

GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF PRODUCTS AND SERVICES IN THE MECHANICAL FASTENERS SECTOR

1) Definitions

For the purposes of these general conditions of supply, the following definitions shall apply:

- i)* "General Conditions": these general terms and conditions of supply;
- ii)* "Supplier": the entity responsible for producing and/or marketing Products and/or for providing Services to the Customer;
- iii)* "Customer": the party that orders and purchases Products and/or Services from the Supplier;
- iv)* "Parties" means the Supplier and the Customer together;
- v)* "Order": the Customer's communication to the Supplier containing the identifying elements of the supply;
- vi)* "Order Confirmation": the Supplier's communication to the Customer after the Supplier receives an Order, containing the elements identifying the accepted Order;
- vii)* "Closed Order": an Order which specifies the quantity of Products or Services, the price, delivery method and time;
- viii)* "Open Order": An order in which, having established the type of Product or Service and the unit price thereof, a general indication is given of the quantities of Products which the Customer estimates it may need during a period of time which is specified and agreed between the Supplier and the Customer (week/month/year);
- ix)* "Delivery Release": a communication, sent in any form, which specifies the quantities of Products requested and the delivery deadlines, which the Customer transmits to the Supplier in accordance with the provisions of the Open Order;
- x)* "Products": mechanical fasteners and other goods manufactured or marketed by the Supplier at the Customer's request and which form the subject of an Order;
- xi)* "Services": services provided by the Supplier at the Customer's request on foot of an Order or a contract;
- xii)* "Documents": all documents, designs, drawings, estimates, technical reports, valuations, offers, analyses and, in general, any data, paper or other document sent from one Party to the other Party;
- xiii)* "Samples": all samples, prototypes, pre-production samples, pre-finished or semi-finished products and, more generally, all manufactured products (with the sole exception of Products) which the Supplier delivers to the Customer;
- xiv)* "Equipment": all equipment, moulds and other tools required for the manufacture of Products or for the performance of Services for the Customer;
- xv)* "Force Majeure" means all circumstances which the Parties are unable to foresee or avoid and which are beyond their control, and which limit, impede or delay the performance of their obligations under the contract, including (without limitation) national and company strikes, wars, embargoes, acts of vandalism and terrorism, epidemics, earthquakes, other natural disasters, etc.

xvi) "Commencement of Execution of the Supply": the moment, after the Customer's Order is received, when the Supplier carries out preparatory or implementing activities whose sole purpose is to fulfil such Order. Activities such as the following can, without limitation, constitute a Commencement of Execution of the Supply under these General Conditions: the Supplier purchases raw materials and/or semi-finished products and/or moulds and/or machinery and/or other equipment required in order to fulfil the Order in question, the commencement of Product production activities, etc.

2) General notes

The Parties consider these General Conditions to validly apply (unless specifically exempted from in writing):

- a) to each contract entered into between the Supplier and the Customer;
- b) to any Order processed by the Supplier for the Customer, even if not specifically confirmed by an Order Confirmation (including "Closed Orders" and "Open Orders");
- c) more generally, also to all supply dealings between the Supplier and the Customer.

Unless the Parties agree otherwise in writing, these General Conditions shall prevail over any (general and/or special) Customer conditions of purchase.

The General Conditions shall be deemed to be automatically accepted by the Customer upon conclusion of the contract, irrespective of whether or not they are accepted in writing.

3) What the contract includes

The following form an integral and essential part of the contract between the Supplier and the Customer:

- a) the General Conditions;
- b) the special conditions specifically indicated and accepted by the Supplier and the Customer, including in relation to prices;
- c) Supplier documentation submitted to supplement the general and special conditions of supply;
- d) any technical document, study, report which the Supplier sends the Customer for any reason whatsoever.

Advertising documents, sales brochures, samples, catalogues and anything else that the Supplier uses or sends the Customer prior to or during their supply dealings shall not be deemed to be essential elements of the contract, unless the Parties otherwise agree in writing.

4) Moment of conclusion of the contract

The contract is deemed to be formally entered into when the Customer receives the Supplier's Order Confirmation. Alternatively, in the absence of an Order Confirmation, the contract shall be deemed to be formally entered into upon the Commencement of Execution of the Supply.

