

## GENERAL PURCHASE CONDITIONS

### 1. DEFINITIONS

**1.1** "ASCO" indicates Asco Filtri S.p.A (VAT number 02688370135), with registered office in Via delle Scienze 8, 20082 Binasco (MI) - Italy.

**1.2** "Change Order" means the order transmitted in writing by ASCO to the Supplier and signed for acceptance by the latter or by the Supplier to ASCO and signed for acceptance by the latter with which the Parties modify the content of the Contract.

**1.3** "Client" means Asco's client.

**1.4** "Confidential Information" means all information (such as, but not limited to, data, formulas, processes, patents, procedures, methods, documentation, drawings, projects, electrical or electronic diagrams, circuit diagrams, tests, formulas, evaluations, manufacturing processes, Know-How, material directly related to tests and tests, commercial activities, products, processes, property analyzes, etc.) owned by ASCO or by Client, which ASCO (including its employees, associates, auxiliaries and consultants) or the Clients will provide, in writing, orally or by any other means and on any type of support, to the Supplier (including its employees, associates, auxiliaries and consultants) for the purpose of carrying out the Contract.

**1.5** "Contract" means the specific binding contract between ASCO and the Supplier consisting of the Purchase Order with its attachments, if any, and the General Conditions signed and/or known by the Supplier.

**1.6** "Defects" indicates, with reference to the Products or parts of them, the defects or lack of conformity with the Know-How or in any case with the implicit technical specifications according to the state of the art and the technology, lack of safety standards, unsuitable for their intended use, qualitative or quantitative non-compliance with the Purchase Order, non-compliance with all laws, standards and regulations in force at the time of delivery, including by way of example all safety standards, damage caused from incorrect packaging and transport.

**1.7** "Delivery Date" indicates the delivery date indicated in the Purchase Order and is intended as the date of availability of the Products as well as any related technical documentation at ASCO's premises.

**1.8** "General Conditions" means these general conditions of purchase.

**1.9** "Know-How" indicates the set of technical and technological knowledge, intellectual property, information, specifications (technical, functional or quality), directives, processing techniques, technical requirements, drawings, models, samples, prototypes, videos, photographs, renderings and any other information or document that will be communicated and/or transmitted by ASCO and/or the Clients to the Supplier for the purpose of executing the Contract and which is and will remain the exclusive property of ASCO even if known and approved by the Supplier.

**1.10** "Materials" means the components that ASCO supplies, if applicable, to the Supplier in order to carry out the Works.

**1.11** "Parties" means ASCO and the Supplier.

**1.12** "Price" means the price of the Products and/or the consideration for the Works, including any discounts, production premiums and bonuses as well as any charges and expenses of the Supplier (including, by way of example and not limited to, taxes - except VAT, if applicable -, duties, assembly costs, installation costs, configuration costs, testing costs, packaging costs and transport costs), which must be considered fixed and invariable and not subject to revision due to changes in the price index, due to increases in the cost of materials, labor or any other cause.

**1.13** "Products" means the products and Semi-elaborated Products, as expressly agreed, sold by the Supplier to ASCO under the Contract.

**1.14** "Project" means the project concerning, by way of example but not limited to, Products or components of Products or methods of packaging of Products or methods of carrying out Works, which ASCO entrusts to the Supplier and of which the Supplier assigns ownership to ASCO.

**1.15** "Purchase Order" means the purchase order for Products and/or execution of the Works or the similar acceptance of the Supplier's proposal, containing the indication of the Products, and/or Semi-elaborated Products, the Price and the related payment terms, terms and methods of delivery and any additional special conditions as well as any attachments, sent in writing by ASCO to the Supplier and signed for acceptance by the latter.

**1.16** "Recurring Defects" means, with reference to the Products, those Defects that are found by ASCO in at least 5% of the same Products delivered even in execution of several Contracts.

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**1.17** "Semi-elaborated Products" indicates the result of the Works.

**1.18** "Supplier" means any natural person or legal entity who supplies the Products to ASCO and/or performs the Works for it.

**1.19** "Works" means the assembly activity of the Materials or Products, the sale price of which will be part of the Price, which the Supplier undertakes to carry out on behalf of ASCO using the Know-How, if transmitted.

### 2. PURPOSE AND SCOPE

**2.1** These General Conditions apply in place of and prevail over any provision contained or mentioned in any document transmitted by the Supplier in the correspondence or elsewhere or implicitly referred to by commercial customs, practice or during negotiations, unless specifically excluded or modified in writing by an authorized representative of ASCO. The acceptance of Products or the payment of the Price will not therefore imply acceptance of any conditions other than the General Conditions.

**2.2** In case of conflict between any special conditions set out in the Purchase Order and the General Conditions, the provisions of such special conditions shall prevail exclusively with reference to the specific Purchase Order.

**2.3** If following a first Purchase Order governed by the General Conditions, there is a further Purchase Order with the same Supplier without reference to the General Conditions, this second Purchase Order, and thus the subsequent ones, must be understood as governed by the General Conditions.

