

Introduction

- a. These General Conditions of Purchase are an integral part of each purchase agreement stipulated between **TP REFLEX GROUP S.p.A.** (hereinafter referred to as “**Purchaser**”) and the supplier of components/products (hereinafter referred to as “**Supplier**”). Any conditions different than the present ones shall not be effective, unless expressly accepted in writing by the Parties.
- b. The General Conditions of Purchase are applicable, unless expressly referred to and undersigned on the individual purchase order submitted by the Purchaser (hereinafter referred to as “**Order**”).
- c. These General Conditions of Purchase are effective until the Purchaser expressly revokes them that is until their replacement by new conditions which will become effective as of the date of the signature.
- d. The General Conditions of Purchase do not bind the Purchaser to place delivery orders at the Supplier in future.

1. Execution of the Sale – Prices

- 1.1. The Supplier must inform the Purchaser about accepting the Order within 4 working days from the receipt, submitting its copy signed by the Purchaser. After this period, the Order is considered confirmed by both Parties.
- 1.2. The prices stated or referred to on the Order are fixed and are not subject to any change; the prices include the costs of packaging and shipping.

2. Invoicing

The invoice of sale issued by the Supplier must state i) the Order number, ii) the code of material, ii) the number of transportation document, iv) the product quantity, v) the product description, vi) the unit price and total price, vii) the VAT, viii) the product origin.

3. Delivery Place and Time

- 3.1. The products must be delivered by the Supplier within the time limit and at the places stated on the Order. The agreed terms of delivery are mandatory and to the benefit of the Purchaser. Therefore the Purchaser shall deliver the products by the date state on the Order, but not prior to its expiry, unless expressly required by the Purchaser.
- 3.2. The Purchaser may refuse and return to Supplier, at the expense of the Supplier, the products delivered ahead of schedule in respect of the delivery date stated on the Order. Where, however, the Purchaser decides to accept the delivery, even ahead of schedule, the terms of payment shall begin to run from the date of delivery stated on the Order.
- 3.3. The Products shall be accompanied by the transport document, including a detailed statement of: i) the Order number, ii) the material code and description, iii) the unit of measurement, iv) the quantity v) the number of packages, vi) the weight e vii) the origin of the goods.

Upon the Purchaser's request, the Supplier shall be also required to issue the Declaration of Conformity for CE Marking with the requirements laid down in all applicable directives and regulations

- 3.4. Unless agreed otherwise by the Parties, the risk of damage and/or loss of the products is transferred from the Supplier to the Purchaser exclusively upon completion of the unloading at the place stated on the Order. Therefore the risk of the product deterioration or damage remains with the Supplier, also if the carrier was chosen by the Purchaser. Moreover, the Supplier shall be responsible for any damage and/or loss of the products after the delivery, if it is established that the package was insufficient or defective.

4. Acceptance of Delivery

- 4.1. The Supplier commits himself to deliver products manufactured to the highest standard and complying with technical specifications described in the Order and laid down by the applicable regulations in force.
- 4.2. Acceptance of the products delivered to the Purchaser does not constitute the acknowledgment of their compliance with the Order, not even in relation to possible apparent faults; thus the Purchaser is not obliged to unpack the products at the moment of acceptance. In any event, the products received by the Purchaser shall be deemed to have been accepted, subject to quality and quantity checks, which may be questioned also thereafter to the time limits laid down in the Italian Civil Code and in any case not later than 2 (two) months after their delivery.
- 4.3. The payments shall be made only on condition that the delivery of products has taken place within the agreed schedule and that the products are free of any fault or defect.
- 4.4. In case the products are imported from non-EU countries, the Suppliers guarantees to have met all the relevant requirements, whether they be of customs or administrative nature, etc.
- 4.5. The Purchaser has the right to refuse to accept any deliveries of defective products or quantities other than stated on the Order, at the expense of the Supplier, as prescribed in article 6.3.

5. Packages

- 5.1. Unless otherwise stated, the label on the package must indicate: i) the code and description of the Purchaser's article, ii) the manufacturer's code iii) the quantity, iv) the number of the purchase order/contract, v) the number of production batch.
- 5.2. The packages must be identified individually by means of strips containing the requested data in legible format and possibly also EAN13 format barcode.