If an Order fails to correspond in one or more respects to the Order Confirmation, the contract shall be deemed to have been executed subject to the conditions set forth in the Order Confirmation, unless the Execution of the Supply commenced without the Supplier having transmitted an Order Confirmation.

Under no circumstances may the Customer suspend or cancel an Order after the contract conclusion, except in a case of Force Majeure.

Any request by the Customer to amend the contract must be accepted by the Supplier in written form. Without written acceptance, the previously agreed contractual conditions shall be deemed to remain unchanged.

5) Closed Orders

A Closed Order shall be binding on the Parties when the Customer receives the Supplier's Order Confirmation. Alternatively, in the absence of an Order Confirmation, the Closed Order shall be binding upon the Commencement of Execution of the Supply.

6) Open Orders

The Supplier undertakes to maintain an adequate inventory in order to be ready to fulfil the Customer's requirements based on the provisions of Open Orders.

Each provision of Products and/or Services under an Open Order shall require a Delivery Release.

The Customer undertakes to send the Supplier individual Delivery Releases for an Open Order at least 45 days before the delivery date envisaged in the Open Order; if the Customer fails to observe this deadline, the Supplier shall not be held responsible in the event of late delivery of goods covered by the Delivery Release.

The Parties agree that the Customer's transmitted Delivery Releases shall observe the projected quantities specified in the Open Order and may vary these quantities upwards or downwards by no more than +/- 15%.

Unless the Parties agree otherwise, the Supplier shall not be obliged to supply the Customer with Products and/or Services in greater number or with stricter delivery times than those indicated in the Open Order.

If the Open Order stipulates minimum purchase quantities, the Customer shall not purchase fewer Products and/or Services than these minimum quantities within the relevant time period.

If the Customer transmits a written communication requesting to amend the terms and conditions of an Open Order, the Supplier is free to decide whether to refuse or accept the request. The Supplier may also make the acceptance of such a request conditional on the payment of compensation or on amendments to the unit prices of Products and/or Services, duly communicating this to the Customer. Unless the Customer gives written notice refusing this, within 7 days of this communication, the Customer shall be deemed to have accepted - with effect from the next delivery - the payment of compensation and/or changes to the unit prices of Products and/or Services.

If the Supplier's proposal to pay compensation and/or to amend the unit prices following a change to the Open Order is rejected, then all conditions originally envisaged by the Open Order shall remain applicable.

7) Preparatory and/or ancillary work related to the order

7.1) Documents

All Documents exchanged between the Customer and the Supplier for any reason whatsoever before or during the fulfilment of each individual Order (Closed or Open) shall be deemed to be transmitted exclusively for the specific use for which they are intended.

Accordingly, the Parties agree that:

- a) the transmission of Documents does not entail any transfer to the recipient Party of ownership or of any right of economic exploitation thereof.
- b) the recipient will not be entitled to use the Documents for any purpose other than that for which they were sent to the recipient;
- c) the Customer and the Supplier shall be bound by the strictest confidentiality and secrecy as to the existence and content of Documents exchanged, in compliance with the provisions of Article. 10.2 below;
- d) if Documents are used in any way other than as permitted, their owner shall be entitled - at its discretion - to have them immediately returned and/or destroyed, and also to demand the immediate cessation of any type of use thereof, without prejudice to its entitlement to claim compensation for any loss incurred.

7.2) Samples

All Samples are and will remain the property of the Supplier; the Customer may only use them for the purposes indicated in the contract with the Supplier.

The Parties agree that:

- a) the Customer shall be the sole Party responsible for the safekeeping of the Samples;
- b) the Customer shall return the Samples to the Supplier: *i)* within 5 days from the termination date of the associated contract, on whatever basis this should occur; *ii)* within 15 days from the date when the Supply requests them, on whatever basis;
- c) the Customer shall ensure that Samples are kept strictly confidential and secret;
- d) the Customer shall not dispose of Samples in any way, including in order to perform tests directly or indirectly, without the Supplier's prior written approval;
- e) in the event of an unauthorised use of Samples, the Supplier will be entitled to suspend the execution of all or some existing supplies and to demand the return of the Samples, without prejudice to its entitlement to seek compensation for any loss incurred.