### 3. ORDERS AND PRICE

**3.1** Unless otherwise indicated in the Purchase Order, the Supplier shall acknowledge the receipt and acceptance of the Purchase Order within 5 (five) working days from its receipt by returning to ASCO the corresponding copy with any attachments and the General Conditions, all signed for acceptance by its authorized representative. No Purchase Order will be binding on ASCO unless signed for acceptance by an authorized representative of the Supplier, together with any attachments and the General Conditions.

**3.2** ASCO can modify or cancel the Purchase Order or part thereof until Supplier's Purchase Order signed for acceptance has been received by ASCO. In this case, the Supplier will not be entitled to any reimbursement or compensation.

**3.3** Any proposals for the sale of Products or for the execution of the Works sent in writing by the Supplier to ASCO will not be binding in any way for the latter, being qualified as mere commercial proposals. If ASCO wishes to proceed with the purchase of Products or the execution of the Works, it will proceed as provided in the previous article 3.1.

**3.4** The Supplier declares to have carefully examined and verified in detail the Know-How and any other information provided by ASCO before accepting the Purchase Order as well as having evaluated all the relevant elements for the purpose of accepting the order and, in particular, the assessment of the fairness of the Price.

**3.5** The Supplier will provide, at no cost to ASCO, unless otherwise indicated in the Purchase Order, all projects, installation, operation and maintenance manuals, copies of the related software, lists of components, certificates and documentation required by laws and regulations and any other information, in the quantities and dates provided for in the Purchase Order or in its attachments.

**3.6** In case of designs that require ASCO's approval, the relevant designs must be submitted as many times as necessary to receive final written approval, without this process entailing any additional cost to ASCO.

**3.7** The price indicated in the Purchase Order is fixed and final and is not subject to revision due to changes in the price index, increases in the cost of materials, labor or any other cause, unless it has been previously authorized in writing by ASCO. The Supplier undertakes to apply the best market price in favor of ASCO.

**3.8** In any case, the acceptance of the Supplier is subject to the condition precedent of the approval of the Products and/or the Works by the Client and, if applicable, to the presence of the Supplier in the Client's vendors' list.

### 4. PROJECT AND RELATED MODIFICATIONS

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- 4.1** This article shall apply when ASCO entrusts the Supplier with a Project as per the Purchase Order.
- 4.2** If case of Project drawings requiring ASCO's approval, the relevant drawings must be submitted as many times as necessary until they receive final written approval, without this procedure incurring in any additional cost for ASCO.
- 4.3** For each Project, the Supplier undertakes to transfer, at no cost by ASCO, all related documentation to ASCO, including, by way of example but not limited to, drawings, manuals, copies of the related software, lists of components, certificates and documentation required by laws and regulations, as well as to transfer the applicable know-how. The supply of the Products will be only considered completed when all the equipment, materials and the required documents and copy of the relevant software are satisfactorily supplied in complete accordance with the Contract.
- 4.4** To verify the completeness of the documentation delivered by the Supplier pursuant to the previous art. 4.3 as well as the information contained therein and the correctness of the Project, ASCO has the right but not the obligation at any time, also following the changes referred to in this article, to request the Supplier or a third party to produce a specific number of samples of the subject of the Project. If from the samples Asco finds any deficiencies in the Project or related documentation, ASCO must notify the Supplier in writing and request the Supplier to remedy such deficiencies. The Supplier shall comply with ASCO's requests within 10 (ten) days of receiving ASCO's communication.
- 4.5** ASCO can, at any time, request the Supplier to modify the Project if ASCO should find any malfunctions on the subject of the Project or should modify the hardware or equipment on which the subject of the Project should be installed.
- 4.6** In those cases referred to in the previous art. 4.5, ASCO shall send the Supplier a written request for modification with an indication of the relative motivation. In the event of changes that are necessary due to malfunctions, the Supplier must make the change at its own expense. In the event of changes that are necessary due to changes to the hardware or equipment on which the subject of the Project should be installed, the Supplier shall send its own written offer to ASCO, no later than 7 (seven) days from the request for change, with the indication of the relative cost. The offer will be considered accepted only once ASCO has returned the same to the Supplier in writing, signed for acceptance by an authorized representative.
- 4.7** The Supplier must carry out any modifications of the Project within the maximum term indicated by ASCO in the request for modification in the event of malfunctions or in the acceptance of the offer by ASCO in the case of modifications to the hardware or equipment which the subject of the Project should be installed.
- 4.8** The Supplier undertakes, no later than 7 (seven) days from the execution of the modifications, to deliver to ASCO all the updated documentation concerning the Project and to transfer the applicable know-how.
- 4.9** For each Project, the Supplier guarantees that it has full ownership title, which is transferred to ASCO with the Contract, that it has not transferred it to third parties and undertakes not to transfer it in the future. The Supplier also guarantees the perfect functionality and suitability of each Project for the purpose for which it was intended.

