

GENERAL PURCHASE CONDITIONS

[January 2021]

1. DEFINITIONS

- 1.1. For purposes of this general purchase conditions, the following terms shall have the meanings specified hereunder:
- a. **General Conditions:** these general purchase conditions;
 - b. **Supplier:** the professional to whom TEORESI sends an Order;
 - c. **Order:** every order for the purchase of products and services;
 - d. **TEORESI:** Teoresi S.p.A., with registered office in via Perugia n. 24, Turin, Italy.

2. SCOPE

- 2.1. These General Conditions shall be valid for – and constitutes integral and essential part of – any Order issued by TEORESI.
- 2.2. Regardless of specific subscription by the Supplier, these General Conditions shall be considered as accepted with the acceptance by the Supplier of the Order.
- 2.3. Any provision added by the Supplier in its invoices, notes and/or correspondence, which is not expressly approved with specific subscription by TEORESI shall be considered as not affixed and in any case invalid and / or ineffective towards TEORESI.
- 2.4. Any Order shall not be transferred to any third party and is intended as accepted upon receipt by TEORESI of the Supplier's written acceptance in full compliance with the Order.
- 2.5. If TEORESI does not receive the above mentioned acceptance within 10 (ten) days from the date of the Order, it shall have the right to consider the Order canceled, without bearing any charge and/or cost.
- 2.6. If the conditions contained in the confirmation differ from those of the Order, the contract shall be considered as entered into when one of the parties receives from the other the full acceptance of the contractual conditions proposed.
- 2.7. These General Conditions replace and prevail over the general sale conditions of the Supplier.

3. DELIVERY OF PRODUCTS AND PERFORMANCE OF THE SERVICES

- 3.1. The delivery terms of the products and/or services shall be considered binding and essential under the meaning of Article 1457 of the Italian Civil Code. All the deliveries of products shall be intended DDP (Incoterms 2020) at the place indicated in the related Order by TEORESI.
- 3.2. The failure to comply with the above terms constitutes a contractual breach by the Supplier as provided for under articles 1453 and 1455 of the Italian Civil Code.
- 3.3. Save the provisions provided for under articles 3.2 and 9, in the event of delay in the delivery of the products or in the performance of services or in the event of incomplete delivery of products or performance of services, TEORESI shall have the right at its sole discretion to re-schedule for the Supplier a new term for the delivery of the products or the performance of the services.
- 3.4. In addition to the remedies provided for under articles 3.2., 3.3. and 9., in any case of delayed, incomplete or non-compliant delivery of products or performance of services, TEORESI shall have the following rights:
- I. to suspend any payment due to the Supplier related to any delayed, incomplete, or non-compliant delivery of products or performance of services;
 - II. to seek compensation for any further damages which may arise from any delayed, incomplete, non-compliant delivery of products or performance of services, including - but not limited to - the damages due to loss of production, loss of earnings and any further cost borne by TEORESI to acquire products or services from other suppliers as a consequence of the contractual breach by the Supplier.
- 3.5. Notwithstanding the provision of the article 1495, comma I, of the Italian Civil Code (as referred to in article 1497 of the Italian Civil Code), TEORESI shall have the right to report the total or partial lack of conditions and/or quality of the Products and Services within the term of 30 (thirty) days after the discovery of such total or partial lack of conditions and/or quality of the products and services.
- 3.6. In any case, the terms provided under article 1495, comma I, of the Italian Civil Code (as referred to in article 1497 of the Italian Civil Code) shall not apply and TEORESI shall have the right to terminate the agreement under article 1453 of the Italian Civil Code if the supplied product and/or service fail to meet the offered quality standards fundamental at the scope for which the product or service has been requested.
- 3.7. In the event that an Order and the documents incorporated therein provide for the performance of services under a work schedule structured in successive stages or “milestones” and delivery of specific results, TEORESI shall have the right at its sole discretion to decide at the end of each stage not to proceed to the next stages. Therefore, the Supplier shall perform the subsequent stages and TEORESI shall pay the related consideration only as a result of a written authorization by TEORESI to the Supplier to proceed with the next stages.

4. QUALITY WARRANTIES

- 4.1. The Supplier warrants that the products are supplied and/or services are performed free from defect and/or breach and in compliance with the agreed terms and conditions.
- 4.2. The Supplier warrants that the services will be performed, using all due care and diligence, by suitably qualified and experienced staff in order to meet the best quality standards.

5. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

- 5.1. The Supplier undertakes to keep strictly confidential and to not disclose or communicate to any third party in any manner any kind of data, documents and information related to TEORESİ that the Supplier become aware of due to the delivery of products and/or the performance of services.
- 5.2. Any drawing, regulation, specification, table and any other technical document as well as models and samples provided by TEORESİ to the Supplier remain TEORESİ's exclusive property and shall be used by the Supplier only for the performance of the Order.
- 5.3. Likewise, the name, the image of TEORESİ and/or of its managers and/or of its employees as well as the trademarks and distinctive signs of TEORESİ cannot be used by the Supplier without the previous written consent by TEORESİ.
- 5.4. The Supplier acknowledges and agrees that neither this General Conditions nor the contracts entail any transfer or license to the Supplier of TEORESİ's intellectual property rights.
- 5.5. The Supplier represents and warrants that the products and services do not infringe any patents, trademarks, models, copyrights or other third party industrial and property rights.

