

GENERAL TERMS & CONDITIONS OF PURCHASE Rev. 02 – 09/10/2018

- I. Scope and Applicability. These General Terms & Conditions of Purchase (hereinafter "General Terms") shall apply between Prima Electro S.p.A. (hereinafter "PRIMA") and its suppliers (hereinafter "Supplier/s") with respect to any sale of products or services to PRIMA by the Supplier (hereinafter collectively "Products"). No amendment to these General Terms shall be valid unless accepted in writing by an authorized PRIMA's representative. Any different or further conditions included in the offer, in the order confirmation or in any other document formed by the Supplier shall be considered invalid.
- 2. Orders. PRIMA will send to the Supplier written orders via mail, fax or email. These orders will be valid even if not signed in original copy by a PRIMA authorized representative, but generated by PRIMA's ERP systems. The order will specify: delivery conditions, description and Product quantity, price and other specific conditions agreed. The Supplier is authorized to deliver Products to PRIMA only after a written order by PRIMA.
- 3. Orders' Confirmation. PRIMA's purchase orders must be signed by the Supplier and returned within 5 (five) days. PRIMA's orders shall be deemed to have been accepted by Supplier if no written dissent is received within 5 (five) days from the order date. The beginning of the performance of orders, even partially, by the Supplier will be regarded as a silent acceptance of the order & of the General Conditions.
- 4. Orders' Cancellation and Assignment. PRIMA is allowed to cancel the orders issued until the Supplier sends a written confirmation or until PRIMA is not aware of the beginning of the order's performance by Supplier. The Supplier is not entitled to assign the contract, or any of its obligations, to any other subject without PRIMA's prior written consent.
- 5. Products' Delivery. Unless additional agreements specified in the order or in the contract, Products shall be delivered at PRIMA premises in Moncalieri (TO) or Barone Canavese (TO), Italy. Should the Supplier appoint a carrier, this shall be considered done on his behalf, therefore the passing of risks to PRIMA remains represented by the delivery to PRIMA premises and the Supplier is fully responsible for all damages attributable to transport. The present condition, that attributes to Supplier all transport costs and risks, applies to all Products' (and parts') deliveries, including Products (and parts) delivered in connection to repairing or substitutions. Any cost eventually paid by PRIMA on behalf of the Supplier in connection to the delivery will be debited to the Supplier.
- **6. Products' Delivery Terms.** The terms for Products delivery are indicated in each order and are mandatory unless different written agreement. In case of delivery delay not due to Force Majeure, PRIMA reserves the right to ask the Supplier a payment equal to 1% of the Products net price for each entire week of delay up to 10% unless PRIMA requires the refund for an higher damage due to the Supplier as, for instance, the refund of the costs for special transport arrangements to accelerate the Products delivery or for the performance of services by third supplier. If the delay exceeds 10-weeks' time, PRIMA will further get the right to: (i) cancel the order and reject the delayed delivery, (ii) purchase the material from third parties charging to the Supplier the higher cost incurred. PRIMA reserves also the right to reject any early delivery. In case PRIMA rejects the early delivery, the Supplier will afford any related cost.
- 7. Packaging. PRIMA retains the right to require customized packaging for each order. The price of goods as indicated in each order already includes any packaging and boxing expense.
- **8. Title.** According to paragraph 5 of the present General Terms, Products' ownership and any other risk referred to, will be transferred to PRIMA at the receiving in PRIMA premises, unless differently agreed in writing.
- 9. Products Quality Verifications and Acceptance. PRIMA is entitled to control (or commissioning the control to third parties) the quality of the Products according to the PRIMA's quality procedures. Testing, checking and controlling procedures are described in the document "Quality of Supplies" attached to the General Terms to form an integral and substantial part of the same. Verifications and inspections will be held at PRIMA's premises after the delivery or at Suppliers' premises before the delivery; all the inspections will be made by PRIMA commissioned staff. In case of negative outcomes, PRIMA will notify the Supplier within 30 (thirty) days from the delivery and will be entitled, in any case, to cancel even partially the order. If the Products rejected are part of a serial production, the Supplier shall deliver to PRIMA the substitutive part within 15 (fifteen) days from the written communication of rejection. If the Products rejected are customized for PRIMA, the parties will specifically agree the terms and conditions for the substitution of the rejected parts. If PRIMA does not inform the Supplier about the rejection within 30 (thirty) days from the delivery, the Products will be considered accepted respect to PRIMA's quality standards, but will remain valid the Warranty terms defined in the subsequent paragraph 10. The not-compliant Product will be returned to the Supplier who is expected to send as soon as possible a credit note for the Product returned. In case of returned items by PRIMA the delay penalties defined in the paragraph 6 will be applied until the Product is effectively substituted.
- 10. Warranty. Saved any other remedy provided by law, the Supplier guarantees that Products are in compliance with the Products' technical specifications set forth in the order and in the order confirmation and/or in the technical documentation and therefore free from any faults in design, material or workmanship, suitable to the agreed use and in compliance with any applicable law and regulations both Italian and European. In case of goods purchase, the Supplier guarantees a good functioning of the Products according to the article 1512 of the Italian Civil Code. The warranty period is 18 (eighteen) months from date of delivery of Products to PRIMA, unless otherwise set forth in the order or in the order confirmation. PRIMA has to notify to the Supplier any defects, in detail and in writing, within 15 (fifteen) days from delivery. During the warranty period, the Supplier guarantees the substitution or the free repair of the Products with faults or the re-supply of services, at PRIMA sole discretion, and at PRIMA's premises. Any parts repaired or changed has an 18 (eighteen) months warranty from the repair/change. The aforementioned warranties do not invalid other laws at buyer's favour. The provisions of this paragraph will remain valid also after the termination or expiry of the General Terms for any reason.
- 11. Epidemic failures. If Products have faults on epidemic scale, the parties will meet, upon PRIMA's request, to define possible recovery actions and the deliveries of Products referring to the same order/orders will be postponed until the fault will be detected and corrected. In case the Supplier would not find and solve the fault within 30 (thirty) days from the epidemic error's notification by PRIMA, PRIMA will have the right to cancel the orders with no penalties and without losing any right in its favour.