### 5. MODIFICATIONS OF PRODUCTS AND/OR PROCESSING

- 5.1** Any change to any aspect regarding the Products and/or the Works or the contents of the Purchase Order shall not be valid unless formalized through a written Change Order. No amounts will be owed or payable by ASCO unless specifically stipulated in the Purchase Order or in the relevant Change Order and agreed between the Parties.
- 5.2** ASCO has the right to instruct any change to the Products and/or the Works at any time and the Supplier will be obliged to carry them out under the following conditions. If these changes result in an increase or decrease in the Price and/or in additional time necessary for the delivery of the Products and/or the Works, the Supplier shall notify ASCO, in writing, without delay and, in any case, within 7 (seven) days from the notification of the changes, providing motivation for the above. In this case, a fair and equitable adjustment of the Price and delivery terms shall be negotiated between the Parties and stated in writing in a specific Change Order, without prejudice to the Supplier's obligation to immediately undertake ASCO's proposed changes. If the Change Order is placed after the Supplier has already started the production of the Products and/or the execution of the Works, the Parties will agree in good faith on the handling of the Products and/or Works already produced to allow compliance with the terms and conditions set forth by the Client.

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**5.3** The Supplier undertakes to communicate, at any time, to ASCO any technical innovations present on the market that are likely to improve the quality and/or characteristics of the Products and/or Works.

### 6. INVOICING AND PAYMENT

**6.1** The Supplier shall issue the invoices within the terms provided for in the Purchase Order. Each invoice by the Supplier shall indicate the Purchase Order number, the bank account details on which to make the payment and the number of the Products' transportation bill or documentation.

**6.2** In the event of any disagreement between what is indicated in the Purchase Order and the invoice, the Supplier must promptly rectify the invoice making it compliant with the Purchase Order, by issuing the appropriate correction documents. In the case of issuance of credit notes, the latter must indicate the number of the Purchase Order, the number and date of the relative canceled invoice as well as the number of the transport document.

**6.3** The terms and methods of payment of the invoices are indicated in the Purchase Order.

**6.4** In the event that the Supplier changes the data relating to its bank account already indicated in the invoice sent to ASCO, the Supplier undertakes to communicate the change to ASCO at least 20 (twenty) days before the expiry of the invoice payment term.

**6.5** ASCO is entitled to make any offsets as compensation from any payment due under the Purchase Order for any cause or title, including, but not limited to any damage compensation even not judicially ascertained, debts even if in process of formation or present or future taxes.

### 7. DELIVERY

**7.1** Unless otherwise specified in the Purchase Order, the delivery of the Products will be made DAP ASCO's premises in accordance with the interpretation set out in the Incoterms 2020 of the International Chamber of Commerce of Paris. In any case, whatever the agreed delivery term, the risk shall pass to ASCO upon delivery of the Products at the address indicated as the place of delivery in the Purchase Order.

**7.2** The Supplier acknowledges that the Delivery Date or any part thereof at the place of delivery, including the delivery of technical documentation and software, if any, is fixed, invariable, final and constitutes an essential term and cannot be anticipated, extended, or delayed without the written consent of ASCO. Should the Delivery Date be anticipated, extended or delayed, even if due to force majeure, it must be promptly communicated by the Supplier and, if the Delivery Date is anticipated or postponed without the written consent of ASCO, ASCO will be entitled to immediately suspend the payment of the Price or any amount due for any reason or to terminate the Contract in whole or in part and/or to charge the penalty referred to in Article 7.3.

**7.3** If the Delivery Date is advanced or postponed without the written consent of ASCO, ASCO will be entitled, to apply a penalty without any prior notice being required. The application of the penalty does not release the Supplier from the fulfilment of its obligations and liabilities and may be offset by ASCO from any payment required by the Purchase Order or due for any other reason and/or for any other title. Unless otherwise specified in the Purchase Order, the amount of the penalty for the Products will be equal to 1% of the Price per week or fraction of delay, with a limit of 10% of the Price, all without prejudice to greater damage. In the case of the Works, the amount of the penalty will be 0.5% of the Price per week or fraction of delay of the Price, with a limit of 3% of the total value of the Purchase Order. If the penalty is applied, ASCO will issue the related tax document and the Supplier must pay the penalty within 30 (thirty) days from the date of issue of this document.

**7.4** In consideration of its production needs, ASCO has the right to postpone the Delivery Date by means of written communication to the Supplier with at least 30 (thirty) days' notice with respect to the Delivery Date itself. In case of exercise of this right by ASCO, the Supplier will not be entitled to any payment amount for any reason.

**7.5** Delivery in installments or by partial shipments shall only be permitted with the prior written consent of ASCO and only in accordance with the terms of such consent, if given. Such consent shall not entitle the Supplier to claim payment prior to the delivery of all the Products indicated in the Purchase Order, unless otherwise agreed in writing with ASCO. If the Supplier provides delivery, partial or total, before the Delivery Date without the written consent of ASCO, ASCO will be entitled to refuse the delivery or to charge the Supplier all expenses (including, by way of example but not limited to, warehouse costs and financial charges) that it should incur for this reason.

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**7.6** The Supplier guarantees that the quantity of Products delivered corresponds to what it is indicated in the Purchase Order. ASCO shall have the right to ask the Supplier to collect the excess quantities, with the right to send them back directly at the expense and risk of the Supplier and to charge the Supplier for all the expenses (including, by way of example but not limited to, warehouse costs and financial charges) if the latter does not do so immediately.

**7.7** The Products must be packed and secured in an adequate manner to reach the place of destination in a satisfactory manner, with transport conditions appropriate to the nature of the Products themselves and in compliance with all relevant laws, regulations, and industry standards. The Products must be accompanied by all the necessary documents as required by current regulations which must also indicate the weight, the number of packages, the identification code, the description of the Products and the Purchase Order number.

