

General Terms of Purchase of Satisloh Italy Srl

1. General Principles

The following General Terms of Purchase are the only rules governing purchase orders issued or supply contracts entered into by Satisloh Italy Srl (hereinafter "Satisloh") with suppliers of the ordered goods and services (the "Supplier"). The validity of any changes and additions, as well as any terms and conditions of sale of the Supplier differing in whole or in part from these General Terms of Purchase, is subject to specific written acceptance by Satisloh. The acceptance or payment of goods or services rendered by the Supplier shall not constitute a legally binding contract between Satisloh and the Supplier.

2. Orders and their Changes

- 2.1 Purchase orders of Satisloh, supply contracts and calls for delivery or supply based on framework agreements between Satisloh and Supplier (hereinafter collectively "Orders") as well as amendments or additions to the same shall be made in writing.
- 2.2 The validity of any verbal agreements, including amendments and additions to these General Terms of Purchase is subject to written confirmation by Satisloh.
- 2.3 Communications received by fax or by electronic means shall also be considered as written confirmations.
- 2.4 Any quotation will be binding and will not give rise to any compensation of any kind in favor of the Supplier, unless otherwise explicitly agreed between the Supplier and Satisloh (collectively, the "Parties").
- 2.5 If the Supplier does not accept the Order in writing within two (2) calendar weeks from date of its receipt, Satisloh shall have the right to cancel the Order without any legal or financial consequences on account of Satisloh.
- 2.6 Requests for delivery and/or supply by Satisloh which refer to existing framework contracts shall be binding on the Supplier unless rejected by the latter within two (2) working days from date of receipt.
- 2.7 Where existing, agreements between Satisloh and Supplier on quality, safety and occupational health, environmental protection and social responsibility and the specifications for the delivery and packaging of Satisloh form an integral part of the Order.

3. Delivery of the Goods / Provision of Services

- 3.1 Satisloh is not obliged to accept deliveries or supplies that are not in compliance with the specifications indicated in the respective Order; however, Satisloh may - in its sole discretion and subject to prior written notification by Supplier - decide to accept such delivery.
- 3.2 The date of receipt of the goods by Satisloh at the agreed delivery address is the relevant date for observance of the dates and periods stipulated in the Order. Except in case of "Ex Works" (DAP or DDP Incoterms 2010) as agreed delivery term, the Supplier shall promptly make available the goods, taking into account the time for loading and transport to be agreed with the shipper.
- 3.3 If the Supplier is responsible for the installation or commissioning and unless otherwise agreed, all indirect costs and related expenses such as travel and transportation, provision of tools and refund expenses will be borne by the Supplier.

- 3.4 If the Supplier is in delay with delivery or delivers the goods to places and persons other than those indicated in the Order of Satisloh, the latter may refuse to accept the delivery and may require full compensation for damage. In contrary to the presumption set forth in the second paragraph of Art.1510 cod. civ., the Supplier shall not be released from his obligation of putting the goods for delivery to the carrier or shipper. The Supplier shall give immediate notice to the purchasing department of Satisloh, explaining anticipated difficulties that could hinder his ability to deliver or supply the goods or services promptly and with the required quality. However, this does not relieve Supplier from his liability for default.
- 3.5 The unconditional and subsequent acceptance of a delivery of goods or provision of services will not be construed as and cannot in any way be understood and treated as a waiver by Satisloh from its right for compensation for damages resulting from Supplier's delay or default.
- 3.6 Normally, deliveries or partial deliveries are not permitted unless expressly agreed by Satisloh.
- 3.7 For the purpose of any complaints, Satisloh shall determine and record the quantities, weights and dimensions of the delivered goods during the acceptance of the goods.
- 3.8 It is understood that Satisloh shall have the right to use the software and related documentation relevant to the purchased goods/ services provided, according to the characteristics of the service agreed and within the limits set by law for the use of the software.
- 3.9 Satisloh shall be entitled to use the software, including its documentation, with the agreed quality and to use the goods/ services to the extent necessary and in accordance with the relevant Order. Satisloh shall also be entitled to duplicate a backup copy without express permission of the Supplier.
- 3.10 In any case, the Supplier, simultaneously with the supply of the goods/ services, must deliver to Satisloh all documentation necessary and appropriate to its intended use (such as instruction manuals and operation, installation and assembly of those and guarantee certificates).
- 3.11 Principally, the Supplier shall provide the services through its own business. The Supplier may subcontract the provision of services to third parties (hereinafter the "Subcontractor") only with the prior written consent of Satisloh. In case of subcontracting, the Supplier shall remain responsible for all acts of the Subcontractor as if they had been carried out by the Supplier himself. In the event that Supplier requires subcontracting of the services to third parties, the Supplier to the term stipulated in this Art. 3.11 and for the purposes of Art .1381 cod. civ., these General Terms of Purchase shall be incorporated in the relevant underlying contracts.
- 3.12 Performance standards desired by Satisloh, configurations and purposes specified by Satisloh, do not exempt the Supplier from its obligation to provide solutions that are technically free of defects and cost-efficient. The Supplier shall promptly inform Satisloh if performance standards, configurations or the purposes set out above is in conflict with such a solution, or if changes or improvements in the subject or the scope of performance are necessary or appropriate for other reasons. Additional services or modifications carried out without the prior written permission of Satisloh cannot be invoked as the basis of claims by the Supplier.