In case the epidemic failure is detected and solved, the Supplier will have to substitute all failed Products at his expenses and refund any damages to PRIMA due to the delay in the order supply. This paragraph will remain valid also after the termination or expiry of the General Terms for any reason.

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- 12. Product Liability and Insurance. The Supplier remains the only responsible for any damage to people/things caused by the Product provided according to the current General Terms. This paragraph will remain valid also after the termination or expiry of the General Terms. The Supplier is requested to stipulate and maintain an insurance covering the fault product liability and provide all the related documentation upon PRIMA's request. In case the order consists of subcontracting activities to Supplier on products of PRIMA's property, the Supplier will have to demonstrate of having an insurance coverage against theft and fire risks
- 13. Intellectual Property Rights. PRIMA retains ownership in any and all industrial and intellectual property right connected with the Products, including, but not limited to, designs and drawings, ideas, processes, methods and inventions, patentable or otherwise, together with patterns, know-how, skills and techniques, tooling-up and all other Products' descriptive technical documentation given to the Supplier. Therefore, any document provided by PRIMA to the Supplier shall not in any way confer upon to the Supplier, or upon anyone claiming under the Supplier, any express or implied license to any intellectual property rights of PRIMA or of its licensors, unless otherwise agreed between the parties in writing. The Supplier is not allowed to reproduce manuals, drawings, projects, technical specifications, product details, know-how or documents by PRIMA, unless upon different written agreement. The Supplier shall assemble all Products exclusively with PRIMA brand. The Supplier guarantees moreover that all Products and documents supplied do not violate any patent, copyright or any other intellectual/industrial property of third parties and that no dispute for any intellectual property right infringement is pending. This paragraph will remain valid also after the termination or expiry of the General Terms for any reason.
- 14. Prices. Product prices are shown in the order and already include taxes, insurance freights, packing costs, transport and delivery expenses according to the paragraph 6 and 8. The Supplier guarantees prices shown in the order are not higher than those applied by other operators to similar products. The Supplier also guarantees that, during all the General Terms period, he will not offer similar Products to third parties at a lower price, without proposing the same deal to PRIMA.
- 15. Billing and compensation. The Supplier will issue invoices for ordered Products not before the delivery date. Each invoice shall contain references to the order number, to PRIMA product code, quantity delivered and product description. Each packing slip shall contain the order number and the PRIMA product code to allow an easy identification and products' acceptance. PRIMA has the right to suspend the payment of invoices not showing the order number or containing other wrong information. PRIMA is entitled to offset any amount due to PRIMA by the Supplier for any reason and for any amount. The Supplier, instead, is not entitled to offset any amount due to PRIMA as well as assign orders/credits to third parties without a prior agreement with PRIMA.
- 16. Suspension of payments. PRIMA will be entitled to suspend the payment of the due amounts if the Supplier continues to not respect any of the obligations stated by the General Terms and not remedy to its unfulfillment within 15 (fifteen) days following to the relevant formal notice by PRIMA requesting the Supplier such remedy.