**7.8** Unless otherwise specified in the Purchase Order, all containers, packing cases, boxes, metal containers, packages and other packaging materials supplied by the Supplier must be considered non-returnable and their costs and any charges for the preparation and subsequent disposal of the packaging, for canning, transport and other related services will be borne by the Supplier.

**7.9** ASCO has the right to refuse the Products if the packaging is found to be non-compliant or damaged upon delivery. In any case, the Products are accepted with reserve until the integrity of the same and their packaging has been verified.

### **8. SUPPLIER REPRESENTATIONS, WARRANTIES AND INDEMNITY**

**8.1** The Supplier acknowledges and agrees that ASCO neither represents nor warrants the accuracy or adequacy of its Know-How, if any. The Supplier declares and guarantees that its obligations and responsibilities under the Contract will remain unaffected despite the Know-How, if any, transmitted by ASCO.

**8.2** The Supplier is fully aware of all the technical information necessary to achieve the scope of the Contract and warrants its commitment to produce the Products and/or to carry out the Works in a workmanlike manner and with the highest degree of professionalism as well as that the Products (and all their parts) and the Works are free from any defects.

**8.3** The Supplier declares and warrants to be in possession and to maintain for the entire duration of the Contract, means, employees and/or associates and production and control processes suitable for the execution of the Contract.

**8.4** The Supplier declares and guarantees that all Products will be accompanied, if requested by ASCO, by the declaration of conformity pursuant to Regulation (EC) no. 1935/2004 and by Regulation (EU) no. 10/2011 as well as undertakes to make available all the documentation useful to demonstrate such compliance.

**8.5** The Supplier declares and guarantees that, in the execution of the Contract, it will act completely independently, with the widest managerial and organizational autonomy, not being in any way an agent, representative or employee of ASCO.

**8.6** The Supplier declares and warrants, with reference to the work of its staff, the observance of collective and individual labour agreements, of the legislation on social security and welfare. The Supplier undertakes to indemnify and hold harmless ASCO from any salary claim, including severance pay, wage, tax, and insurance, claim against ASCO, in relation to the performance of the services referred to in the Contract, by social security entities and/or assistance, by the Revenue Agency or by the workers and/or associates of the same Supplier. It is expressly understood that if ASCO receives notification of a letter, default notice, summons, appeal, injunction, debt notice, assessment notice or payment or payment order, having to do with any requests for payment of sums of money due in relation to disputed non-fulfillment or irregularities committed by the Supplier during the execution of the Contract, with reference to the non-compliance with the obligations of a social security, insurance, contribution, wages and/or para-compensation nature assumed in connection to workers and/or associates, may immediately suspend the payment of the Price or any amount due for any reason to the Supplier, in order to offset as compensation the sums that it may eventually pay, for any reason, as a result of ascertained non-fulfillment and irregularities attributable to the Supplier. All this without prejudice, in any case, to the right of ASCO to terminate the Contract. The obligations and rights of the Parties referred to in this article 8.6 must be considered in force even if the workers and/or associates of the Supplier make payment requests towards ASCO pursuant to art. 29, paragraph 2 of Legislative Decree no. 276/03 and / or pursuant to art. 1676 of the Italian Civil Code, due to the non-payment and/or payment of wages and ancillary payments,

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including the severance pay, or the fees relating to the para-subordination relationship, or the contributions, insurance premiums and tax withholdings, due for the activity carried out for the fulfillment of the Contract.

### 9. WARRANTY

**9.1** Unless otherwise specified in the Purchase Order, ASCO shall notify in writing any apparent Defects within 30 (thirty) days of delivery. It is agreed that any complaint entitles ASCO to suspend the payment of the Price as well as of any other amount due for any reason to the Supplier.

**9.2** In the event of hidden Defects that are not evident following a reasonable inspection, ASCO, unless otherwise specified in the Purchase Order, shall report them in writing to the Supplier within 30 (thirty) days of their discovery. It is understood that any complaint entitles ASCO to suspend the payment of the Price as well as of any other amount due for any reason to the Supplier.

**9.3** In the event of a complaint for Defects pursuant to the previous articles 9.1 and 9.2, ASCO shall, at its discretion and without prejudice to the right to compensation for damages, make use of the following alternative remedies, the choice of which will be notified together with the complaint:

- a) request the elimination of the Defects or the replacement of the defective Products or the entire lot of which they are part at the expense of the Supplier within 45 (forty-five) days of receipt of the complaint or within the different term established by ASCO;
- b) ask for a reasonable reduction in the Price of the defective Products or of the lot in which the defective Products were found;
- c) ask a third party to fix the Defects, but for the rights for further damage, at the Supplier's cost;
- d) terminate the Contract for the part relating to the defective Products or the lot in which the same were found, with consequent right to the refund of the relative part of the Price already paid and with the return of the defective Products or the lot in which the same were found to expenses of the Supplier.

