GENERAL TERMS AND CONDITIONS OF PURCHASE

(valid from 1st January 2017)

1. TERMS AND DEFINITIONS

The General Terms and Conditions of Purchase reported below are an integral part of this order issued by ADICOMP to the Supplier.

The relative provisions apply to the supply, unless otherwise established in the specific terms and conditions of the order. In this case the order shall prevail over these terms and conditions.

Normative references at any level mentioned in the General Terms and Conditions of Purchase are intended as compliant with texts in force at the time the rules contained therein are applied.

2. HOW CONTRACTS ARE CONCLUDED

Each order must be accepted by the Supplier within seven business days from the date of receipt by filling in, signing (this can be done by a legal representative of the Company) and sending the confirmation form enclosed with the order to the ADICOMP Purchasing Department.

The contract shall be considered concluded only when ADICOMP receives the order confirmation.

If the order is not confirmed, the ADICOMP administration department will not be able to settle the relative invoices.

Any reservation regarding the terms and conditions of purchase must reach ADICOMP within seven days, as mentioned above.

Should the Supplier have any reservation, ADICOMP has the right to cancel the order.

All the quantities, measurements, types, prices and any kind of indication entered by the Supplier in the offer, along with all the related technical and financial information acquired by the Supplier either in writing or verbally during negotiations, are exclusively meant to allow the parties to better understand the specifications of the request and/or the offer.

The information above cannot, under any circumstances, be considered parameters or reference values for any future feedback or claims for compensation.

3. PRICE INVARIABILITY

The prices reported in this order are intended as fixed and invariable until the whole supply has been completed.

Unless stated otherwise in the order, they include:

- Any tax, fee or right along with any unforeseen charge borne by ADICOMP.
- Suitable packaging for the intended type of transport
- Storage
- Transport up to the place of destination
- Services associated with these activities

Nothing shall be due to the Supplier in relation to a change in price, regardless of any circumstance that may arise, even if unforeseen, which may however justify a price review, in accordance with Art. 1664, first paragraph of the Italian Civil Code, if there is no specific exception or other agreement.

4. PROHIBITION OF CREDIT TRANSFER

Pursuant to Art. 1260, paragraph 2 of the Italian Civil Code, it is prohibited from transferring any credit due to the Supplier for this order, unless otherwise agreed in writing by the parties.

If the Supplier transfers the credit without prior authorization from ADICOMP, the transfer shall not be enforced against ADICOMP.

Furthermore, the Supplier may not appoint third parties to collect payments or in any case resort to other forms of delegation of payment.

5. PROHIBITION OF ORDER TRANSFER

The Supplier is strictly prohibited from transferring the order to third parties.

6. SUBCONTRACTING

The Supplier is strictly prohibited from subcontracting this order in full or in part, unless otherwise agreed in writing by the parties.

7. DELIVERY, PENALTIES AND EXTENSIONS

All the delivery deadlines reported in the order are intended as imperative and essential.
Delivery is intended as completed when the goods and/or services reported in the order and all the documents indicated in the order have been received.
ADICOMP reserves the right to refuse the Supply and terminate the order in the event of serious delays in delivery or delays that affect the use of the supply itself for the purposes it is intended for.
Penalties for late delivery, if envisaged in the order, are applied if the delivery deadline and any intermediate contractual terms and conditions are not complied with in accordance with that agreed in the order.
The order may envisage penalties if the technical services agreed to in the order are not complied with.
If the penalties are applied to the Supplier, ADICOMP may offset the relative amounts with those still due by ADICOMP to the Supplier.
If the sum still due to the Supplier is less than the penalty, the Supplier must pay the amounts due within 60 days from the date of notification of the penalty by ADICOMP.
Without prejudice to the right of ADICOMP to claim compensation for any further damages exceeding the amount due by the Supplier as a penalty.
ADICOMP may grant the Supplier extensions to delivery dates in writing, in accordance with the relative articles of these General Terms and Conditions of Purchase only due to:

- Variations in the supply
- Suspension of the supply being delivered
- Force majeure

8. FINANCIAL GUARANTEES

The Supplier acknowledges that, if specified in the order, ADICOMP may request bank guarantees to cover any agreed advances, quality and operation of the item supplied and the warranty services the Supplier is required to provide.