6. Warranty

- 6.1. Unless otherwise agreed by the Parties, the Supplier guarantees effective functioning of the product for a period of 12 (twelve) months from the product delivery date. Nonetheless, this is without prejudice to articles 1490 et. seq. of the Civil Code.

- 6.2. Should the products be defective or lacking technical features indicated in the Order, the Purchaser shall have the right, as an alternative, to: i) refuse to accept the products and return them to the Supplier freight collect, with consequent repayment of the price paid to the Purchaser; ii) request free-of-charge replacement/repair of defective/non-conforming products, whereby the Supplier shall bear the expenses of their withdrawal, repair or replacement; iii) request a price discount. Where it is possible, upon request of the Purchaser, the warranty shall cover also the products sold and delivered to the customers of the Purchaser. In any event, the Purchaser reserves the right to claim compensation for the damage suffered.
- 6.3. The expenses for the operations of withdrawal of defective products shall be borne exclusively by the Supplier; the defective/non-conforming products shall be transported on the Supplier's exclusive behalf, at his own risk, subject to the Supplier being charged for transit and storage of the products and any further expenses.
- 6.4. From the date of replacement/repair of the products a new warranty period of 12 months shall start to run.
- 6.5. The Supplier ensures that the products are delivered not pledged, collateralized nor liened.
- 6.6. The Supplier discharges the Purchaser from any accountability for damage caused to third parties by defective products. In particular, the Supplier declares to save harmless the Purchaser of all the costs deriving from claims for compensation or arrangements for reimbursing of third parties in relation to the losses arising from the use of products, including the costs of judicial and extra-judicial proceedings initiated against the Purchaser.

7. Changes in the Production Process

The Supplier must inform the Purchaser well in advance and in writing about his possible intention to change the production process and/or relocate the manufacturing of the product and/or materials and/or subcontractors.

8. Industrial and Intellectual Property

The Supplier guarantees that the delivered products do not infringe any patent, copyright or other intellectual or industrial property right of third parties and he commits himself to save harmless and discharge the Purchaser from any request, demand, damage or cost deriving from third-party claims.

9. Technical Documentation – Equipment – Molds

- 9.1. The Supplier is supposed to retain, with special care and respecting confidentiality, any design, sample and document and/or material received from the Purchaser and return them at the end of the contractual relationship, and in any event, whenever the Purchaser requests it. The Supplier is specifically prohibited from using and taking copies of such documents and materials for other purposes than the valid delivery agreement stipulated with the Purchaser.

- 9.2. The Supplier must keep adequate records of results of the inspections, checks and tests concerning his own production and that of the subcontractors, to be available upon the Purchaser's request. The Supplier must keep the records of results for not less than 3 years.
- 9.3. In any event, the Supplier must keep the entire documentation referred to in article 9.2 also for a longer period, from the initiation to the completion of both judicial and extra-judicial proceedings.
- 9.4. The Supplier, through the exercise of ordinary diligence, must keep the Purchaser's molds and equipment owned by the Purchaser located on the Supplier's premises only for the purposes of production (hereinafter referred to as "Molds").
The costs of ordinary and extraordinary maintenance of the Molds shall be borne by the Supplier.
Moreover, the Supplier must insure the Molds against theft and damage, at his own expense.
- 9.5. At the end of the contractual relationship, or whenever the Purchaser requests it, the Supplier shall return the Molds, and all their parts, to the Purchaser.
- 9.6. The Supplier shall compensate for all direct or indirect losses for any fault and/or damage of the Molds, attributable to his fault.

10. Confidentiality

- 10.1. The Supplier commits himself to not use directly or indirectly, by means of intermediaries, entities or companies and to not reveal to third parties, also after termination of the contractual relationship with the Purchaser, irrespective of the cause of termination, the information or data transmitted by the Purchaser or those he acquired (in any form, e.g. written, verbal, electronic, by direct access or any other intelligible form) whilst executing or complying with the contract provisions, particularly in relation to technical specifications transmitted by the Purchaser, the products and process adopted to execute the assumed contractual commitments, the Purchaser's company, etc.
- 10.2. The obligation referred to in the paragraph above is applicable also to the facts concerning the Purchaser indicated by the Purchaser as confidential.