- 17. Duration and termination. The present General Terms become effective at the Supplier signature, being valid for any contract, order or specific supply between the parties. PRIMA will be entitled to withdrawal the General Terms, via written communication to the Supplier, in case a) the Supplier is under insolvency proceedings, b) the Supplier continues to not respect any of the obligations stated by the General Terms or the order and 15 (fifteen) days have passed from the relevant formal notice by PRIMA requesting the Supplier to remedy c) immediately as per paragraph 24.
- 18. Force Majeure. The parties will not be responsible for any delay or unfulfillment to their contractual obligations due to external factors out of their direct control. This includes, among others: natural events (earthquakes and flooding), civil and military unrest, fires, epidemics, wars, insurrections, embargo, energy restrictions, transportation disorders and strikes (company strikes included). In case of Force Majeure, Products' delivery dates can be postponed until the delay cause is solved.
- 19. Confidentiality. The Supplier shall maintain as confidential and refrain from using any information of a confidential nature of PRIMA. In particular PRIMA considers the documentation provided to the Supplier to contain valuable trade secrets of PRIMA, the disclosure of which, unless authorized by PRIMA in writing, could cause irreparable harm to PRIMA. Therefore the Supplier undertakes not to disclose such information to any third parties, not to divulge it and not to use it other than for the purposes authorized by PRIMA. This confidentiality obligation shall continue even after the termination of the General Terms for any reason.
- **20. Export Control and Other Legislative Requirements/Restrictions.** Products might be subject to laws governing their export or to other legislative requirements/restrictions in Italy, in the country of the Supplier or of its suppliers. Export of the refore the sole responsible for the export of the Products and shall hold PRIMA harmless of any and all obligation and fulfillment thereof and from any and all responsibility, including damages, in connection with the above rules and procedure.
- 21. Survival. The following paragraphs remain valid also when orders and General Terms are solved/expired: (10) Warranty, (11) Epidemic Failures, (12) Product Liability and Insurance, (13) Intellectual Property Rights, (19) Confidentiality, (20) Export Control and Other Legislative Requirements / Restrictions.
- 22. Disputes. This General Terms and any and all contract/order signed between PRIMA and the Supplier, shall be subject to Italian laws (exception is made for the Vienna Convention on the international sale of goods). All disputes referring to contracts signed between PRIMA and the Supplier have to be solved exclusively by the Court of Turin.



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- 23. Privacy. Customer hereby authorizes PRIMA to process its personal data with the aim of pursuing the scopes strictly related to the performance of the services, pursuant to the attached informative report according to articles I3 and I4 of Regulation (EU) 2016/679. All personal data provided by the Client will be processed in compliance with current privacy regulations; therefore PRIMA will treat them according to principles of correctness, lawfulness, transparency, in respect to the purposes indicated below, collecting them to the extent necessary and accurate for treatment, using them only as personal for the purposes authorized and trained and in order to guarantee you the necessary confidentiality of information provided. In particular, PRIMA may use Client data for:
 - complying with legal provisions in civil law and tax legislation, as well as rules, codes or procedures approved by Authorities and other competent institutions (eg: tax and tax assessments, anti-money laundering)
 - allowing technical and economic regulatory management of the contractual relationship;
 - asserting or defending a right in front of the judicial authorities, as well as in administrative or arbitration and conciliation procedures in cases provided by law, by Union legislation European, by regulations.