9. CHANGES TO THE CONTRACT

Any changes to these General Terms and Conditions of Purchase, as well as to the specific conditions of the order must be reported in a written document signed by ADICOMP and the Supplier under penalty of nullity.

10. SUSPENSION

Subject to written notice by ADICOMP, the latter has the right to suspend this order at any time, in whole or in part, for a maximum period of six months, during which the Supplier shall not be entitled to higher fees due to the suspension and must keep and store the materials and/or goods properly.
If the total period of the suspensions, in one or more stages, lasts for more than six months, ADICOMP and the Supplier shall meet to agree on any higher additional charges, without prejudice to the right of ADICOMP to cancel the order in accordance with Art. 11 below.
Any claims for indirect damages, such as refunds for production and profit losses, shall be excluded.
At the end of the suspension period, the delivery dates must be renegotiated between the parties and formalised in writing.

11. ORDER CANCELLATION

Without prejudice to that otherwise agreed in the order, ADICOMP may, at its sole discretion, fully or partially withdraw the order at any time by simply sending a written notification with 10 days' notice. The Supplier has the right to receive the part of the price corresponding to the actual and attested resulting costs up to when the above-mentioned written notification is received.
Any other claims for indirect damages, such as refunds for production and profit losses, shall be excluded.

12.TERMINATION

Without prejudice to the provisions relating to the termination and/or expiry in other provisions of these clauses and current regulations, including the termination clause covered in Art. 3 of Law no. 136 dated 2010 and subsequent amendments and additions, ADICOMP shall have the right to terminate this order in accordance with Art. 1456 of the Italian Civil Code in the cases below:

- The Supplier does not start producing the goods and/or carrying out the service by the agreed date or does not complete it by the agreed deadline, including the period indicated in the relative Article on "Penalties" of the specific terms and conditions of the order, thereby affecting ADICOMP's ability to follow plans and use of the supply for the purposes it is intended for;
- The Supplier delays sending the technical documentation to ADICOMP as stipulated in the contractual documents, beyond the period subject to the penalty referred to in the relative Article on "Penalties" of the specific terms and conditions of the order, thereby affecting ADICOMP's ability to follow plans and use of the supply for the purposes it is intended for;
- The Supplier refuses to supply the goods and/or services in accordance with the terms and conditions stipulated in the order, unless otherwise agreed between the parties;
- ADICOMP verifies that the tests conducted on the goods continuously or persistently lead to negative results;
- The Supplier becomes insolvent towards creditors;
- The Supplier subcontracts any part of the order, i.e. transfers the order to third parties, without prior written authorization from ADICOMP;
- The Supplier does not comply with current standards in terms of insurance, salary and social security of personnel and accident- prevention provisions;
- The Supplier carries out modifications and/or changes to the goods and/or relative execution project without written authorization from ADICOMP and does not restore them to the original conditions as agreed in the order;
- The Supplier suspends the execution of the goods and/or services in the event of a legal dispute;
- The Supplier does not comply with the measures stipulated in the Interference Risk Assessment Document (IRAD) or in the Safety and Coordination Plan (SCP) and/or in the Operational Safety Plan (OSP) or in the Coordinated Health and Safety Plan (CHSP);
- The Supplier violates the confidentiality obligation covering the information received in association with this order;
- The Supplier does not deliver the goods and/or services according to the deadlines and terms and conditions stipulated in this order;
- The Supplier violates the provisions stipulated in the next Art. 25.2 of these GTCPs, if these provisions are applicable to this order.

To terminate the order in accordance with this Article, ADICOMP shall send written notification to the Supplier.

In the cases listed above, ADICOMP may also resort to the procedure stipulated in Art. 1454 of the Italian Civil Code, by notifying the Supplier in writing to find a solution to the alleged offence within a period of time considered suitable by ADICOMP and in any case not less than 15 days from when the notification is received.

After this period has passed and no action has been taken, the order is considered terminated and ADICOMP has the right to claim damages, which the Supplier must pay within 60 days from when the relative debit note is received.

Furthermore, ADICOMP has the right to terminate the order if the Supplier is subject to any kind of insolvency proceedings and if the force majeure event covered in the Article "Force majeure" persists for over than 30 days.