- 3.13 Satisloh must be informed immediately should industrial or intellectual property rights of third parties be necessary for the execution of the Order, even if there is a risk only.
- 3.14 The services must be performed in accordance with the object and purpose of the contract performance; foregoing also applies to documents relating to the specifications. The Supplier shall comply with the current state of science and art, the applicable regulations, directives of consumer associations, safety practices and measures, including the safety of Satisloh.
- 3.15 In carrying out the Order, the Supplier undertakes to respect the interests of Satisloh by adopting and putting in place all the measures entrusted to his discretion (for example, the choice of materials, accessories or spare parts) only on the basis of a physical examination.
- 3.16 Unless otherwise stipulated in the contract, the property rights of drawings, descriptions, calculations or the like ("the Work results") executed by the Supplier or by Subcontractor shall be transferred to Satisloh at the time of their realization free of charge. By acceptance of an Order, the Supplier acknowledges and agrees that the compensation for any Work results of Supplier or of the Subcontractors are fully covered and satisfied by payment of the agreed purchase price to Supplier. All the above mentioned Work results shall be delivered to Satisloh in the original. The documents made available by Satisloh shall be carefully preserved and kept in a safe place. These documents and others as models, drawings, sketches etc. produced or obtained in order to execute the Order shall remain under the property of Satisloh and shall be returned to Satisloh no later than the completion of the Order. Satisloh reserves all rights to the documents made available, even if such documents concern patents. Any retention right of the Supplier is hereby excluded.
- 3.17 Where the Supplier has been informed of the purpose of the services to be rendered to Satisloh, the Supplier will ensure compliance with the stated aim of such services. Any inspections or approvals of parts of the service, will not affect the obligation of the Supplier to perform the services and provide a guarantee for the same. Utilization or payment of the services rendered by Supplier shall not be construed as full acceptance of the service. In fact the acceptance of the service requires explicit approval of the service by Satisloh.
- 3.18 Satisloh can use and exploit at its discretion, free from any right or claim of a third party, all Work results obtained in the performance of services, including inventions and rights of use and exploitation according to the Code of Industrial Property applicable, from the moment of their conception and their implementation, without any compensation to the Supplier or to the Subcontractor.
- 3.19 Any inventions made by the Supplier in the course of the assignment, whether or not patentable, will be the exclusive property of Satisloh without any compensation payment to the Supplier. The Supplier will adopt appropriate measures for the immediate transfer to Satisloh of any inventions made by the Supplier in the course of the assignment, unless otherwise provided for in the purchase contract.

4. Force Majeure

In case of an event or condition, not existing as of the date of the Order and not reasonably within the control Satisloh which prevents in whole or in material part the performance by Satisloh of its obligations hereunder, such as labor disputes involving Trade Union, disruptions outside the control of Satisloh, riots, government measures and other unavoidable events including without limitation riots, civil or military disturbances, war, terrorist attacks, strikes, lockouts, epidemics, fire, flood, hurricane, typhoon, earthquake, lightning, and explosion (hereinafter Force Majeure Event), Satisloh is free from the obligation to accept the goods and / or services, throughout the entire term of the respective Force Majeure event. During such Force Majeure Event, and for two (2) weeks thereafter, Satisloh shall be entitled - without prejudice to any other right of Satisloh - to withdraw all or part of the supply.

5. Notice of Shipment and Invoice

Details included in Satisloh Orders and/or the specific requests for delivery take precedence over the rules set forth in the framework agreement for supply. The bill containing the invoice

number and other specifications must be sent in a copy to the address indicated on the Order and must not accompany the goods.

6. Price and Transfer of Risk

- 6.1 Unless otherwise agreed, pricing is made on basis of "Delivery at Place of Destination" (DAP Incoterms 2010) and include packaging. The value added tax (VAT) is excluded. The Supplier shall bear all risks of loss or damage of the goods until receipt of the goods by Satisloh, or by a representative of the same, at the place of delivery as agreed in the respective Order.
- 6.2 The amount paid for the goods and/or services to be supplied will be agreed separately in each Order. The agreed prices cannot be changed, unless otherwise agreed explicitly and in writing in particular cases. Where in an Order the compensation has not been provided at a fixed price, but according to the expenses incurred and proven, the Supplier guarantees to maintain total costs below total approved budget or in line with the initial offer. Additional costs will be recognized by Satisloh then only if approved in advance in writing and substantiated.