**9.4** If ASCO decides to avail itself of the remedy referred to in Article 9.3 letter a), the Supplier, within 15 (fifteen) days of receiving the complaint, must inform ASCO in writing on how it intends to proceed in order to fulfill its obligation. In the absence of such confirmation within the provided term, ASCO can avail itself, at its discretion, of the remedies referred to in article 9.3 letter b) or letter c), without prejudice to the application of the penalty referred to in article 9.5 below. In the event of elimination of the defects or replacement of the defective Products or of the entire lot of which they are part, any warranty will be extended for 12 (twelve) months from the delivery of the Defect-free Products.

**9.5** In the event of a delayed response from the Supplier within the terms referred to in Article 9.4, ASCO will have the right to apply a penalty without any prior notice being necessary. The application of the penalty does not exempt the Supplier from fulfilling its obligations and responsibilities and may be offset by ASCO with any payment required by the Purchase Order or due for any other reason and/or for any other reason. Unless otherwise specified in the Purchase Order, the amount of the penalty will be equal to 1% of the Price per week or fraction of delay with a limit of 10% of the Price until ASCO has decided to make use, at its discretion, of the remedies of referred to in Article 9.3 letter b) or letter c), without prejudice to any greater damage. If the penalty is applied, ASCO will issue the related fiscal invoice document and the Supplier must pay the penalty within 30 (thirty) days from the date of issue of this document.

**9.6** In case of Recurring Defects, without prejudice to the remedies referred to in the previous art. 9.3 for Defects found from time to time, ASCO shall report them in writing to the Supplier and the Supplier will have the obligation, no later than 10 (ten) days from receipt of the complaint, to submit to ASCO an action plan to eliminate Recurring Defects also on the Products. The Parties will jointly establish the timing of implementation of the action plan. All costs of carrying out the action plan will be the sole responsibility of the Supplier. If Supplier fails to send the action plan within the deadline, ASCO will have the right to terminate the Purchase Orders in progress relating to the Products on which the Recurring Defects have been found, without prejudice to the application of the penalty referred to in the following article 9.7.

**9.7** In case of delayed sending by the Supplier of the action plan within the terms referred to in article 9.6, ASCO will have the right to apply a penalty without any prior notice being necessary. The application of the penalty does not exempt the Supplier from fulfilling its obligations and responsibilities and may be offset by ASCO with any payment required by the Purchase Orders in progress or due for any other reason and/or for any other reason. The amount of the penalty will be equal to 1% of the Price per each week or fraction of delay with a limit of 10% of the Price, without prejudice of any greater damage. If the penalty is applied, ASCO will

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issue the related fiscal invoice document and the Supplier must pay the penalty within 30 (thirty) days from the date of issue of this document.

**9.8** It is understood that in the event that ASCO has already placed on the market the Products in which Recurring Defects or Defects are found, the Supplier will undertake to collaborate with ASCO in order to recall or collect the aforementioned Products. The Supplier shall bear or reimburse ASCO for all costs incurred for such recall or withdrawal from the market, after sending the relevant supporting documents, and without prejudice to ASCO's right to compensation for any greater damage. In such cases, ASCO will not be liable and the Supplier shall also indemnify and hold ASCO harmless from any sum that the latter was required to pay to third parties or to any authority in any capacity, except in cases of willful misconduct or gross negligence of ASCO.

**9.9** All the remedies and guarantees referred to in this article 9 must be understood as additional and not substitutes with respect to other remedies and guarantees provided by law.

### **10. INSPECTIONS AND CHECKS**

**10.1** During the execution of the Contract, ASCO will have the right to carry out inspections and checks at the premises of the Supplier and/or its sub-suppliers or subcontractors. In this case, the Supplier must guarantee ASCO employees' free access to the production facilities, documentation, equipment and any other that is useful and/or necessary for this purpose. ASCO will ensure that its right of inspection and verification does not interfere with the normal production activity of the Supplier and/or its sub-suppliers or subcontractors.

### **11. DELIVERY AND STORAGE OF MATERIALS, PRODUCTS AND SEMI-ELABORATED PRODUCTS AT THE SUPPLIER**

**11.1** In the event that the Works are carried out on the Materials, the Supplier undertakes, as depository, to keep in its warehouse the Materials delivered from time to time by ASCO or by third parties on its behalf. The Price is understood to include the custody activity referred to in this article. The delivery of the Materials to the warehouse will be carried out by ASCO or by third parties appointed by the latter, at its expense and care. The Supplier undertakes only to take delivery of the Materials and to allow the easier carrying out of the loading and unloading operations. The Supplier, with the utmost diligence, must check the quality and lack of defects of the Materials at the entrance. If the check is not successful, the Supplier must notify ASCO in writing within 5 (five) days of delivery and refrain from using the Materials, unless expressly authorized in writing by ASCO.

**11.2** The Supplier also undertakes, as custodian, to keep the Products in its warehouse pending delivery of the same to ASCO. The Price is understood to include the custody activity referred to in this article.

**11.3** The Supplier undertakes to use all suitable tools to keep the Materials, Products and Semi-elaborated Products distinct, avoiding any possible mixing or confusion with other products owned by him or by third parties.

**11.4** The Supplier will autonomously underwrite insurance policies against fire, theft and third-party liability to cover all risks associated with the storage of the Materials and Products and will send a copy to ASCO upon simple written request from the latter.