13. INTERMEDIATE CHECKS AND INSPECTIONS

The Supplier shall allow auditors and/or personnel appointed by ADICOMP and/or the Customer free access to the offices and factories involved in the execution of the order and to those of any subcontractor with no additional cost for ADICOMP.
During inspections, the above-mentioned personnel will be given the necessary assistance and be provided with the documentation related to the order to be able to check the progress of the works and of the supply, to verify that the right materials are used and the manufacturing processes are performed correctly.
The Supplier also undertakes to provide updated and correct news relating to the status of the supplies and promptly report any significant discrepancy in the communicated data or sudden circumstances that may compromise compliance with the delivery date of the supply.
It is understood that for no reason whatsoever visits, inspections and checks or the information received can be cited to relieve any liability deriving from this order.

14. TESTING

The Supplier acknowledges the possibility that the goods covered in the order may need to be tested.
Testing must be carried out by the Supplier in accordance with the standards stipulated in the quality control plan and/or the technical documentation enclosed with the order, and the relative certificates issued.
The Supplier shall bear all the testing costs, including those associated with any repeated tests. Auditors and/or personnel appointed by ADICOMP and/or the Customer shall have the right to be present during the tests and if necessary access the workshops and factories of the Supplier.
Successful tests must be attested by the relative certification, which the Supplier must send to ADICOMP. If no certification is provided, the goods will be considered as goods without the essential properties for the use they were intended for, with the consequences stipulated in Art. 1497 of the Italian Civil Code.
Regardless of the required testing, ADICOMP reserves the right to verify, at any time and with the systems deemed most appropriate, that the supply complies with the requirements of the order.

15. SHIPMENT

The Supplier must promptly inform ADICOMP it is about to ship the materials covered in the order.
The supply must be suitably and adequately packed so that the goods stipulated in the order are not damaged during the shipment.
Each shipment must be accompanied by a copy of the transport document of the goods together with details of the order and the packing list, along with a list of the materials and relative weights and volumes.
The materials must be identified with a serial number in accordance with the operating instructions mentioned in the purchase order.
If ADICOMP recommends the Supplier to pass on the materials to be processed or stored by other companies, the latter must issue a transport document addressed to the recipient and then send a copy of the document signed by the recipient to relative ADICOMP department.

16. INCORRECT DOCUMENTATION

Any costs ADICOMP may incur due to errors or omissions on documentation submitted by the Supplier (invoices, transport documents, etc.) shall be entirely borne by the Supplier.

17. TRANSFER OF OWNERSHIP

The goods covered in the order shall become property of ADICOMP upon delivery at the destination agreed in the order.

18. STORAGE

If ADICOMP cannot collect or receive the goods due to operational requirements, the Supplier must keep the goods in the factory or at a third-party.
The operation above will be formalized between

the parties by signing a declaration of supervised storage, which must bear a specific date with a postmark.
ADICOMP. shall have the right to verify that the registers of the Supplier in which the stored goods are logged are compiled regularly.
Goods owned by ADICOMP stored at the Supplier's premises must be placed separately from the Supplier's other materials and duly insured.
When the goods are returned, if the above- mentioned supervised storage service is not provided to ADICOMP free of charge, the Supplier shall issue the invoice for the storage service with a note stating "Goods stored in our premises" and issue the transport document (TD) stipulating :

a) Description: "Return of stored goods owned by ADICOMP
b) Details of ADICOMP's delivery note(s) when the goods are stored.

19. QUANTITIES

The quantities indicated in the order must be strictly complied with. Quantities exceeding any tolerance specified in the order may be returned at the risk and expense of the Supplier without prior notice.

20. ACCEPTANCE OF MATERIALS

The delivery of the goods covered in the order does not imply their acceptance by ADICOMP.
ADICOMP shall have the right to report non-conformities related to the goods delivered or any fault or defect in relation to the order, even following receipt and regardless of the payment of the relative invoices, in accordance with the terms and conditions stipulated in the following Article relating to the Warranty.
If the order involves installation or assembly, the delivery is deemed as complete solely when the activity has been carried out.
If these operations do not ensure the goods are fully operational, as specified in the order, the provisions stipulated in the Article relating to the Warranty will be applied.