6. INFORMATION SECURITY

- 6.1. The Supplier undertakes to provide adequate protection for the information involved in the performance/execution of the Order, by adopting appropriate protection measures commensurate with the value of the information and the seriousness of the threats, whether internal or external, intentional or accidental, and their consequences.
- 6.2. If the Supplier in the performance of its services accesses even indirectly, Teoresi's internal, confidential and intellectual property information (The "Data and Information"), it shall ensure:
- confidentiality and protection from unauthorized access and disclosure of the Data and Information;
 - Data and Information integrity, the accuracy and completeness of which must be unaltered, also guaranteeing the absence of modifications/violations by unauthorized parties
 - continuity of availability of Data and Information to authorized third parties;
 - compliance with applicable regulatory requirements regarding the security of Data and Information;
 - compliance with rules and procedures for the protection of data and information provided by Teoresi.
- 6.3. The Supplier shall adopt verifiable procedures. Teoresi reserves the right to carry out periodic checks to verify the absence of violations of the principles set forth in article 6.2 above.
- 6.4. Should the execution of the order involve the Supplier's intervention on Teoresi's Data and Information the Supplier shall in any case be held liable when its security system has not been updated to the latest technological and IT developments and it is not suitable to prevent threats and computer violations

7. ADMINISTRATIVE PERMITS

- 7.1. The Supplier represents and warrants that it has all the necessary permits and/or licenses in order to deliver the products and/or perform the services.

8. COMPENSATION AND INDEMNITY

- 8.1. The Supplier undertakes to indemnify and hold harmless TEORESİ from any direct or indirect damage, cost and liability (including those arising from claims or demands from third parties) which are a direct or indirect consequence of: non-compliance with tax or employees obligations, contractual or technical specifications breach, product liability as a consequence of defects in products or services falsity or inaccuracy of the warranties referred to under articles 5.5 and 6.1.
- 8.2. Furthermore, the Supplier shall indemnify and hold harmless TEORESİ from:
- I. any claim, demand, damage and/or cost and/or expenses in any case related to actions and/or omissions by the Supplier and/or its employees and/or managers and/or agents and/or external collaborators and/or subcontractors/sub-suppliers;
 - II. any claim, demand, damage and/or cost and/or expenditure in any case related to the supply of the product and/or service to TEORESİ;
 - III. any action and/or claim concerning the infringement of patent rights, copyrights, design rights, trademark rights and any other intellectual property right due to the import, purchase, use or resale of the products and/or to the performance of the services.
- 8.3. The Supplier expressly acknowledges and agrees that TEORESİ's rights under this article 7. shall not be subject to any limitation in time (including, but not limited to, the products warranty period).

9. WITHDRAWAL

- 9.1. Notwithstanding article 1373, comma I of the Italian Civil Code, TEORESI at any time shall have the right to freely withdraw from the contract if at its sole discretion, it considers that the Supplier lacks of the technical capability required to provide on a regular basis the supply of products and the performance of services and/or at its sole discretion, it considers that the Supplier is in a situation of crisis that could affect the regular fulfillment of the supply of products and services and/or legal actions have been filed by third parties against the Supplier in order to recover credits, and/or the Supplier is in a situation of insolvency or has entered into a bankruptcy, liquidation or arrangement with creditors procedure.

10. EXPRESS TERMINATION CLAUSE

- 10.1. TEORESI may terminate any agreement by notice in writing to the Supplier (in addition to and without prejudice to all other rights or remedies available to it including the right to claim damages), pursuant to article 1456 of the Italian Civil Code when the Supplier:
- I. has breached any of the provisions of articles 3., 4., 5., 6., 7., 11., 12., 14. of this General Conditions;
 - II. has become shareholder, partner or subsidiary, also indirectly, of any of TEORESIS's competitor;
 - III. has breached any of its tax and employment obligations;
 - IV. has damaged the image of TEORESI and its products/services.

11. ASSIGNMENTS OF RECEIVABLES AND CONTRACTS

- 11.1. The Supplier shall not assign to any third party the receivables arising from the supply of products or services with TEORESI and/or any contracts, without the prior written consent by TEORESI. TEORESI shall have the right to assign at its own discretion the contracts and the receivables arising from the contracts.

12. INSURANCE

- 12.1. Save the liability of the Supplier to TEORESI, the Supplier undertakes to enter into and to keep in full force and effect an adequate insurance policy to cover the liability arising from the sale of Products and/or the performance of Services.

13. LAW AND JURISDICTION

- 13.1. This General Conditions and any Order and agreement shall be governed by Italian law.
- 13.2. Any dispute arising out from any Order and/or this General Purchase Conditions or relating hereto shall be submitted to the exclusive jurisdiction of the Court of Turin.

14. CODE OF ETHICS

- 14.1. The Supplier declares (i) to be aware of the provisions of Italian Legislative Decree no. 231 dated June 8th, 2001 (the "Decree") and it undertakes to comply with the Decree in the performance of any Order, and (ii) that it didn't commit any offence referred to in the Decree.
- 14.2. Furthermore the Supplier acknowledges that TEORESI adopted the Organization, Management & Control Model provided under the Decree and a Code of Ethics in which are set out the TEORESIS's ethics principles (available on the company website www.teoresigroup.com). The Supplier undertakes to comply with the ethical-behavioral principles adopted by TEORESI in its Code of Ethics, also on behalf of its consultants, collaborators, employees and suppliers pursuant to article 1381 of the Italian Civil Code.
- 14.3. The failure to comply with the provisions and principles set out in the Decree and/or in the Code of Ethics represents a material breach by the Supplier.

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Within the effects and for the purposes of the article 1341 of the Italian Civil Code the following clauses are specifically accepted: 2. (Scope of Application), 3. (Delivery of Products and Performance of Service), 5. (Confidentiality and Intellectual Property), 6. (Information Security), 8. (Compensation and Indemnification), p. (Whitdrawal), 10. (Express Termination Clause), 11. (Assignments of Receivables and Contracts), 12. (Insurance), 13. (Law and Jurisdiction), 14. (Code of Ethics).

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