### **12. FORCE MAJEURE**

**12.1** No failure or omission by either the Supplier or ASCO in carrying out or observing any of the stipulations or conditions of the Contract shall give rise to any claims against the party involved or be deemed a breach of the Contract, if such failure or omission arises from any events of force majeure beyond the control of that Party and unforeseeable by that party at the date of signature of the Purchase Order.

An event of "force majeure" means any circumstance not within the Party's reasonable control, including, but not limited to:

- (a) acts of God, floods, droughts, earthquakes or other natural disasters;
- (b) epidemic or pandemic;
- (c) terrorist attack, civil war, civil commotion or riots, war, threat or preparation for war, armed conflict; strikes, trade disputes and labour unrest;
- (d) imposition of sanctions, embargoes or breaking of diplomatic relations;

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- (e) any law, order or action taken by a government or public authority, including without limitation, the imposition of export or import restrictions, quotas or prohibitions, or failing to grant necessary license or consent;
- (f) any direction, requests, requirement or obligation (whether or not having the force of law) of any monetary agency, central or other bank, or financial institution;
- (g) nuclear, chemical or biological contamination or sonic boom;
- (h) building collapse, fire, explosion or accident; and
- (i) interruption or failure of the utility service, in accordance with this article 12.

**12.2** For the purposes of this article, causes of force majeure for the Supplier will not be considered: the simple shortage of manpower, materials, or services unless such shortage is caused by events of force majeure; and / or delays by its subcontractors and/or subcontractors unless such delays are caused by force majeure events.

**12.3** Should any event occurs that may be considered force majeure in accordance with the foregoing, the affected Party shall serve written notice thereof to the other Party within ten (10) days of the occurrence of such circumstance, stating the date on which it started, its likely or potential duration, and the effect of the force majeure event on its ability to perform any of its obligations under the Contract accompanying such documents as may evidence the event considered force majeure.

**12.4** In the event of delay caused by a force majeure event, the Delivery Date shall be extended by no more than the delay suffered in consequence thereof. Under no circumstances shall the additional cost incurred by the Supplier in making and delivering the Products as a result of the force majeure event entitles it to claim any Price review.

**12.5** The Party affected by an event of force majeure shall take all possible measures to minimize the effects thereof and shall also notify the other Party of the termination of the force majeure event within three (3) days of its occurrence.

**12.6** If an event of force majeure affects the Supplier or if the effects of an event of force majeure persist for a period exceeding ninety (90) consecutive days or one hundred and eighty (180) days in total, ASCO will be entitled to terminate the Contract by giving prior notice to the Supplier.

**12.7** In the event of termination, the Supplier will be entitled to receive only the Price due pursuant to the Purchase Order for the Products already produced and/or for the Works already carried out as of the date of termination.

### **13. EXPRESS TERMINATION CLAUSE AND WITHDRAWAL**

**13.1** Without prejudice to any other right of ASCO, including the right to compensation for damages, and to any other causes of termination provided in the General Conditions, ASCO shall have the right to terminate the Contract in whole or in part, with immediate effect by sending notice of termination by registered letter with return receipt, in the following cases:

- a) Supplier's continuous and persistent failure to perform its obligations in accordance with the Contract upon receipt of a notice of default with a term provided by ASCO up to a maximum of 15 (fifteen) days;
- b) if ASCO demonstrates to the Supplier the presence on the market of Products and/or Works of equal quality offered at prices lower than the Price and the Supplier refuses to apply the best market price;
- c) once the maximum amount due as a penalty for delay has been reached pursuant to article 7.3 above;
- d) if the Supplier becomes insolvent, bankrupt or starts insolvency proceedings or enters into an assignment for the benefit of creditors or if a receiver is appointed for a substantial part of Supplier's Products, or if the Supplier is put into liquidation or ceases its business or an order is made by a Court, or an effective resolution is passed for the dissolution, liquidation or winding up of the Supplier;
- e) due to force majeure, as provided for in article 12 above;
- f) if the Supplier assigns or transfers the Contract in any way to third parties, in whole or in part, without the prior written consent of ASCO;
- g) if the Supplier makes a change to the Products or Works without there being a Change Order signed by ASCO;
- h) if the Supplier violates the provisions of articles 15, 16 and 17 of the General Conditions;
- i) changes in the control of the Supplier's corporate structure or sale or leasing of the Supplier's company or branches thereof to third parties.



## GENERAL PURCHASE CONDITIONS

**13.2** The termination of the Contract will not lead to the exemption from any pre-existing liability of the Supplier. ASCO shall have the right to recover from the Supplier any loss or damage suffered by ASCO as a result of such termination.

**13.3** ASCO has the right to withdraw from the Contract at any time by sending a notice to the Supplier by registered letter with return receipt or certified e-mail (PEC) with 30 (thirty) days' notice.

**13.4** In case of exercise of the withdrawal right by ASCO, the Supplier will be entitled to receive only the payment of the Price relating to the Products already produced and/or to the Works already carried out up to that moment as well as the reimbursement of expenses incurred, with the exclusion of any other amount for any other reason.