21. INVOICING

The original invoices must be sent to the administration department and addressed to: ADICOMP srl., Via Scotte,8, 36033 – Isola Vicentina – Italy.
Besides data required by law, each invoice must indicate the following additional information:

- Order number
- Position of the order (only for invoices that do not cover the entire order)
- Clear and understandable description of the goods supplied
- Supplier code number (this can be found on the first page of the order)
- The place of origin of the goods
- The Customs code (HS code)
- Place of delivery according to Incoterms
  (last three information are required only for extra-UE suppliers)

22. VALUE ADDED TAX

The prices indicated in the order are net of VAT. Any exemption, suspension or anything similar is specified in the order. ADICOMP shall not accept any liability if the Supplier fails to comply with any fiscal requirements.

23. PAYMENTS

Payments shall be made according to the terms and conditions indicated in the order by submitting the relative invoice.
Under no circumstance shall any delay in payment due to irregularities or delays related to the invoice being issued or sent by the Supplier be attributable to ADICOMP.
The Supplier undertakes to promptly communicate the relative current account number together with the bank details as well as any relevant change. Under no circumstances shall the Supplier complain about late payments if this is due to the bank details being communicated late or not at all.
As an exception to Art. 4, paragraph 2 of Legislative

Decree no. 231 dated 9/10/2002, the parties both agree that the payments shall be made according to the terms indicated in the order, provided that the conditions the instalments are associated with have actually been fulfilled, bearing in mind the nature of the materials and the testing process at ADICOMP workshops, along with the business relationship between the parties.
The parties specifically agree that once the agreed deadlines have expired, the Supplier may request the payment of the invoice as from 30 days after the above mentioned payment deadline. This deadline is explicitly acknowledged and accepted by the parties as a tolerance margin for the payment procedure.

24. WARRANTY

The Supplier explicitly guarantees that the supply has no faults and defects and guarantees compliance with technical and operating data, both in terms of quality of the materials used, how they have been manufactured and the operation of all its parts and the entire system supplied.
The Supplier undertakes to provide the warranty for the goods and services stipulated in the order for a period that will start from the actual delivery to ADICOMP at the destination and, unless otherwise indicated in the order, this period will end no later than 24 months after the outstanding amount has been settled for the supply delivered to ADICOMP.
As a result of the above mentioned warranty and following an explicit request from ADICOMP or the Customer, the Supplier is required to repair or replace any part of the supply that has faults or discrepancies, as soon as possible and free of charge, as follows: if hidden, within 60 days from when they are detected, and if noticeable, within 60 days from the date of delivery.
In this case the Supplier must replace the faulty or non-conforming material in a timely manner by taking into account the programming requirements of ADICOMP.
If the non-conforming material is returned, the relative expenses shall be charged to the Supplier. Repaired or replaced parts are covered by the warranty under the same terms and conditions of the main supply for a period equal to the validity of the contract, starting from when the repaired or replaced part is delivered.
If the Supplier does not promptly eliminate the faults, ADICOMP will have the right to take measures directly or via third parties, without prior notice, and charge the relative expenses to the defaulting Supplier. In the event of an emergency, ADICOMP shall eliminate the fault directly and inform the Supplier.

25. SUPPLIER PERSONNEL

The Supplier must produce the supply with suitable personnel, who have proven skills, adequate for the requirements related to the obligations deriving from the order, from a qualitative and numerical aspect.
The Supplier undertakes to indemnify ADICOMP from claims put forward by direct employees or those of subcontractors and/or third parties, from consultants or other collaborators who contribute work (regardless whether employed or not) to execute the order, by also intervening in the relative proceedings and requesting that ADICOMP be excluded.
The Supplier must apply regulatory conditions and salaries for its employees, which are not below those established in applicable collective employment contracts pursuant to Art. 2070 of the Italian Civil Code, and regularly pay the salaries, social security, national insurance, healthcare and any kind of obligation in accordance with current laws, regulations and standards.
The Supplier is required to protect employees appointed to provide the Supply. This is why the latter must comply with and apply all the standards relating to health and safety, hygiene at the workplace, protection, insurance and assistance of workers and assumes all civil and criminal liability in this regard.
It is, however, understood that if ADICOMP does not submit a request, this does not, under any circumstances, exempt the Supplier from its liabilities and obligations.

26. ADVERTISING PROHIBITION

The Supplier is prohibited from using and/or associating the ADICOMP trademark with its company name without explicit written authorization from ADICOMP.