7.3) Equipment

Unless otherwise agreed in writing between the Parties, the Supplier shall design and manufacture Equipment using materials and methods it deems most appropriate, and the Supplier shall retain exclusive title thereto.

The Supplier may, at its discretion, charge the Customer all or some of the costs and expenses incurred for the design and construction of the Equipment and/or request the Customer to share in those costs, provided that - in this case too -

the Supplier shall retain full and exclusive title to the Equipment, unless the Parties agree otherwise in writing.

Unless the Parties agree differently in writing, the Supplier shall be free to use Equipment also for supplies other than those which are intended for the Customer.

8) Products

8.1) Product characteristics

The Supplier undertakes to manufacture Products in accordance with the technical specifications agreed with the Customer.

8.2) Product packaging

The Customer is cognisant of the type of standard packaging that the Supplier uses and considers it to be fit for purpose and suitable for the latter's requirements, for purposes of transporting, storing and warehousing Products.

The Customer shall be the sole Party responsible for transporting, storing and warehousing Products from the moment the Supplier delivers them to the carrier/freight forwarder, and no liability may be ascribed to the Supplier after Products have been delivered to said carriers/freight forwarders.

The Customer shall be responsible for ensuring full and proper compliance with applicable rules on the destruction and disposal of any non-returnable packaging used by the Supplier.

The Parties shall agree in writing any use of packaging "for recovery", and in this case too the Customer shall be solely responsible for the correct use and maintenance of such packaging.

The Parties may agree from time to time to use non-standard packaging instead, and the Customer shall cover the associated costs.

8.3) Product information and traceability

The Customer undertakes to inform any of its purchasers and/or users of the Products of their technical and functional characteristics.

The Supplier shall facilitate and ensure the traceability of the Product's manufacturing batch up to the date of delivery to the Customer. The Customer shall maintain this traceability and shall ensure that its purchasers and/or users commit themselves to doing so as well.

8.4) Delivery of Products after completion of series production

The Parties shall agree, case-by-case, on any supply of Products following the associated series production (e.g. as spare parts), and shall in particular determine the details of the supply in terms of minimum quantities and associated sale price.

9) Services

If the Supplier's and Customer's dealings involve the provision of Services, the Supplier shall only be bound by provisions which the Parties have agreed in writing.

10) Intellectual property rights and confidentiality clause

10.1) Intellectual property rights

The Supplier is the sole proprietor of all intellectual property rights related to Products, Documents, Samples, Equipment, unless these are created or made based on drawings or designs furnished by the Customer. Unless the Parties otherwise agree, the Supplier shall also be the sole proprietor of anything that is produced in the performance of the Services. The Supplier shall retain ownership of these rights even after the delivery of Products, Documents, Samples and Equipment. Accordingly, the implementation of the supply shall not constitute and shall not under any circumstances be construed as a form of transfer, assignment and/or licensing and/or any other type of grant to the Customer of industrial property rights or know-how related to Products and/or Services.

10.2) Confidentiality clause

For the purposes of this Clause, "**Confidential Information**" shall mean any business, financial, commercial or technical information - whether internal, non-public, confidential or subject to restricted access - and also any trade secrets, commercial secrets and know-how pertaining to the activities of either Party and/or to Products and/or Services and which that Party (the "**Communicating Party**") directly or indirectly communicates to the other Party (the "**Recipient Party**") during the supply. Confidential Information includes for example (but without limitation) Orders and Order Confirmations, the contract and its annexes, drawings, designs, operational and organisational documentation belonging to the Parties, operational and organisational and contractual documentation pertaining to Products and/or Services, information, data and news related to the Parties' organisation, corporate structure, activities, programmes and production and commercial results and, more generally, any technical, organisational and/or commercial information, written or verbal, which the Parties exchange for purposes associated with the supply. Confidential information shall not include information:

- a) which at the time of its disclosure - or subsequently - was in or entered the public domain, irrespective of the conduct of the Recipient Party;
- b) which was already in the Recipient Party's possession prior to the disclosure without being subject to any confidentiality obligation at the time;
- c) which the Recipient Party developed independently prior to the disclosure.

The Parties undertake to keep Confidential Information strictly confidential, to take all necessary measures to guarantee its confidentiality and to ensure that their personnel: i) do not misuse Confidential Information; ii) comply with the confidentiality obligations provided for in the General Conditions.