11. Inspections on the Supplier's premises

The Purchaser reserves the right to inspect, with prior notice, the Supplier's plant in order to evaluate organization of its production processes (plants, workforce, acceptance of materials, treatment processes, testing, shipping, etc.).

12. References

The Purchaser's name may be used as reference by the Supplier only upon prior written consent of the Purchaser.

13. Penalties

- 13.1. For any delays in delivery that will not hold up production, the Purchaser shall apply a penalty of 1% of the total value of the Order for each week of delay or its part to a maximum of 5%, with effect from the eighth day of delay in delivery.
- 13.2. Should the delay in delivery hold up production, a penalty of EUR 5,000 per production line a day shall be applied.
- 13.3. Should the products have failures entailing selection/reprocessing/repairs a penalty of EUR 30/person/day shall be applied.
- 13.4. Initiation as well as technical and administrative management of the procedure EUR 50/non-conformity shall be charged.
- 13.5. The penalties will be invoiced by the Purchaser that is deducted from the sums due to the Supplier, providing that they are available.
- 13.6. This shall be without prejudice to the Purchaser's right to bring a compensatory claim for further damages.

14. Safety Data Sheets

The Supplier must obligatorily submit safety data sheet of consumable items and hazardous and non-hazardous products to the Purchaser to provide appropriate information on hazards related to chemical substances and chemical preparations present in the supplied product. The sheet must be submitted previously or with the first product delivery and whenever the Purchaser requests it. It may be supplied in either paper or computer medium format, comply with the provisions referred to in the annex to the Ministerial Decree of April 4, 1997 as amended, drawn up in Italian, bear the date of preparation and any updates.

15. REACH

The Supplier must inform the Purchaser about the substances and their concentration in the delivered products. The Supplier shall submit a proper notification (certification) demonstrating that the Supplier has complied with the entirety of requirements concerning application of the provisions laid down in the Regulation (EC) no. 1907/2006 (REACH) as amended. Moreover, the Supplier commits himself to inform the Purchaser about any technical of the delivered product.

16. Obligations of the Supplier

16.1. Compliance with the labor rights.

16.1.1. The Supplier declares to comply with the legal provisions concerning remuneration and social security of his employees and he commits himself to submit a copy of Unified Tax Compliance Certificate upon request of our Company.

16.2. Compliance with the regulations on health and safety in the workplace

16.2.1. The Supplier is supposed to comply with the entirety of regulations on health and safety at the workplace as well as all laws and provisions applicable in this field throughout the duration of this Agreement.

16.2.2. When performing any activities necessary to meet the requirements deriving from this Agreement, the Supplier shall enforce and comply with all the crucial aspects of the law on health and safety in the workplace which concern safeguarding and protection of employees constituting the workforce, as well as the entirety of laws and provisions relating thereto.

16.3. Compliance with the environmental regulations

16.3.1. The Supplier must comply with all the regulations on the environment, environmental permits and any other obligation, restriction or constraint directly or indirectly relating to contamination, pollution, emission or discharge of toxic or hazardous substances.

16.4. Respect for human rights

16.4.1. Moreover, the Supplier commits himself to provide equal conditions of employment and treatment of employees without discrimination on the grounds of gender, race, religion, political opinions, etc.

17. Subcontractors

17.1. The Supplier, on his sole responsibility and prior written approval of the Purchaser, may outsource the entire or part of production of the products to third parties committing himself that in such a case the third parties shall comply with duties and obligations stated on the Order and these General Conditions of Purchase. This is on the understanding that these subjects shall not enter into any contractual relationship with the Purchaser; as a consequence, the Supplier shall retain sole and complete responsibility to the Purchaser for the correct execution of the contract.

17.2. Taking account of a confidential nature of the relationship, the Purchaser reserves the right to withdraw from the agreement, with immediate effect, if it is established that the subcontractor hired by the Supplier does not have the necessary experience, competences, technical and professional qualifications, equipment, personnel and technologies.

