

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

rev.21/01/2025

These General Terms and Conditions are in line with the document approved by UPIVEB - the Italian Association of Fastener Manufacturers.

1) DEFINITIONS

Pursuant to and for the purposes of these General Terms and Conditions, the following definitions apply:

- I) 'General Terms and Conditions': these general terms and conditions of supply;
- II) 'Supplier': the party that is in charge of the production and/or marketing of the Products and/or the provision of the Services on behalf of the Customer;
- III) 'Customer': the party ordering and purchasing the Products and/or Services from the Supplier
- IV) 'Parties': the Supplier and the Customer jointly;
- V) 'Order': communication transmitted by the Customer to the Supplier containing the identifying elements of the supply;
- VI) 'Order Confirmation': communication transmitted by the Supplier to the Customer after receipt of an Order containing the identifying elements of the accepted Order;
- VII) 'Closed Order': Order in which the quantity of the Product or Service, price, delivery methods and times are expressly indicated;
- VIII) 'Open Order': 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 Product which the Customer estimates may need during a specified period of time and agreed between the Supplier and the Customer (week/month/year);
- IX) 'Delivery Release': a communication, in whatever form transmitted, containing the specific indication of the Product quantities requested and the delivery terms, transmitted by the Customer to the Supplier in compliance with the provisions established in the Open Order;
- X) 'Products': mechanical fasteners and other goods manufactured or marketed by the Supplier at the Customer's request and which are the subject of an Order;
- XI) 'Services': services provided by the Supplier at the Customer's request on the basis of an Order or contract;
- XII) 'Documents': all documents, drawings, estimates, technical reports, evaluations, tenders, analyses and, in any case, any data, drawings or other documents sent by one Party to the other;
- XIII) 'Samples': all samples, prototypes, pre-production samples, pre-finished or semi-finished products and, more generally, all manufactured products (with the sole exclusion of Products) delivered by the Supplier to the Customer;
- XIV) 'Equipment': all the equipment, moulds and other tools necessary for the manufacture of the Products or for the performance of the Services intended for the Customer;
- XV) 'Force Majeure': all those circumstances unavoidable by the Parties and beyond their control that limit, prevent or delay the fulfilment of the obligations under the contract, including but not limited to 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, following receipt of the Customer's Order, at which the Supplier carries out preparatory or executive activities unequivocally aimed at executing that Order. By way of example only, and in any case not exhaustively, activities such as: the purchase by the Supplier of raw materials and/or semi-finished products and/or moulds and/or machinery and/or other equipment necessary to fulfil the specific Order in question, the start of Product production activities, etc., may constitute the Start of Supply Execution pursuant to these General Conditions.

2) GENERAL NOTES

These General Terms and Conditions are valid and applicable, unless expressly derogated from in writing:

- a) to every contract concluded between the Supplier and the Customer;
- b) to every Order processed by the Supplier for the Customer, even if not expressly confirmed by an Order Confirmation (including 'Closed Orders' and 'Open Orders');
- c) and, more generally, to all supply relationships between the Supplier and the Customer.

In the absence of a different written agreement between the Parties, these General Conditions shall prevail over any (general and/or particular) conditions of purchase of the Customer.

The General Terms and Conditions shall be deemed to be automatically accepted by the Customer upon conclusion of the contract regardless of their express written acceptance.

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3) CONTENT OF THE CONTRACT

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

- a) the General Terms and Conditions;
- b) the special conditions expressly indicated and accepted by the Supplier and the Customer, also with regard to prices;
- c) the Supplier's documentation submitted to supplement the General and Special Supply Conditions;
- d) any technical document, study, report, sent by the Supplier to the Customer for any reason whatsoever.

Advertising documents, sales brochures, samples, catalogues and anything else used or sent by the Supplier to the Customer before or during the execution of the supply shall not be considered essential elements of the contract, unless otherwise agreed in writing between the Parties.

4) CONCLUSION OF THE CONTRACT

The contract is deemed concluded upon receipt of the Order Confirmation sent by the Supplier to the Customer. Alternatively, in the absence of an Order Confirmation, the contract is deemed concluded at the time of the Start of Execution of the Supply.

In the event of any discrepancy, in one or more respects, between the Order and the Order Confirmation, the contract shall be deemed to be concluded under the conditions set forth in the Order Confirmation, unless the execution of the supply has begun in the absence of the Order Confirmation being sent by the Supplier.