7. Payment Terms

Payment terms reported in the Satisloh Order shall apply to the purchase of goods or service from Supplier. Payment is subject to the control of the invoice.

8. Claims for Defects

- 8.1 The acceptance of goods and/or services is subject to and conditional upon inspection and/or control by Satisloh in order to verify the absence of faults and defects, completeness and regularity of supply. Satisloh shall give notice of any defect without undue delay from the time of its discovery. In this regard, the Supplier waives any objection regarding the delay in the notification of defects.
- 8.2 The goods and services provided by the Supplier and/or third parties are guaranteed for defects and malfunctions, and are therefore covered by the guarantee for defects under Art. 1490 cod. civ. and yet by all, without exception, the guarantees provided for by Italian law in relation to the specific characteristics of the supply contract and the service provided. In this regard, the Parties acknowledge that, pursuant to the first paragraph of Art. 1495 cod. civ., the deadline for Satisloh to report such defects is forty-five working days of their discovery, and greater determination unless otherwise provided for by Italian law and in any event the Supplier irrevocably renounces to plead any delay of Satisloh in the complaint of defects.
- 8.3 In principle, Satisloh has the right to choose the kind of ancillary service. The Supplier may refuse this type of additional service chosen by Satisloh only if the additional service requires huge costs.
- 8.4 If the Supplier does not proceed immediately to take appropriate actions with regard to defects notified by Satisloh, in urgent cases, and in particular to avoid imminent risk or prevent further damage, Satisloh is authorized to perform directly or have performed through third parties any appropriate correction of the defect charging the costs incurred to the Supplier.
- 8.5 Where the Supplier provides Satisloh with goods or services to which the Supplier does not have the full ownership, the Supplier shall indemnify Satisloh to the fullest extent for any third party claims and provide full warranty against eviction and claims.
- 8.6 Notwithstanding the provisions set forth in the third paragraph of Art. 1495 cod. civ., the Parties agree that the limitation period for claims for defects is 3 (three) years, except in cases of fraudulent misrepresentation by Supplier. The limitation period of three years shall also be valid in case application of the provisions set forth in article 1497 of Civil Code.
- 8.7 If the Supplier fulfill its obligation for defective products by providing a replacement product, the limitation period for claims will be recalculated as from the date of the new delivery, unless the Supplier demonstrates explicitly and properly that the replacement delivery was performed for pure demonstration of good will, in order to avoid disputes or in the interest of the continuation of the supply relationship.

- 8.8 Any expenses incurred by Satisloh in consequence of defective delivery of the goods, in particular transport costs, shipping, processing, labor, assembly and disassembly, materials, or costs for inspections and audits shall be borne by the Supplier.
- 8.9 The Parties agree that if Satisloh object against the services or goods received, for any cause and reason, Satisloh is authorized to suspend the payment until regularity and validity of the complaints are proved in court judgment as "res judicata". For this reason, the Supplier shall not take any action against Satisloh to recover the receivable. Furthermore, no interests will be charged on the outstanding balance, including the legal ones regulated by D. Decree 231/2002 as subsequently amended and updated.
- 8.10 Satisloh is entitled to offset the indemnification claims against Supplier for damages suffered by Satisloh against the amounts due to the Supplier for the goods and services delivered to Satisloh.
- 8.11 Any payment made to the Supplier for the supply of goods or services will not affect in any way the right of Satisloh to challenge it and claim against the Supplier for all damages suffered, without exceptions.

9. Product Liability and Recall

- 9.1 In the event that a legal action for product liability is exercised against Satisloh, the Supplier is obliged to indemnify and hold harmless Satisloh from such claims if and to the extent that the damage is caused by a defect of the product supplied by the Supplier. In the case of liability arising from non-performance, Supplier's obligation to indemnify Satisloh shall only apply if the Supplier is in default. In the event that the cause of the damage falls within the responsibility of the Supplier, the burden of proof to that extent is on the Supplier.
- 9.2 In the cases referred to in paragraph 9.1 herein above, the Supplier shall bear all costs and expenses, including all court and lawyers fees connected to any legal action. In all other cases, the provisions of applicable laws shall apply.
- 9.3 Before taking any action for product recall due in whole or in part to a defect of the product supplied by the Supplier, Satisloh will communicate to Supplier and offer the opportunity to collaborate and discuss with the Supplier about procedures for conducting the recall action more efficiently, unless the occurrence of particular urgency would not allow any communication or collaboration. The costs of the recall shall be borne by the Supplier in case it is attributed to a defect of the product supplied by the Supplier.