### **14. EFFECTS OF TERMINATION OF THE CONTRACT**

**14.1** Upon termination of the Contract, for any reason, the Supplier:

- i) must immediately cease using the intellectual property and Know-How and return to ASCO any documentation received during the execution of the Contract, also relating to Confidential Information;
- ii) will have the obligation, but not the right, to carry out the Works and produce the Products already ordered and to make the relative deliveries within the established terms;

### **15. CONFIDENTIALITY**

**15.1** With reference to any Confidential Information, the Supplier must:

- a) maintain its confidentiality and take any action to prevent its disclosure to third parties;
- b) refrain from duplicating, making available to third parties or using the Confidential Information for any purpose other than the execution of the Contract without having obtained the prior written authorization from ASCO;
- c) ensure its secure storage and identify it and treat it as Confidential Information;
- d) use it for the exclusive purpose of executing the Contract;
- e) return it to ASCO upon simple written request from the latter and in any case upon termination of the Contract.

**15.2** This confidentiality obligation will not operate with regard to information that:

- a) are in the public domain or have become public domain, except in the case in which this has happened due to the actions or omissions by the Supplier;
- b) were already known to the Supplier before the relative communication by ASCO, at any time made, as resulting from the relative written attestation;
- c) have been communicated to the Supplier by a third party legally entitled to such communication;
- d) the disclosure of which is required by a court or governmental body that has the right to request the disclosure, without prejudice to the Supplier's obligation to immediately notify ASCO of the disclosure, where possible, before the disclosure takes place.

**15.3** The Supplier must limit access to the Confidential Information to its employees, associates, aides, and consultants who have an effective need to know the Confidential Information, provided that they have been informed of the confidentiality obligations provided for in the Contract and that the Supplier is responsible for any unauthorized communication or use by its employees, associates, aids and consultants, as if the communication had been made directly by the Supplier.

**15.4** If the Supplier becomes aware, or has reason to believe, that there has been an unauthorized communication or use of the Confidential Information, he must immediately notify ASCO. In this case, the Supplier must take all necessary actions to protect the Confidential Information, including any actions that could reasonably be required by ASCO.

**15.5** Supplier shall limit access to its facilities to personnel of ASCO's competitors whenever ASCO personnel are present.

**15.6** The Supplier shall keep confidential and not disclose to third parties the content of the Contract or the existence of the related relationship with ASCO.

## GENERAL PURCHASE CONDITIONS

**15.7** The obligations referred to in this article 15 are not subject to any geographical or temporal limitations and are therefore binding for the entire duration of the Contract and even after its termination for any reason or the termination of any relationship between the Parties.

### **16. INTELLECTUAL PROPERTY RIGHTS AND KNOW-HOW**

**16.1** The Supplier confirms, represents and warrants that it possesses or has the right to use the intellectual property rights to the extent necessary for the sale of the Products under the Purchase Order and warrants that the Products sold under the Purchase Order, or their use as foreseen by the Contract does not violate any patent or intellectual property right existing in the country in which the Products are sold and installed.

**16.2** This article 16 establishes the Supplier's sole responsibility for the infringement of intellectual property by the Products. The Supplier undertakes, at its own expense, to indemnify ASCO from any claim for violation of any intellectual property right deriving from the Products manufactured or from the Works provided by the Supplier.

**16.3** The Supplier grants ASCO the right to use the Supplier's intellectual property rights under a worldwide, non-exclusive, perpetual (for the entire term of legal protection), fully paid, irrevocable, transferable and assignable sub-licensable sublicense to be used for the purpose of selling and using the Products.

**16.4** The consideration due for the intellectual property rights, including in relation to the right of use, license of use, sublicense, as provided in this article 16, is included in the Price. Such consideration is fully agreed upon by the Parties and constitutes sufficient consideration for the above. ASCO shall not pay any additional fees or sums of any kind, at present or in the future, to the Supplier or to third parties for these rights.

**16.5** For the sole purpose of carrying out the Works and/or producing the Products, ASCO grants the Supplier the non-exclusive license to use the Know-How, if transmitted.

**16.6** The Supplier will also refrain from any act, including the filing of patents for inventions or models, which may involve the disclosure of the Know-How.

**16.7** If the Supplier becomes aware of requests or actions of third parties or violations by third parties relating to the Know-How, he must promptly inform ASCO and cooperate with the latter in any manner deemed appropriate by ASCO.

**16.8** The obligations referred to in this article 16 are not subject to any geographical or temporal limitations and are therefore binding for the entire duration of the Contract and subsequently for a period of 5 years from its termination for any reason.

### **17. EXPORT SANCTIONS AND CONTROLS**

**17.1** With reference to the fulfillment of the Contract, the Supplier undertakes to comply with all laws, regulations and norms applicable to the Supplier in order to prohibit or limit trade with any person, entity or authority, or to impose mandatory licenses, including sanctions, controls on imports, exports and embargoes, as amended from time to time, such as, by way of example, the provisions issued and promulgated by the Department of the Treasury, Office of Foreign Affairs Control (OFAC) of the United States of America, by the Department of State and by the Department of Commerce of the United States of America, by the European Commission or by any other member state of the European Union, or by other bodies of the European Union, the United Nations, the United States of America or other countries in which the Supplier or ASCO is established or from which the Products may be supplied (the "Export Control Sanctions and Laws");

**17.2** ASCO will have the right to suspend the performance of its contractual obligations and to immediately terminate the Contract without any liability if: (i) in its reasonable judgment, it finds itself in a situation of breach of the obligations referred to in Article 17.1. above; (ii) the Supplier becomes a sanctioned person; (iii) any bank refuses to receive or process a payment under the Contract; (iv) in its reasonable judgment, the performance of its obligations becomes commercially impracticable due to the Export Control Sanctions and Laws. In this case, the Supplier will be obliged to reimburse ASCO for any damage resulting from actions suffered by third parties, losses, costs and expenses (including legal fees) resulting from: (i) breach by the Supplier of the obligations referred to in 'Article 17.1 above; or (ii) suspension of the execution or termination of the Contract by ASCO pursuant to and for the purposes of this Article 17.2.