18. Non-transferability of receivables

By way of derogation from articles 1260 et seq. of the Civil Code, the receivables deriving from the deliveries may not be transferred to third parties in any manner whatsoever.

19. Model of Organization, Management and Control Pursuant to Legislative Decree no. 231/2001 and the Code of Ethics.

19.1 TP REFLEX GROUP notifies to have adopted a model of organization, management and control (hereinafter referred to as “Organizational Model”) pursuant to Legislative Decree no. 231/2001 and the Code of Ethics which allows the Company to operate in compliance with the principles and values contained therein, and which has been published on the website: www.tpreflexgroup.com.

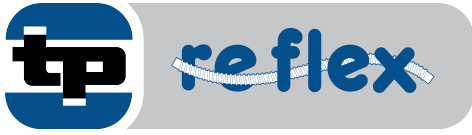
- 19.2 The Client declares to have read the Code of Ethics and the Organizational Model and commits himself to comply therewith as well as ensure that they are complied with by the top management and any cooperators, whilst being aware that any violation of the rules set forth by therein constitute a serious breach of the contract provisions.
- 19.3 Moreover, the Client commits himself to abstain from adopting a conduct that may also potentially be qualified as criminal offense set forth by Legislative Decree no. 231/2001. The Client commits himself to send to TP REFLEX GROUP a written notification about any assumed or actual breach of the Code of Ethics or the Organizational Model as well as any potentially committed criminal offense.
- 19.4 Finally, the Client discharges TP REFLEX GROUP from any accountability or damage deriving from a breach of the Code of Ethics or the Organizational Model by the Client or his top management or employees as well as any cooperators.
- 19.5 Should the Client, or his top management or employees or any cooperators, breach the rules set forth by the Code of Ethics or the Organizational Model of TP REFLEX GROUP, as well as in case of committing any of the offenses referred to in Legislative Decree no. 231/2001, the Company may terminate this contract by a written notice sent by A.R. registered mail or PEC. Such termination will have immediate effect from the date of receipt of communication of TP REFLEX GROUP S.p.A., which may also bring a compensatory claim.

20. Jurisdiction – Applicable Law

- 19.1. The General Conditions of Purchase are governed by and interpreted in accordance with the laws of Italy, to the exclusion of any other right.
- 19.2. Any disputes that would arise out of the above-mentioned purchase agreements shall be subject to the jurisdiction of Italy and constitute a matter within the exclusive competence of the Court of Milan (Italy).

21. Processing of Personal Data

Pursuant to art. 13 of the EU Regulation 679/2016 (General Data Protection Regulation), please note that your personal data (name, address, city, postal code, landline telephone number, cellular telephone number, date of birth, company), which you have freely disclosed, will be processed by TP REFLEX GROUP S.p.A., mainly by means of computerized systems for the following purposes: customer management, complying with accounting and tax requirements, planning of activities, dispute management, management and maintenance of the Company's IT system. Data disclosure is free, however the absence thereof will not allow our Company to comply with your request. Moreover, please be advised that the data you have freely disclosed will be transmitted to third parties, thereby intending such third parties that are authorized to process data and responsible for providing specific services relating to the contract execution (also by continuous processing), such as banks and credit institutions; professionals, external debt collection companies and budget review companies; suppliers of technology services; companies and enterprises (clients/suppliers), all in compliance with the legal regulations on data security. Your data will not be disseminated in any case whatsoever. The Data will be stored in a complete manner for the entire period of the contract execution; afterwards, the Data will be stored for the period of 10 years to comply with the legal requirements, among others, the requirements referred to in art. 2214 of the Civil Code. Any further storage of Data or part of Data may be disposed of to assert or defend your own rights in any place, and in particular in courts. Finally, pursuant to art. 15 et seq. of the EU Regulation 679/2016, please note that for more information or specific requests (cancellation, blocking, update, rectification and correction of data or objection to the processing) you may refer to the Controller by writing to TP REFLEX GROUP S.p.A., with the



TP REFLEX GROUP



registered office at Via Cesare Battisti n. 91, 21040 – Venegono Superiore (VA), or by sending an e-mail on the following address:
info@tpreflexgroup.com.