Confidential Information shall not be copied or reproduced without the prior written consent of the Party disclosing it. All Confidential Information made available during the supply, including any copies thereof, shall be returned or destroyed on the occurrence of the first of the following events: a) termination for any reason of the supply relationship; or b) the Disclosing Party so requests, unless the Recipient Party is entitled to retain such Confidential Information for other reasons (e.g. to facilitate compliance with legal obligations) or otherwise needs to hold on to such information in order to properly implement the supply.

The Parties also obliged not to disclose or use or employ, for purposes other than those indicated in the contract, any data or documents or information related to the exclusive rights, activities, plans or business affairs of the other Party or of third parties received or acquired during the contract performances, without the written authorisation of the other Party or of third parties directly involved, as relevant.

Each Party shall be directly liable to the other Party for any conduct by its respective employees and non-company collaborators (and also, more generally, by all parties who are to operate on its behalf in implementing the supply) which fails to observe these confidentiality requirements.

The confidentiality obligation agreed between the Parties shall extend to the post-termination period and last for 5 (five) years, or until such time as the Confidential Information enters the public domain, whichever happens sooner.

Notwithstanding the foregoing, either Party may disclose Confidential Information received if required to do so by: *i*) applicable legislative and/or regulatory provisions; *ii*) court orders; *iii*) orders of a different authority which are binding on the Recipient Party. The Parties agree, however, that the Recipient Party shall promptly notify the other Party in writing if any of the events indicated in this subsection should occur, insofar as this is lawfully permitted by applicable legislative and/or regulatory provisions, official measures and/or orders on which the disclosure is based.

10.3) Guarantee against infringement of industrial property rights

For Products manufactured according to the Supplier's design, the Customer shall, when sending the request for quotation and/or the Order (and in any case before the supply is implemented), inform the Supplier in advance of the territories where the Products will be marketed. Only if the Customer gives the Supplier such information shall the Supplier guarantee to the Customer that no patents and/or other exclusive rights of third parties exist which could prevent to produce and sell such Products, only in respect of the territories indicated. If the Customer markets these Products in territories other than those indicated, the Customer: *i*) undertakes to indemnify the Supplier against any adverse direct or indirect repercussions caused to the latter as a result of the production and/or promotion and/or marketing of such Products in such territories; *ii*) will directly cover or otherwise indemnify the Supplier against all direct and indirect loss and damages as well as all costs, including legal defence or court costs (including professional fees for Supplier-appointed advisers) which the latter is obliged to pay in the event of legal proceedings.

For Products produced based on drawings or instructions or information provided by the Customer, the latter shall be the sole and exclusive party responsible for any infringement (also related to the production process) of industrial and non-industrial property rights of third parties. For such Products, the Customer: *i*) undertakes to indemnify the Supplier against any adverse direct or indirect repercussions caused to the latter as a result of the production and/or promotion and/or marketing of the Products; *ii*) will directly cover or otherwise indemnify the Supplier against all direct and indirect loss and damages as well as all costs, including legal defence or court costs (including professional fees for Supplier-appointed advisers) which the latter is obliged to pay in the event of legal proceedings.

11) Delivery, transport, verification and acceptance

11.1) Delivery times for Products and Services

The Supplier shall be obliged to observe the scheduled delivery times agreed with the Customer for the provision of Products and Services. In no case, however, shall the date of delivery be deemed essential and binding in order for the Order to be correctly executed, and the Customer expressly waives the right to request contract termination and/or compensation for loss in the event of non-compliance with the date of delivery of Products and/or Services.

Unless the Parties otherwise agree in writing, if the delivery times are specified in days and/or weeks and/or months and/or years (and thus without a specific calendar date), then the later of the following dates shall apply:

- a) date of the Order Confirmation;
- b) the date on which the Customer accepts, if required, all materials, equipment and performance specifics;
- c) the date on which the Customer fulfils all preliminary contractual or legal obligations (e.g. import licences, authorisations, etc.).

The Supplier reserves the right to notify the Customer of any changes in delivery times; the Parties agree, however, that the Customer shall not be entitled to refuse to collect the Products and/or accept the Services if the delivery times are changed in any instance.

The Supplier reserves the right to suspend (without designation of a future date) the delivery of Products and/or the performance of Services in the event that supplies are not paid for.