### **18. INDEMNITY**

## GENERAL PURCHASE CONDITIONS

The Supplier shall defend, indemnify and hold harmless ASCO and its directors, officers, employees, assignees, agents, shareholders and affiliates harmless from any and all claims, demands, disputes, suits, obligations, liabilities, damages, losses and judgments, including costs and expenses incurred (including reasonable attorneys' fees), arising from Supplier, its employees, agents, contractors, suppliers or other representatives, including: (i) the death or bodily injury or property damage due to: (a) any alleged or actual defect, whether latent or patent, in any Products, services or Works provided pursuant to this Contract, or (b) actual or alleged negligence or intentional misconduct of the Supplier or of any agent, employee, subcontractor or consultant of the Supplier; (ii) Supplier's actual or alleged infringement of any patent, trademark, copyright or misappropriation of any trade secret, or infringement of any other intellectual property right; (iii) any claim or liability for royalties, liens or any other encumbrance on the Products supplied; (iv) any actual or alleged breach of the Supplier's contractual or legal obligations to its employees, agents, consultants or subcontractors; (v) actual or alleged violation of environmental requirements or health and safety regulations.

### 19. VARIOUS

**19.1** Failure or delayed in the exercise by ASCO of any right, power, remedy, or privilege shall not operate as a waiver of the same.

**19.2** If any provision of the General Conditions should be deemed unlawful, invalid, or unenforceable, in whole or in part, pursuant to any enactment or rule of law, such term or provision or part of it shall to that extent be deemed not to be part of these General Conditions but shall not affect the validity and applicability of the remaining conditions.

**19.3** ASCO may, without the prior written consent of the Supplier, assign any benefit or transfer, delegate, or subcontract any of its duties and/or obligations assumed under the Contract. The Supplier may not assign or transfer, in whole or in part, any of the rights or obligations assumed under the Contract or these General Conditions, without the prior written consent of ASCO.

**19.4** Any notices or other communications required or permitted to be given by ASCO to the Supplier, or vice versa, pursuant to these General Conditions shall be in writing and sent, in the case of notices to ASCO, to the address indicated in these General Conditions (or any such address as may be communicated from time to time to the Supplier) and, in the case of notices to the Supplier, to the Supplier's last known address. Notices and other communications must be sent by registered letter with acknowledgment of receipt, PEC or delivered by hand.

### 20. TREATMENT OF PERSONAL DATA

**20.1** The Supplier declares to know the provisions of the laws and regulations regarding the protection of personal data, including in particular the Legislative Decree no. 196/2003 and subsequent amendments and additions and the EU Regulation no. 2016/679 and subsequent amendments and additions and undertakes to put in place the appropriate means and measures to ensure continuous compliance with the activity covered by the Contract.

**20.2** The Supplier also declares to know the fact that ASCO will process any personal data of which it becomes known aware for the purposes of the Contract in compliance with the provisions of the laws and regulations regarding the protection of personal data, including in particular the Legislative Decree no. 196/2003 and subsequent amendments and additions and the EU Regulation no. 2016/679 and subsequent amendments and additions. ASCO, within the limits permitted by the Contract, is authorized to communicate personal data to tax and legal consultants, as well as to companies and consultants in relation to their duties and activities.

### 21. APPLICABLE LAW AND JURISDICTION

**21.1** These General Conditions and any Contract between the Parties are in all respects governed by the laws of Italy. The application of the United Nations Convention on Contracts for the International Sale of Goods signed in Vienna in 1980 is expressly excluded.

**21.2** For all disputes whatsoever arising from or connected to the Contract and/or these General Conditions the Parties irrevocably submit to the exclusive jurisdiction of the Courts of Milan.

## GENERAL PURCHASE CONDITIONS

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The Supplier

Pursuant to and for the purposes of articles 1341 and 1342 of the civil code, the Supplier declares to have read and understood the following clauses which are expressly approved:

- Art. 6.5 (right of offset)
- art. 7.2 (suspension of payment of the Price);
- art. 8.1 (exclusion of guarantee on the accuracy and adequacy of the Know-How);
- art. 8.6 (indemnification of the Supplier and suspension of payment of the Price);
- art. 9.1 (guarantees - suspension of payment of the Price);
- art. 9.2 (guarantees - suspension of payment of the Price);
- art. 9.8 (guarantees - limitation of liability of ASCO);
- art. 11.1 (report defects in the Materials);
- art. 13.3 and 13.4 (withdrawal of ASCO);
- art. 17.2 (sanctions - suspension of payment)
- art. 18 (indemnity)
- art. 19.3 (prohibition of assignment);
- art. 21 (applicable law and competent court).

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The Supplier