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

Any request to amend the contract made by the Customer must be accepted in writing by the Supplier. In the absence of written acceptance, the previously agreed contractual conditions shall be deemed unchanged.

5) CLOSED ORDERS

The Closed Order shall be binding on the Parties upon receipt of the Order Confirmation sent by the Supplier to the Customer. Alternatively, in the absence of Order Confirmation, the Closed Order shall be deemed binding at the time of the Commencement of Execution of the Supply.

Acceptance of the Order Confirmation, even in the absence of countersignature, shall be deemed tacitly accepted in the event of receipt of the goods by the Customer without reservation.

6) OPEN ORDERS

The Supplier undertakes to maintain sufficient stocks to meet the Customer's needs in a timely manner in accordance with Open Orders.

Each delivery of Products and/or Services related to an Open Order must be the subject of a Delivery Release.

The Customer undertakes to transmit to the Supplier the individual Delivery Releases relating to an Open Order at least 45 days before the delivery date foreseen in the Open Order; if the Customer fails to comply with the aforementioned deadline, the Supplier shall not be liable for late delivery of the goods covered by the Delivery Release.

It is understood between the Parties that the Delivery Releases sent by the Customer must comply with the forecast quantities indicated in the Open Order and these quantities may vary upwards and downwards by no more than $\pm 15\%$. Unless otherwise agreed, the Supplier shall not be obliged to supply Products and/or Services to the Customer in greater numbers or with more onerous delivery times than stated in the Open Order.

If the Open Order stipulates minimum purchase quantities, the Customer may not purchase a number of Products and/or Services below those minimum quantities within that period.

If the Customer makes, by written notice, a request to change the conditions of the Open Order, the Supplier may freely decide whether to refuse or accept the request. The Supplier may also make the acceptance of such a request conditional

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on the acknowledgement of compensation or on amendments to the unit prices of the Products and/or Services, notifying the Customer thereof. Unless the Customer communicates a refusal in writing within 7 days of such communication, the acknowledgement of the indemnity and/or the variations in the unit prices of the Products and/or Services shall be deemed accepted with effect from the first subsequent delivery.

In the event of rejection of the proposal for acknowledgement of indemnity and/or variation of unit prices resulting from the modification of the Open Order, all conditions originally set forth in the Open Order shall remain in force.

Acceptance of the order confirmation, even in the absence of countersignature, shall be deemed tacitly accepted in the event of receipt of the goods by the customer without reservation.

7) PREPARATORY AND/OR ANCILLARY WORK IN CONNECTION WITH THE ORDER

7.1) Documents

All Documents that, for any reason whatsoever, the Customer and the Supplier exchange before or during the conclusion of each individual Order (Closed or Open) shall be understood to be transmitted only for the specific use for which they are intended.

It is therefore understood between the Parties that:

- a) the transmission of the Documents does not entail the transfer of ownership or of any right of economic exploitation thereof to the receiving party;
- b) the receiving party may not use the Documents for any purpose other than that for which they were transmitted to it;
- c) the Client and the Supplier shall be bound by the strictest confidentiality and secrecy with regard to the existence and content of the Documents being exchanged, in accordance with the provisions of Article 10.2 below;
- d) in the event of unauthorised use of the Documents, their owner shall be entitled to obtain - at its own discretion - the immediate return and/or destruction of the Documents in addition to the immediate cessation of any form of use of the same, without prejudice, in any case, to the right to compensation for damages.

7.2) Samples

All Samples are and shall remain the property of the Supplier and may be used by the Customer only and exclusively for the purposes envisaged in the contract with the Supplier.

It is understood between the Parties that:

- a) the Customer shall be solely responsible for the safekeeping of the Samples;
- b) the Customer shall be obliged to return the Samples to the Supplier:
 - i) within the term of 5 days after termination for any reason whatsoever of the contract to which they relate;
 - ii) within the term of 15 days after the Supplier, for any reason whatsoever, so requests;
- c) the Client shall treat the Samples with the strictest secrecy and confidentiality;
- d) the Client shall not in any way dispose of the Samples, not even to carry out tests directly or indirectly, without the prior written consent of the Supplier;
- e) in the event of any use of the Samples that differs from that permitted, the Supplier shall have the right to suspend, in whole or in part, the performance of all deliveries in force with the Customer and to demand the return of the Samples, without prejudice in any case to compensation for damages.