11.2) Terms of delivery of Products (ex works Incoterms 2020)

Unless the Parties agree otherwise, and without prejudice to the provisions of Article 13.5 below, Products will be delivered ex works at the facility indicated by the Supplier and shall be deemed to have been delivered at the date and time when the Products are handed over to the carrier or freight forwarder; all risks and liabilities associated with the Products shall be transferred to the Customer from that moment onwards.

The following is the procedure for the delivery of Products:

- a) when Products are ready for delivery, the Supplier shall send the Customer a written notice of "goods ready for delivery";
- b) the Customer shall collect the Products by the deadlines indicated in the "goods ready for delivery" notice;
- c) if the goods are not collected in strict compliance with the "goods ready for delivery" notice for reasons not attributable to the Supplier, the Customer will be responsible for covering any associated cost or expense incurred by the Supplier on any basis whatsoever (storage, insurance, handling, storage, etc.). Accordingly, the Parties agree that the Supplier will be entitled to invoice the Customer for the amounts in question; this invoice shall be paid in compliance with the terms and conditions provided for in Article 13.1.

11.3) Transport, customs duties and insurance for the Products

Unless the Parties otherwise agree in writing, the Customer will always be responsible for organising and covering the costs of transportation, and the Customer may decide whether or not to insure the Product at its sole discretion

and responsibility, if considered necessary. Commercial terms and conditions shall comply with the Incoterms conditions in force at the time of the contract signing.

If the Supplier should decide to ship the Products itself, the associated risk shall be transferred to the Customer at the moment when they are delivered to the first carrier or freight forwarder, in compliance with the provisions of Article 11.2 above.

Shipments shall include all Products provided for by the contract; the Supplier will be able to assess at its own discretion any request to ship a smaller quantity of Products than that ordered; accordingly, the Supplier may decide to accept or refuse that request.

Unless the Parties agree otherwise, the Customer will always be responsible for covering taxes and duties, including customs duties, ensuring that they are paid and also, if necessary, that the associated procedural formalities are completed. However, the Supplier will never be obliged to insure Products, irrespective of the agreed delivery methods.

11.4) Verification of quantity and type of Products delivered

The Customer is exclusively responsible for verifying (at its own expense) that Products are in conformity with the conditions of the order, in terms of type and quantity, as soon as the delivery has been made.

Any objection or reservation concerning product, weight or quantity discrepancies in relation to the accompanying delivery note shall be recorded immediately on the CMR or, failing that, on the delivery note. A copy of the CMR or, if unavailable, of the delivery note containing the relevant reservations or objections shall be sent to the Supplier for its information, and the parties agree that the Supplier shall not in any circumstances be held accountable for facts occurring after the delivery of the goods to the carrier/freight forwarder, in compliance with the provisions of Articles 11.2 and 11.3 above.

If the CMR or the delivery note report no reservations, then the Products shall be deemed to be accepted in terms of their type and quantity.

If the supply involves an intra-EU transfer of Products, the Customer undertakes to furnish the Supplier with all documentation provided for by Article 45-bis of Regulation EU 282/2011, as amended by Implementing Regulation no. 2018/1912, which the Supplier requires to avail of a VAT exemption.

11.5) Tolerances on quantities of Products

Unless the Parties agree otherwise, the quantity of Products delivered is subject to the tolerances indicated in Annex A) to these General Conditions.

11.6) Complaints concerning Product defects

The Supplier shall deliver the Products free of defects and in conformity with the order specifications.

In the event of Product defects the Customer shall, subject to forfeiture, lodge a complaint with the Supplier concerning the Products no later than eight days of their delivery in the case of obvious defects, and within eight days of their discovery in the case of hidden defects, by sending a written communication with a list of the defects or flaws found, the number of pieces compromised, the procedures by which the checks were carried out, the batch number and any

useful information to enable the Supplier to precisely identify the Product in dispute.

If the Supplier so requests, the Customer shall return the disputed Products at its own expense. The Supplier may repair and/or replace the Products, at its sole discretion and without this constituting an acknowledgement of its liability; in this event, the Supplier shall cover transport costs for the re-delivery to the Customer. If the Supplier does not identify any defects present, which the Customer complained of, the Product shall be redelivered to the Customer at the latter's expense.