The processing of the data above is necessary for the execution of services indicated in these General Conditions. Personal data can be communicated to Companies of the Group; Third parties (i.e. credit institutions, professional firms, consultants, etc.) carrying out activities in outsourcing on behalf of the Owner, in their qualities as external managers of the treatment; Judicial authorities, Insurance company for the provision of insurance services, as well as those subjects to whom the communication is mandatory by law.

PRIMA is considered as Controller of Personal data Processing. In this capacity the Company is responsible to ensure the application of organizational and technical measures necessary and adequate for the protection of Client data. PRIMA Headquarter is in Strada Carignano 48/2—10024 Moncalieri (TO) - Italy. PRIMA has designated the Data Protection Officer whos in charge of ensuring compliance with the rules for Client privacy protection and shall be contacted for matters concerning your data processing at the following dedicated e-mail address: dpo@primaindustrie.com.

PRIMA guarantees the Customer the possibility to:

- obtain confirmation of the existence or lack of your personal data and their copy in intelligible form;
- obtain the updating, correction or integration of your data;
- request the deletion of its data, within the terms permitted by law, or request to be anonymised;
- reject, in whole or in part, for legitimate reasons, the processing of its personal data;
- limit the processing, in case of violation, request for rectification or opposition;
- request the portability of electronically processed data, provided on the basis
 of consent or contract;
- withdraw the consent to its data processing, if required.

The giving of personal data is optional, however refusal may lead to the partial or non-performance of the services. The data may be communicated to, or come to the knowledge of, third parties, data processors and persons in charge of the processing, both in Italy and abroad, such suppliers, consultants, co-workers and employees of PRIMA and of other companies controlled or anyhow participated by PRIMA or companies that control PRIMA or under common control, in the ordinary PRIMA's activities (i.e. Organizational, accounting, financial, administrative) strictly related to the services performed under these General Terms, and in any case so as to guarantee their safety and confidence, through protective measures which prevent the access to data from unauthorized persons.

As indicated in the attached informative report, the data controller is Prima Electro S.p.A., with registered offices in Strada Carignano 48, Moncalieri (TO), and data processor in case of exercise of data subject's rights is the Responsible of the Information Systems (e-mail: privacy@primaelectro.com - tel.: +39 011 9899 728 - fax: +39 011 9899 705), to which data subjects may require, as set forth by art. 7 of Legislative Decree 196/2003, mainly the confirmation of the existence of their data, the communication thereof, the indication of the elated origin and of the purposes, method and logic of the processing, the identification data of the data controller and of any data processors and persons to whom data may be communicated or that may come to the data's knowledge, the update, rectification and integration of the data and, in the case of data processed unlawfully, the erasure, transformation into anonymous form or blocking thereof, as well as object, in whole or in part, to the data processing for lawful reasons.

24. Ethics. The Supplier confirms: (1) to be aware of the regulations on company administrative responsibility, especially concerning the Legislative Decree n° 231/2001; (2) to have received and read the document "Code of Ethics" made by PRIMA and available in PRIMA web site; (3) to be aware of contents and principles of such Code and of the scopes that these principles are intended to meet and (4) the Supplier commits to conform his behaviour to similar principles.

The Supplier commits itself to (and engages itself to control that his shareholders, management, employees, suppliers) refrain from conduct contrary to the principles contained in the PRIMA Code and to avoid behaviours that could determine the infringement of the 231/2001 Legislative Decree. Moreover the Supplier engages to adopt procedures in order to avoid such infringements.

In case of default of what aforementioned in the previous paragraph, PRIMA will have the right to: (i) suspend, at any time and without prior notice, the order through a written communication summarizing the reasons or legal proceedings which could reasonably infer the concerned breach; or, alternatively (ii) cancel the order, at any time and without any prior notice, also during the performance of the relevant order, accordingly to the article 1456 of the Italian Civil Code, through a written communication summarizing the reasons or legal proceedings evidencing the breach.