7.3) Equipment

Unless otherwise agreed in writing between the Parties, the Equipment shall be designed and manufactured by the Supplier with the materials and methods deemed most appropriate by the same and shall remain the sole and exclusive property of the Supplier.

The Supplier may, at its discretion, charge the Customer - in whole or in part - for all or part of the costs incurred for the design and manufacture of the Equipment and/or in any case, ask the Customer to share in the costs for the design and

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manufacture of the same, it being understood that - even in this case - in the absence of a different written agreement between the Parties, the Equipment will remain the full and exclusive property of the Supplier.

Unless otherwise agreed in writing between the Parties, the Supplier will be free to use the Equipment also for supplies other than those intended for the Customer.

8) PRODUCTS

8.1) Characteristics of the Products

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

8.2) Packaging of the Products

The Customer declares that he is aware of the type of standard packaging used by the Supplier and that it is suitable for his needs, for the purpose of transport, storage and warehousing of the Products.

The Customer shall be solely and exclusively responsible for the transport, storage and warehousing of the Products as from the moment of their delivery by the Supplier to the carrier/shipper, and no liability may be charged to the Supplier as from the date of delivery of the Products to such parties.

The Customer shall be responsible for the correct and full compliance with the regulations in force regarding the destruction and disposal of any disposable packaging used by the Supplier.

Any use of 'recovery' packaging shall be agreed in writing between the Parties and, even in this case, the Customer shall be solely responsible for the correct use and maintenance of such packaging.

The eventual adoption of packaging that differs from standard packaging may be agreed from time to time between the Parties and shall in any case be at the expense of the Customer.

8.3) Information on the Products and their traceability

The Customer undertakes to make any purchasers and/or, in any case, users of the Products aware of their technical and functional characteristics.

The Supplier shall ensure the traceability of the manufacturing batch of the Product itself up to the date of delivery to the Customer. The Customer shall maintain this traceability and place a similar commitment in this sense at the expense of its purchasers and/or users.

8.4) Supply of Products after completion of series production

Any supply of Products after the conclusion of the relevant series production (e.g. as spare parts) shall be agreed between the Parties on a case-by-case basis, which shall in particular define the details of the supply in terms of minimum quantities and the relevant selling price.

9) SERVICES

In the event that the relationship between the Supplier and the Customer envisages the provision of Services, the Supplier shall only be bound to comply with the provisions that have been agreed between the Parties in writing.

10) INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIALITY CLAUSE

10.1) Intellectual Property Rights

The Supplier is the sole owner of all intellectual property rights relating to the Products, Documents, Samples, Equipment, unless they are made on the basis of drawings or designs prepared by the Customer. Unless otherwise agreed between the Parties, the Supplier shall also be the sole owner of anything produced in the performance of the

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Services. Ownership of these rights shall remain with the Supplier even after delivery of the Products, Documents, Samples and Equipment. The performance of the supply, therefore, shall not constitute and shall in no case be construed as a form of assignment and/or licensing and/or concession under any other title of industrial property rights or know-how relating to the Products and/or Services in favour of the Customer.

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 with restricted access, as well as any trade secrets, commercial secrets and know-how, which relates to the business of one of the Parties and/or the Products and/or the Services and which is directly or indirectly disclosed by that party ('**Disclosing Party**'), to the other party ('**Receiving Party**'), in the performance of the supply relationship. Confidential Information includes, by way of example, Orders and Order Confirmations, the contract and its annexes, drawings, the Parties' operational and organisational documentation, operational, organisational and contractual documentation relating to the Products and/or Services, news and data relating to the Parties' organisation, structure, activities, programmes and production and commercial results and, more generally, any technical, organisational and/or commercial information, whether verbal or written, exchanged by the Parties for purposes relating to the performance of the supply relationship. Confidential information does not include information:

- a) which at the time of communication or subsequently became accessible to the public irrespective of the conduct of the Receiving Party;
- (b) which the Receiving Party was already in possession of prior to the disclosure without being subject to a confidentiality obligation;
- (c) which the Receiving Party developed independently prior to the disclosure.

The Parties undertake to keep the Confidential Information confidential, to take all necessary measures to ensure its confidentiality and to ensure that their personnel

- a) does not misuse it;
- b) observes the confidentiality obligations laid down in the General Terms and Conditions.