Unless the Supplier decides to fully replace the disputed Products, the Customer shall not under any circumstances suspend payment for them.

If the Customer carries out work or repairs on the Products or has third parties carry out work or repairs on them, the Supplier's product warranty shall no longer apply to the disputed Products and it will not be possible to make or bring claims against the Supplier for alleged defects or faults of the Products.

If, where there are obvious defects, the Customer decides not to inform the Supplier of them and instead utilises or sells the affected Products, it shall no longer be entitled to have them replaced, repaired or to avail of the warranty.

Unless the Parties agree otherwise, the Customer shall be responsible for covering the cost of any disposal of the disputed Products.

Complaints or disputes concerning a single delivery of Products shall not release the Customer from the obligation to collect and pay for the remaining quantity of Products, in compliance with the provisions of the Order and/or of the Contract.

11.7) Warranty of correct functioning of the Products

Unless otherwise agreed, the Supplier guarantees the functioning of the Products supplied for 1 year from the date of delivery.

The warranty shall validly apply only if the Products are used correctly and the malfunction is not caused directly or indirectly by the specific manner in which the Customer used the Products.

The Parties agree that the warranty shall not apply in respect of Customer errors in selecting and purchasing Products.

12) Prices

12.1) Determining the prices of Products and Services

The Supplier shall indicate the prices of Products and/or Services in the Order and/or in the Order Confirmation. Unless the Parties agree otherwise, prices shall be exclusive of any taxes, dues or disbursements, and are agreed to be "ex works".

The Supplier shall invoice Products and/or Services according to its own standard forms or, alternatively, in compliance with its contractual agreements with the Customer.

Unless the Parties agree otherwise, prices shall always be in Euro.

12.2) Amending prices of Products and/or Services

The Supplier may vary the prices of Products and/or Services after the Order has been accepted, if the prices of raw materials and/or production costs vary or in the event of altered market conditions that affect the supply.

If the prices of Products and/or Services change, the Supplier shall give the Customer written notification of the new price. The Customer shall evaluate the proposed price increase according to principles of fairness and good faith, and shall not challenge it if it is legitimate and/or justified.

If the Customer does not challenge it, the new price shall be binding with effect from the date of the first Product or Service delivery after the variation is notified. Notwithstanding the foregoing, if the new proposed price is rejected, the Supplier and the Customer are free to withdraw from the contract, but in respect only of Products/Services affected by the price increase.

The contract termination shall be notified in writing by the terminating Party and shall take effect 45 days after the notification; the Parties agree that the Supplier and the Customer shall be obliged to implement the contract performances during this notice period, subject to the same conditions previously applied.

13) Payments

13.1) Payment conditions

Supplies shall be paid for, independently and irrespective of any disputes, according to timeframes and procedures which the Parties have agreed, subject to the applicability of the provisions of Legislative Decree No. 231 of 9 October 2002, unless specific exemptions from this Decree have been agreed in writing. Unless the Parties agree otherwise, the Supplier shall not be obliged to grant discounts if payments for Products and/or Services are made in advance.

13.2) Delayed payment

Without prejudice to the provisions of Article 13.1 above, if Products and/or Services are not paid for by deadlines agreed between the Parties from time to time, the Supplier shall be entitled to default interest at the rate provided for by Article 5 of Legislative Decree 231/2002.

If payment is delayed, the Supplier shall be entitled at any time to issue an invoice specifying any amounts accrued in the meantime by way of interest and costs. The Customer shall immediately pay the amount specified in this invoice.

Where an invoice for interest and expenses is issued the Supplier may, at its sole discretion, offset any payments subsequently made by the Customer against the balance of this invoice and, only for the remainder, against payment for Products and/or Services supplied.

If the Customer's default is repeated or serious, the Supplier may at its discretion suspend the delivery of Products or the performance of Services and/or refuse requests for further deliveries, and/or declare the contract automatically terminated in law.

13.3) Changes in the Customer's financial or corporate situation

In the event that the Customer is declared bankrupt or becomes subject to any insolvency procedure or proceedings (composition with creditors, receivership, bankruptcy, compulsory administrative liquidation, special administration), the

Supplier may suspend further deliveries and/or exercise its entitlement to withdraw from the contract.

