during the execution of the provision. The CUSTOMER reserves the right, in the event of any breach of confidentiality obligations by the SUPPLIER, to terminate the contract and take legal action to seek compensation for damages. The SUPPLIER is also liable for any breach of such obligations by its employees and/or any subcontractors.

The SUPPLIER undertakes to fully guarantee to the CUSTOMER that the delivered goods have not been and will not be produced in violation of any industrial property rights and/or patent rights of any kind and belonging to any party. The SUPPLIER also guarantees to the CUSTOMER the freedom and licence of use and trade of the provided goods, both in Italy and abroad.

14. Express termination clause - Withdrawal by the CUSTOMER

The CUSTOMER is entitled to terminate the contract with immediate effect according to art. 1456 of the Italian Civil Code, in all cases of non-compliance of the SUPPLIER. By way of example and without limitation, the following can be considered as cases of significant non-compliance:

- the delivered goods are not in compliance with the specifications of the contract;
 - repeated failure to comply with orders and directives issued by the CUSTOMER or by parties appointed by the latter;
 - delay attributable to the SUPPLIER of over ten days with respect to one or more obligatory deadlines;
 - failure to repair or replace the goods or part of them according to the warranty;
 - failure to replace any non-accepted goods within the deadline set by the CUSTOMER;
 - distraint, seizures, insolvency procedures and requests to reach a composition agreement, protests at the expense of the SUPPLIER;
 - transfer of credit or contract without the authorisation of the CUSTOMER;
 - other serious breaches pursuant to art. 1455 of the Italian Civil Code.
- The CUSTOMER can also withdraw from the contract at any time, even during the execution of the provision, without this leading to any obligation on the part of the CUSTOMER to pay any amounts, for whatever reason, in addition to those due for the provision.

15. Applicable law and arbitration clause

Contracts governed by these general conditions are subject to Italian law.

All disputes, including technical ones, which may arise from the contract shall be managed by a regular arbitration board, consisting of three arbitrators, two of which appointed by each of the parties, as provided for by art. 810 of the Italian Code of Civil Procedure, and the third arbitrator shall be appointed in agreement between the first and second arbitrators or, failing that, by the President of the Court of Bolzano. The arbitration board shall resolve the dispute through the issue of a regular arbitration award. The sole venue of the arbitration board is the city of Bolzano. The award must be rendered within ninety days.

The Court of Bolzano will have exclusive jurisdiction regarding any dispute which does not fall within the competence of the arbitration board.

16. Final clause

Any reference to general conditions of sale, delivery or contract, whatever they are called, of the SUPPLIER is excluded from the contract. Any prevalence clause contained in the aforesaid documentation shall be deemed ineffective with regard to the CUSTOMER. The invalidity or ineffectiveness of some clauses or parts thereof of these general conditions or of the contract, shall not prejudice the validity of the remaining parts of the general conditions or of the contract. Any changes or additions to the contractual documentation must be made in writing, otherwise they will not be valid.