Confidential Information may not be copied or reproduced without the prior written consent of the disclosing Party.

All Confidential Information made available during the supply, including any copies thereof, shall be returned or destroyed upon the occurrence of the first of the following events

- a) termination for any reason of the supply relationship;
- b) request by the Disclosing Party, unless the Receiving Party is entitled to retain such Confidential Information for another reason (e.g. to comply with legal obligations) or otherwise needs to retain it to properly perform the supply relationship.

The Parties are also obliged not to disclose, use or employ, for purposes other than those established in the contract, any data, documents or information relating to the exclusive rights, activities, plans or business of the other Party or third parties, acquired in the performance of the contract, except with the written authorisation of the other Party or of the third parties directly concerned, as the case may be.

Each party shall be liable with direct assumption of responsibility towards the other party for conduct contrary to these confidentiality requirements assumed by its own employees and collaborators as well as, more generally, by all those who, on its behalf, will act in the execution of the supply relationship.

The confidentiality obligation agreed between the Parties shall be deemed to extend also to the period following the termination of the supply relationship for a duration of 5 (five) years or until the Confidential Information enters the public domain, whichever is earlier.

Notwithstanding the foregoing, each Party may disclose Confidential Information received if required to do so by:

- a) legal and/or regulatory provisions;
- b) court orders;
- c) orders of other authorities binding on the Receiving Party.

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It is however understood between the Parties that in the event of the occurrence of any of the situations envisaged in this paragraph, the Receiving Party shall promptly inform the other Party in writing, insofar as this is lawfully permitted by the legal and/or regulatory provisions, measures and/or orders on which the disclosure is based.

10.3) Guarantee against counterfeiting

Regarding Products made to the Supplier's design, the Customer will be obliged to inform the Supplier in advance, at the time of sending the quotation request and/or Order (and in any case prior to execution of the supply), in which countries the Products will be marketed. Only and exclusively if the Customer transmits this information to the Supplier, the Supplier will guarantee the Customer that there are no patents and/or other exclusive rights of third parties that may prevent the production and sale of the Products in question, limited to the countries indicated. Should the Customer market the Products in countries other than those indicated, the Customer shall

- a) undertakes to indemnify and hold harmless the Supplier against any and all direct or indirect consequences that the same may suffer as a result of the production and/or promotion and/or marketing of the Products in such countries;
- b) shall directly cover, or in any case indemnify the Supplier against, all direct and indirect damages and all costs, including defence or judicial costs (including the fees of the Professionals appointed by the Supplier), that the latter shall be called upon to bear in the event of legal action.

In relation to Products made according to a design or according to the indications or information provided by the Customer, the latter shall be solely and exclusively responsible for any infringement (also relating to the production process) of industrial property rights and not of third parties. With reference to such Products the Customer:

- a) undertakes to indemnify and hold harmless the Supplier against any and all direct or indirect consequences that the latter may suffer as a result of the production and/or promotion and/or marketing of the Products;
- b) shall directly cover, or in any case indemnify the Supplier against, all direct and indirect damages and all costs, including defence or judicial costs (including the fees of the Professionals appointed by the Supplier), that the latter will be called upon to bear in the event of legal action.

11) DELIVERY, TRANSPORT, VERIFICATION AND ACCEPTANCE

11.1) Delivery times for Products and Services

The Supplier shall be bound to respect the delivery times of the Products and Services agreed with the Customer. In no case, however, shall the date of delivery be considered as essential and binding for the correct execution of the Order, and the Customer expressly waives the right to make claims for termination of the contract and/or compensation for damages in the event of failure to comply with the delivery terms of the Products and/or performance of the Services. Unless otherwise agreed upon in writing between the Parties, if delivery times are indicated in days and/or weeks and/or months and/or years (and therefore without the indication of a precise calendar date), the same shall start to run from the earliest of the following dates:

- a) date of Order Confirmation;
- b) date of acceptance by the Customer, if requested, of all materials, equipment and work details;
- c) date of fulfilment by the Customer of 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; however, it is understood between the Parties that in no case of a change in delivery times may the Customer refuse to collect the Products and/or accept the Services.

The Supplier reserves the right to suspend, *sine die*, delivery of the Products and/or performance of the Services in the event of non-payment of the supplies.