The Customer shall notify the Supplier if any significant change to its corporate structure or management-administrative organisation should occur, or if one of its companies or a business unit thereof is transferred, where such an event is relevant to or concerns the supply of Products and/or Services. After evaluating this information, the Supplier may inform the Customer of its wish to withdraw from the contract. In this event, the Supplier may retain any advance payments made or any amounts collected up to that point, on account of any greater sums remaining unpaid.

13.4) Customer receivables

The Customer may not, for any reason whatsoever and without the Supplier's consent, issue debit notes or invoices for receivables claimed from the Supplier, or charge the Supplier for amounts in respect of which the latter has not acknowledged itself in writing to be the debtor.

The Customer shall not offset or withhold sums payable to the Supplier, unless authorised in writing to do so.

If the Customer has receivables owing to it, the Supplier is expressly authorised to offset these Customer receivables against the Supplier's receivables based on supplies it has made to or arranged with the Customer.

13.5) Retention of title clause

Products are supplied under the "Retention of Title" formula, so that the Supplier shall remain the owner thereof until the Customer has paid the relevant price in full.

The Customer shall take all necessary steps to safeguard the Supplier's property rights and shall be liable for anything that happens to the Products until they have been paid for in full.

The Customer shall take all necessary steps to ensure that Products of the Supplier are not confused with other potentially similar products from other suppliers, and shall therefore keep Products in suitably defined or segregated spaces that can be easily identified.

The provisions of this Article shall be without prejudice to or exemption from the provisions of Articles 11.2. and 11.3 on the transfer of risk and liability for the transportation and storage of Products.

14) Liability

14.1) The Supplier's Responsibility

The Supplier shall be exclusively responsible for the correct supply of Products and/or Services, which shall have the characteristics as agreed. No other liability shall be attributed to the Supplier.

Furthermore, the Supplier shall organise and implement the supply in compliance with regulations applicable in the country where the Supplier is based.

Without prejudice to the provisions of the contract, the Supplier shall not be liable for defects in Products when these are attributable to:

- a) materials provided by the Customer or by third parties indicated by the Customer;
- b) design or drawing errors when such activities are carried out by the Customer or by third parties indicated by the Customer;
- c) use of equipment indicated or delivered by the Customer or by third parties indicated by the Customer;
- d) treatment or handling carried out without the Supplier's consent;
- e) production errors when the process has been indicated and validated by the Customer;
- f) incorrect, unauthorised, abnormal, atypical or special use of Products;
- g) incorrect or deficient storage, transportation, preservation or handling of Products;
- h) normal Product wear and tear or deterioration based on events attributable to the Customer or to third parties;
- i) failure to observe the Supplier's recommendations, instructions or suggestions regarding the maintenance, storage or use of Products.

14.2) Limits of liability

Except in cases of fraudulent intent or gross negligence, the Supplier's liability for any claims, loss or damages against it shall not exceed 3 times the value of the batch or service supplied or provided, where such claims, loss or damages derive or result from defects and/or faults of Products and/or Services, from recall campaigns for Products and/or Services, from claims by third parties and/or those arising from the implementation of the supply, and also from loss/harm caused to the Customer's property, personnel or non-company collaborators.

The following is specifically excluded: any liability for indirect loss, loss of image, lost profit, lost earnings, operating loss, downtime, or losses resulting indirectly from a defect of Products and/or Services.

Similarly, the Supplier shall not be liable for any direct or indirect loss incurred by the Customer resulting from the latter's use of technical documents, information, data on Products and/or Services, indications of technical or functional characteristics etc., when such use has not been specifically authorised in writing in advance. Under no circumstances shall the Supplier be liable for a poor performance of the Product produced.

The Supplier shall not, in any event, be held accountable for the Product being unsuitable for a specific use by the Customer or by third parties.

15) Force majeure

In any case of Force Majeure, the Supplier may suspend its supply obligations and, in general, its contractual commitments with the Customer.

The Supplier shall promptly notify the Customer in writing if it intends to exercise this right, indicating the cause of Force Majeure invoked and, if possible, the duration of the anticipated suspension of contractual obligations.

If the cause of suspension should last for longer than 15 business days, the Customer may temporarily procure any needed Products and/or Services from another supplier, without prejudice to the Customer's obligation to repurchase Products and/or Services from the Supplier as soon as the Force Majeure cause has ceased.