27. PATENTS

The Supplier fully guarantees ADICOMP that the goods supplied have not been and shall not be produced in violation of any property rights of any kind and belonging to anyone. The Supplier also guarantees ADICOMP. freedom and license to use and market the goods supplied, both in Italy and abroad.
The Supplier undertakes to indemnify ADICOMP from any liability and dispute related to the use of any intellectual property right, such as but not limited to, patents, drawings or models, trademarks, know- how and copyright deriving from ADICOMP using the supply.
The Supplier specifically declares that the goods supplied to ADICOMP will not result in the infringement of any intellectual property right.

28. LIAISING WITH THE END CUSTOMER

From the date of delivery and only in relation to the goods supplied:

- ADICOMP will be the only party liaising with the end customer.
- Any direct contact between the Supplier and the end customer must be authorized in writing beforehand by ADICOMP.
- Should the end customer contact the Supplier directly, the Supplier must immediately inform ADICOMP and in any case cannot provide information, including technical, without written authorization from ADICOMP.
- The Supplier undertakes to provide technical support to ADICOMP in relation to the goods supplied.
- Upon request from ADICOMP, technical support may also be provided by the Supplier's personnel at the end customer's premises under ADICOMP 's supervision, always keeping ADICOMP adequately informed on the progress of the work and its completion.
- The Supplier cannot establish business relationships with the end customer as far as the goods supplied are concerned.

29. FORCE MAJEURE

The contract delivery dates may be extended in writing without applying any penalty to the Supplier when a force majeure event occurs during the delivery dates reported in the contract.
Force majeure events are only considered as events depending on government acts, war, riots, insurrection and sabotage, fire, floods, epidemics, explosions and strikes at a national level.
The Supplier shall promptly notify ADICOMP. by registered letter of the onset and end of the possible force majeure event.
At the end of each event, the Supplier shall send ADICOMP the supporting documentation certified by the local Chamber of Commerce.
Failure to provide prompt notification of the occurrence of the events shall nullify the rights of the Supplier for the application of this clause.
In case of force majeure, the delivery dates may be extended, subject to a written agreement between the parties, for a period proportional to the effects that such events have on the progress of the works. If the force majeure events persist or are expected to persist for a period of more than 15 days, the parties shall meet to establish the criteria to follow for the continuation or termination of the contract.
If the force majeure events persist for more than 30 days, ADICOMP shall have the right to terminate this order in accordance with the Article regarding "Termination" and acknowledging only the value of the goods, or parts thereof, which can be collected and used by the Customer.
The Supplier shall have the right to receive the Part of the price corresponding to the actual and proven costs resulting up to the termination date.
ADICOMP shall reserve the right to demand a

refund for the amounts already paid to the Supplier that exceed the amount due.
In any case the Supplier shall undertake to reduce the detrimental effects caused to ADICOMP by force majeure events.

30. CONFIDENTIALITY

The Supplier undertakes to consider all the drawings, documents, data, photographs, specifications and information provided by ADICOMP as confidential and shall therefore not disclose them.
The Supplier also undertakes to use all the documents and/or information above solely for the execution of this order and therefore, not to use them for other purposes.
The Supplier may only disclose the said documents in the following cases:

- Request from authorities
- Request from third parties and/or subcontractors for essential requirements for the proper execution of the supply, without prejudice to the latter's obligation to not disclose the information.

The confidentiality obligation applies to the Supplier and any subcontractor for the whole duration of the order and for a period of 20 years from when the order is issued.
The Supplier shall be liable to ADICOMP to ensure this obligation is also fulfilled by the subcontractors.
All technical documents sent by ADICOMP to the Supplier are property of ADICOMP and the Supplier shall not make copies or use them for purposes other than those required for the execution of the order, unless they are already publicly known. The above mentioned documents must be returned to ADICOMP as soon as they are no longer required by the Supplier to perform the obligations required by the contract and in any event no later than when these obligations have been fulfilled

31. JURISDICTION

These General Terms and Conditions of Purchase are governed by Italian law.
For all disputes concerning the interpretation and/or execution of these General Terms and Conditions of Purchase and individual orders, including those relating to their validity, existence and amount of receivables due to ADICOMP the parties agree that they shall be exclusively settled by the Court of Vicenza

Adicomp s.r.l.
Pietro De Faveri Tron
Managing Director