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11.2) Product delivery conditions (Ex Works Incoterms 2020)

Unless otherwise agreed between the Parties and without prejudice to the provisions of Article 13.5 below, delivery of the Products shall be made Ex Works at the factory indicated by the Supplier and shall be deemed to have been made on the day and at the time when the Products are delivered to the carrier or forwarding agent; from that time, all risks and responsibilities inherent to the Products shall be transferred to the Customer. The procedure to be adopted for delivery of the Products shall be as follows:

- a) when the 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 within the time specified in the notice of 'goods ready for delivery';
- c) if the collection of the goods does not take place as indicated in the 'goods ready for delivery' notice for reasons not attributable to the Supplier, the Customer shall bear all costs, disbursements or expenses for whatever reason incurred by the Supplier (storage, insurance, handling, storage, etc.).

It is therefore understood between the Parties that the Supplier shall have the right to issue a regular invoice to the Customer for the amounts in question; payment of this invoice shall be made in accordance with the terms and conditions set forth in Article 13.1.

11.3) Transport, customs duties and insurance of Products

Unless otherwise agreed in writing between the Parties, transport shall always be carried out at the expense of the Customer who, if deemed necessary and under its sole responsibility, may decide to insure the Product. Any commercial conditions shall comply with the Incoterms conditions in force at the time of the conclusion of the contract.

If the Supplier takes charge of shipping the Products, the transfer of risk at the expense of the Customer shall in any case take place at the time of delivery of the Products to the first forwarding agent or carrier, in accordance with the provisions of Article 11.2 above.

Shipments shall include all the Products covered by the contract; any requests for shipment of a quantity of Products lower than that ordered shall be freely evaluated by the Supplier, which, at its discretion, may decide to accept or refuse them.

Unless otherwise agreed between the Parties, the Customer shall always be responsible for customs duties and taxes, providing for their payment and, if due, also for the completion of the relevant procedures.

The Supplier, however, shall never be obliged to insure the Products regardless of the agreed delivery terms.

11.4) Verification of Quantity and Type of Products Delivered

The Customer shall verify, in terms of type and quantity, the conformity of the Products with the conditions of the order at its own expense and under its sole responsibility, as soon as the delivery has been made.

Any dispute or reservation relating to discrepancies in Products, weights or quantities with respect to the delivery note accompanying the Product must be noted immediately on the CMR or, failing that, on the delivery note. A copy of the CMR or, failing that, of the delivery note with the relevant reservations or objections shall be sent for information to the Supplier, it being understood that the Supplier shall in no case be held liable for facts occurring after delivery of the goods to the carrier/freight forwarder in accordance with the provisions of Articles 11.2 and 11.3 above.

In the absence of reservations on the CMR or delivery note, the Products - in terms of type and quantity - shall be deemed accepted.

If the supply relates to an intra-Community supply of Products, the Customer undertakes to deliver to the Supplier all the documentation provided for by Article 45-bis of EU Reg. 282/2011, as amended by Implementing Reg. no.2018/1912, and necessary to enable the Supplier to benefit from VAT exemption.

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11.5) Tolerances on quantities of Products

Unless otherwise agreed between the Parties, the tolerances provided for in Annex A) to these General Conditions shall apply to the quantity of Products delivered.

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 the existence of defects in the Products, the Customer shall, under penalty of forfeiture, within eight days of delivery, in the case of obvious defects, and within eight days of their discovery, in the case of hidden defects, dispute the Products supplied to the Supplier by sending a written notice containing a list of the defects or faults found, the number of pieces on which they were found, the methods by which the checks were carried out, the batch number and any useful element to enable the Supplier to identify the Product under dispute.

The Customer, if requested by the Supplier, shall return the disputed Products at its own care and expense. The Supplier, at its sole discretion, and without this constituting recognition of any liability, may repair and/or replace the Products; in this case, the Supplier shall **only** bear the transport costs for the subsequent return to the Customer. If the Supplier does not find the presence of the flaws or defects complained of by the Customer, the Product shall be sent back to the Customer at the latter's expense.

Under no circumstances, unless the Supplier opts for a full replacement of the Products, may the Customer suspend payment for the Products under dispute.

Should the Customer carry out or have third parties carry out work or interventions on the Products, the latter shall no longer be guaranteed by the Supplier and no claim may be made against the Supplier in respect of alleged defects in the Products.