The Supplier undertakes to notify the Customer in writing when the cause of Force Majeure has ceased, and also specify the date on which deliveries of Products and/or Services are expected to resume.

If the cause of Force Majeure should continue for more than 120 days, the Supplier and the Customer shall meet to consider the possibility of officially terminating the supply contract. The Customer shall, in any event, withdraw and pay for all Products in the Supplier's inventory, for the cost of semi-finished products and the cost of special raw materials that cannot be otherwise used.

The Customer shall notify the Supplier, in good time, of any fact or circumstance that could constitute Force Majeure and that could undermine the delivery or collection of Products. In this event, the Customer shall also inform the Supplier of how the Products may be delivered, potentially to a location other than the agreed location, in this event undertaking to cover any higher costs which the Supplier indicates to be incurred, but adopting any suitable measures in order to facilitate the withdrawal or storage of Products produced by the Supplier in a way that minimises the inconvenience to the Supplier.

In no circumstances may the Customer invoke Force Majeure in order to suspend payments for supplies.

16) RULES OF CONDUCT

The Customer undertakes on its own behalf and, pursuant to Article 1381 of the Italian Civil Code, for its employees and non-company collaborators and consultants to adhere to the ethical principles and rules of conduct which the Supplier has enshrined in its Code of Ethics and in its Organisational, Management and Control Model pursuant to Legislative Decree 231/2001, where they have been adopted and published on its website, which documents it declares to have read and which constitute an integral and essential part of this document.

If the Customer infringes the Code of Ethics, the Supplier may unilaterally terminate the existing supply relationship, by written notice to be sent to the Customer within 10 days of the date the infringement is committed or discovered.

17) GDPR

The Parties both undertake to process personal data (including sensitive data) which they obtain/acquire during the supply arrangement, in compliance with the provisions of Legislative Decree no. 196 of 30 June 2003 and of Regulation (EU) 2016/679.

18) Override clause

If there should be a conflict and/or discrepancy, including in interpretation, between the Italian language version and the English language version of these General Conditions, the Italian version shall prevail and shall be applicable for reference purposes.

19) Partial invalidity and integrity of the General Conditions

The potential invalidity of one or more clauses shall not compromise the validity of the General Conditions as a whole.

In cases of doubt, the provisions of these General Conditions shall be interpreted in such a way that the General Conditions can produce legal effects rather than not produce any legal effects.

20) Applicable law, jurisdiction and Court of competent jurisdiction

The General Conditions, individual contracts and, more generally, all supplies implemented by the Supplier for the Customer on any basis whatsoever, are governed and regulated in each and every part by Italian law, but the applicability of the Vienna Convention on the International Sale of Goods of 1980 is specifically excluded.

Any dispute involving the supply of Products and/or Services and, more generally, the interpretation, implementation and/or termination of the General Conditions, of orders and/or of Order Confirmations and/or of individual supply contracts, shall in every case be subject to Italian jurisdiction and shall be referred to the exclusive competence of the Court of the place where the Supplier has its headquarters.

ANNEX A) - Supply tolerances

Tolerances on the numerical capacity of packages

The following limit deviations from the number of pieces declared in packages are admissible:

For packages with less than 100 pieces:

0 for bolts with $d > 12$ mm;

± 1 for bolts with $d < 12$ mm.

For packages with 100 pieces or more:

± 1 % for bolts with $d > 12$ mm;

± 2 % for bolts with $d < 12$ mm.

Tolerances on quantities requested

For standardised bolts, the quantity supplied should match the quantity requested, subject to tolerance on the individual packages and the rounding off that may be required if the quantity requested is not equal or an integer multiple of the numerical capacity of the packages.

For non-standardised bolts, the quantity supplied must be equal to that requested subject to the tolerance (unless otherwise agreed at the time of the order) indicated in the table below:

QUANTITY REQUESTED	QUANTITY REQUESTED	
	UPPER	LOWER
up to 100	+ 20 %	0
over 100 up to 1,000	+ 14 %	0
over 1,000 up to 10,000	+ 5 %	- 5%
over 10,000 up to 100,000	+ 3 %	- 3 %
over 100,000	+ 2 %	- 2 %