If the Customer, in the presence of obvious defects or faults, decides not to notify the Supplier and uses or transfers the Products, the right to replacement, repair and warranty shall consequently lapse.

Unless otherwise agreed between the Parties, any disposal of the disputed Products shall be at the Customer's care and expense.

Any claims 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 goods, in accordance with the Order and/or the Contract.

11.7) Guarantee of proper functioning of the Products

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

The guarantee shall be effective only in the event of correct use of the Products and when the malfunctioning is not, even indirectly, attributable to the Customer due to the particular use of the Products.

It is understood between the Parties that the guarantee shall not apply in relation to any errors by the Customer in the selection and purchase of the Products.

12) PRICES

12.1) Definition of the prices of the Products and Services

The Supplier shall indicate the prices of the Products and/or Services in the Order and/or Order Confirmation. Unless otherwise agreed between the Parties, prices shall be understood to be net of any taxes, duties or disbursements and, in any case, 'Ex Works'.

The Supplier shall invoice the Products and/or Services according to its own standard or in accordance with the contractual agreements defined with the Customer.

Unless otherwise agreed between the Parties, prices shall always be expressed in Euro.

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12.2) Modification of the prices of the Products and/or Services

The Supplier may change the prices of the Products and/or Services after acceptance of the Order if there are variations in the prices of raw materials, production costs, or in any case changes in market conditions that affect the supply.

In the event of a change in the prices of the Products and/or Services, the Supplier shall notify the Customer in writing of the new price. The Customer shall evaluate, in accordance with the principles of fairness and good faith, the price increase proposed by the Supplier and may not refuse it if it is legitimate and/or justified.

If the Customer does not refuse, the new price shall be binding from the first delivery of the Product or the first delivery of the Service following the communication of the variation.

Notwithstanding the foregoing, in the event of rejection of the proposed new price, both the Supplier and the Customer may freely withdraw from the contract limited to the Products/Services affected by the price increase.

Withdrawal shall be communicated in writing by one party to the other and shall be effective 45 days from the time of its communication; it is understood between the Parties that, during the aforesaid notice period, the Supplier and the Customer shall be obliged to execute the contract under the same conditions as previously applied.

13) PAYMENTS

13.1) Payment Conditions

Payment for supplies shall be made, irrespective of any disputes, at the times and in the ways agreed between the Parties, without prejudice to the applicability of the provisions of Legislative Decree no.231, dated 9 October 2002, unless expressly waived in writing.

Unless otherwise agreed between the Parties, the Supplier shall not be obliged to grant any discount in the event of advance payment for Products and/or Services.

13.2) Late Payment

Without prejudice to Article 13.1 above, in the event of non-payment of the Products and/or Services within the terms agreed between the Parties from time to time, the Supplier shall be entitled to default interest at the rate provided for in Article 5 of Legislative Decree no.231/2002.

In the event of late payment, the Supplier shall at any time be authorised to issue an invoice bearing the amounts accrued in the meantime by way of interest and expenses. The Customer shall immediately pay the amount carried by said invoice.

If an invoice for interest and expenses is issued, the Supplier may, at its own discretion, set off all payments subsequently made by the Customer against the balance of the aforementioned invoice for interest and expenses and, only for the remainder, against payment for the Products and/or Services provided.

If the Customer's default is repeated or serious, the Supplier may, at its own discretion, suspend the dispatch of the Products or the performance of the Services and/or refuse the request for further deliveries and/or declare the contract rescinded by right.

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

If the Customer is declared bankrupt or otherwise subject to any insolvency proceedings (composition, receivership, bankruptcy, compulsory liquidation, extraordinary administration), the Supplier may suspend further deliveries and/or exercise the right to withdraw from the contract.

The Customer is obliged to inform the Supplier of any significant change in its corporate structure or management-administrative organisation, or of the sale of a company or branch thereof, when such an event concerns the supply of Products and/or Services. Having assessed this information, the Supplier may, if necessary, notify the Customer of its wish to withdraw from the contract. In that case, the Supplier may in any case retain, on account of the higher amount due, the advances or whatever has been collected up to that time.

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13.4) Receivables of the Customer

The Customer may not, for any reason or reason whatsoever, issue debit notes or invoices for accounts receivable without the consent of the Supplier, or in any case debit the Supplier with amounts for which the latter has not expressly acknowledged itself as the debtor in writing.

The Customer may not, unless authorised in writing, offset or withhold sums due to the Supplier.

In the event of there being claims in favour of the Customer, the Supplier is expressly authorised to set off such sums against what is owed to it by virtue of the supplies made or to be made.

13.5) Retention of Title Clause

The Products are supplied on a 'Retention of Title' formula, with the consequence that they shall remain the property of the Supplier until full payment of the relevant consideration by the Customer.

The Customer shall be obliged to take all measures necessary to protect and safeguard the Supplier's property rights and shall be liable for any consequences that may arise to the Products until full payment thereof.

The Customer shall be obliged to take all useful measures not to confuse the Supplier's Products with any similar Products of other suppliers, and shall therefore store the Product in special, well-defined and easily identifiable areas. The provisions of this Article do not imply a derogation from the provisions of Articles 11.2. and 11.3 on the passing of risk and liability for the transport and storage of Products.

14. LIABILITY

14.1) Supplier's liability

The Supplier shall be solely responsible for the proper delivery of the Products and/or Services, which shall have the agreed characteristics. No other responsibility may be attributed to the Supplier.

The Supplier shall also organise and carry out the supply in accordance with the relevant regulations in force in the country in which the Supplier is based.

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

- a) materials supplied by the Customer or by third parties indicated by the Customer;
- b) design or drawing errors when these 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) processing or manipulation 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 particular use of the Products;
- g) defective storage, transport, preservation or handling of the Products;
- h) normal wear and tear of the Product or deterioration thereof attributable to events attributable to the Customer or third parties;
- i) non-compliance with the Supplier's recommendations, indications or suggestions regarding the maintenance, storage or use of the Products.

14.2) Limits of liability

Without prejudice to cases of wilful misconduct or gross negligence, the Supplier's liability for any claims, losses or damages of any kind resulting from flaws and/or defects in the Products and/or Services, recall campaigns of the Products and/or Services, claims by third parties and/or in any case resulting from the execution of the supply, as well as for damages caused to property or personnel or collaborators of the Customer, shall not exceed an amount equal to 3 times the value of the lot or service that is the subject of the claim.

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

rev.21/01/2025

These General Terms and Conditions are in line with the document approved by UPIVEB - the Italian Association of Fastener Manufacturers.

Any liability for indirect damage, loss of image, loss of profit, loss of business, loss of profit, downtime, or in any case as an indirect consequence of the defect in the Products and/or Services is expressly excluded.

Similarly, the Supplier shall not be liable for any direct or indirect damages suffered by the Customer as a result of the latter's use of technical documents, information, data of the Products and/or Services, indication of technical or functional characteristics, etc., when such use has not been authorised in advance and specifically in writing. Under no circumstances shall the Supplier be liable for lack of performance of the Product manufactured.

In any case, no liability can be ascribed to the Supplier in relation to the lack of suitability of the Product for a particular use by the Customer or, in any case, by third parties.

15) FORCE MAJEURE

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

If the Supplier intends to avail itself of this right, it shall promptly inform the Customer in writing, indicating the cause of Force Majeure invoked and, if possible, the duration of the intended suspension of the contractual obligations undertaken.

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

The Supplier undertakes to notify the Customer in writing of the termination of the Force Majeure, also indicating the date of the first deliveries of the Products and/or resumption of the performance of the Services.

Should the Force Majeure cause continue for more than 120 days, the Supplier and the Customer shall meet to assess the possibility of deeming the supply contract terminated. In any case, the Customer shall collect and pay for all Products in the Supplier's warehouse, the cost of semi-finished products and special raw materials that cannot otherwise be used. The Customer shall promptly inform the Supplier of any fact that may be considered Force Majeure and that may make delivery or collection of the Product difficult. In this case, the Customer shall also indicate to the Supplier how the Product can be delivered, possibly even in a different place from the one agreed, bearing, in this case, the additional cost that the Supplier shall indicate, taking all appropriate measures to be able to collect or store the Product made by the Supplier in such a way as to make the inconvenience to the Supplier as onerous as possible.

Under no circumstances may the Customer invoke Force Majeure to suspend supply payments.

16) BEHAVIOURAL PRINCIPLES

The Customer undertakes, on its own behalf and pursuant to art. 1381 of the Italian Civil Code for its employees, consultants, collaborators, to adhere to the ethical-behavioural principles that the Supplier has set out in its Code of Ethics and in the Organisation, Management and Control Model pursuant to Legislative Decree no.231/2002, where adopted, published on its website, which it declares it has read and which constitute an integral and substantial part of this document.

In the event of violation of the Code of Ethics by the Customer, the Supplier may unilaterally terminate the existing supply relationship, with written notice to be sent to the Customer within 10 days of the violation or its discovery.

17) GDPR

The Parties mutually undertake to process personal data (including sensitive data) that they may come into possession of in the performance of the supply relationship in compliance with the provisions of Legislative Decree No.196/2003 and Regulation (EU) 2016/679.

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

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18) OVERRIDE CLAUSE

In the event of conflict and/or discrepancy, including interpretative discrepancies, between the Italian language text and the English language text of these General Conditions, the Italian language text shall prevail and reference shall be made.

19) PARTIAL NULLITY AND INTEGRITY OF THE GENERAL CONDITIONS

The possible invalidity of one or more clauses does not affect the validity of the General Terms and Conditions as a whole.

In case of doubt, the clauses of these General Terms and Conditions shall be interpreted in the sense in which they may have some effect rather than in the sense that they would have none.

20) APPLICABLE LAW, JURISDICTION AND COMPETENT COURT

The General Conditions, the individual contracts and, more generally, all supplies for any reason performed by the Supplier in favour of the Customer are governed and regulated in all their parts by Italian law, with the express exclusion of the applicability of the Vienna Convention on the International Sale of Goods of 1980.

Any dispute concerning the supply of Products and/or Services and, more in general, the interpretation, execution and/or termination of the General Conditions, orders and/or Order Confirmations and/or individual supply contracts, shall always and in any case be subject to Italian jurisdiction and shall be referred, on an exclusive basis, to the jurisdiction of the courts of the place where the Supplier has its registered office.

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

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ANNEX A) - SUPPLY TOLERANCES, PRODUCT QUALITY AND PPM

Tolerances on the numerical capacity of packages

The following limiting deviations are permitted on the number of pieces declared on the packs:

- For packages with less than 100 pieces:
 - 0 for fasteners with $d > 12$ mm;
 - $\pm 1\%$ for fasteners with $d < 12$ mm.
- For packages with 100 pieces and more:
 - $\pm 1\%$ for fasteners with $d > 12$ mm;
 - $\pm 2\%$ for fasteners with $d < 12$ mm.

Tolerances on requested quantity

For unified fasteners, the quantity supplied shall be equal to the quantity required, less the tolerance on individual packages and rounding off that may be necessary if the quantity required is not equal to, or an integer multiple of, the numerical capacity of the packages.

For non-unified bolts, the quantity supplied must be equal to that requested with the tolerance, unless otherwise agreed upon at the time of ordering, 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%
More than 100.000	+2%	-2%

Product Quality and PPM

"Specialinsert®'s production process may occasionally present manufacturing defects, with an estimated defect rate of around 1% per delivered batch. If the customer requires a higher quality guarantee with a lower defect rate, Specialinsert® offers an optical selection service. However, it is important to note that a zero-defect rate (PPM = 0) cannot be guaranteed."

GENERAL CONDITIONS FOR THE SUPPLY OF PRODUCTS AND SERVICES IN THE FIELD OF MECHANICAL FASTENERS rev.21/01/2025

These General Terms and Conditions are in line with the document approved by UPIVEB - the Italian Association of Fastener Manufacturers.

By submitting our order, we declare that we are aware of and fully accept Specialinsert® General Terms and Conditions for the supply of products and services in the mechanical fasteners sector.

Date: _____

[Customer Signature] _____

We also expressly and specifically accept the following clauses of Specialinsert® General Terms and Conditions for the supply of products and services in the mechanical fasteners sector:

- 10.3 (Guarantee against counterfeiting)
- 11.1 (Delivery times for Products and Services)
- 11.4 (Verification of quantity and type of Products delivered)
- 11.6 (Complaints concerning Product defects)
- 12.2 (Modification of the prices of the Products and/or Services)
- 13.3 (Changes in the Customer's financial or corporate situation)
- 14.1 (Supplier's Liability)
- 14.2 (Limits of liability)
- 15 (Force majeure)
- 20 (Applicable law, jurisdiction and competent Court)

Date: _____

[Customer Signature] _____