10. Rights of Withdrawal and Cancellation

- 10.1 In addition to the rights of withdrawal and termination provided by law, Satisloh has the right to withdraw from the Order or terminate the contract with immediate effect if one of the following cases occurs:
- the Supplier has blocked the supply to its customers
 - the financial conditions of Supplier or Supplier's financial result or risk being seriously or have deteriorated substantially, thus undermining the supply commitment towards Satisloh
 - the Supplier becomes insolvent or is in a situation of over-indebtedness, or stops his payments.
- 10.2 Satisloh also reserves the right to withdraw or terminate the Order if the Supplier files a petition of bankruptcy, or other insolvency proceedings or debt restructuring involving the assets of the Supplier.
- 10.3 In the event that the Supplier performs only partial delivery, Satisloh has the right to cancel the entire Order, if it is not interested in a partial performance.
- 10.4 If Satisloh cancels or terminates the Order for the supply by virtue of the rights of withdrawal and termination referred to in the preceding paragraphs, the Supplier shall compensate Satisloh for any loss or damage suffered by Satisloh as a result of such withdrawal or termination.

11 Conduct of Works

Supplier's employees who are in charge of the execution of an Order and performs jobs in a factory or office of Satisloh shall comply with the relevant labor regulations. Without prejudice to the application of Art. 1229 cod. civ. Satisloh is not liable for any accidents that may occur to such persons in plants or branches of Satisloh.

12 Supply of Materials

Materials, components, containers and special packaging provided by Satisloh remain Satisloh property. They can be used only in accordance with their intended use. Material processing and assembly of the components are executed on behalf of Satisloh. The Supplier undertakes to treat Satisloh products with reasonable care.

13 Confidentiality and Privacy

- 13.1 As used in this General Terms of Purchase, the term "Confidential Information" means any technical, scientific, financial, commercial and/or business information of a confidential and proprietary nature which Satisloh discloses to the Supplier pursuant to an Order in writing, is embodied in samples provided to Supplier or is disclosed orally, visually, or in any other intangible form (including data that can be derived from such objects, documents, and software or any other information or experience), as well as the Work Results achieved under the Order, except information which is already in public domain. Confidential Information shall also include, without limitation, any and all information relating to products, process, equipment, materials and coatings, software and more generally all data, samples, prototypes, drawings, plans, methods, designs, procedures, projects, scientific records, know-how, specifications, and technical knowledge.

Confidential Information shall be made available only at the premises of the Supplier and only to its employees who need to know such information for the purposes of performing the supplies to be delivered to Satisloh and who are or shall be bound by the same rules of confidentiality as those contained in this General Terms of Purchase.

Confidential Information is proprietary business information of great economic value to Satisloh and exclusive property of Satisloh. Supplier may not duplicate, disclose or make commercial use of Confidential Information - except for deliveries to Satisloh - without prior written permission of Satisloh. At the request of Satisloh, all information disclosed by Satisloh (including copies or recordings, if any), as well as goods and tools given by Satisloh to Supplier for use shall immediately be returned or demonstrably destroyed. Satisloh reserves all rights to such information (including patent and other intellectual property rights) and does not grant or confer to the Supplier, whether expressly or implicitly, any patent right or any other intellectual property right of Satisloh existing prior to or coming into existence after the entry into effect of this General Terms of Purchase or in the respective Order. This reserve shall also apply to information lawfully provided from third parties.

- 13.2 The goods made on the basis of documentation such as drawings, models and the like, prepared by Satisloh or based on Confidential Information received from Satisloh, as well as goods made with Satisloh tools or tools modeled on them, may not be used by the Supplier outside of an Order of Satisloh, or offered or sold to third parties.
- 13.3 The services rendered by the Supplier to Satisloh, or parts or elements thereof, may not be provided to third parties in the same way for two years after their execution, except if the technology on which they are based does not belong to the state of art and knowledge.
- 13.4 With regard to the technical and commercial information received from Satisloh for the execution of the works and services, Suppliers confidentiality undertaking continues even after the execution and conclusion of the Order as long as and to the extent that such information does not become public knowledge for reasons not attributable to the Supplier, or in case Satisloh releases Supplier from his obligation of confidentiality set forth in these General Terms of Purchase in writing.

14 Controls on Exports and Customs

The Supplier is obliged to inform Satisloh of any requirements for licenses to export (re-export) of the supplied goods in accordance with Italian law, European or U.S. export control laws and customs rules. Supplier shall inform Satisloh of the legislation on export controls and customs laws in force in the country of origin of the supplied goods. Therefore, at least in the offers, order confirmations and invoices, the Supplier must provide the following information concerning the goods:

- Export list number;
- Country of origin of the Products and its components, including technology and software;
- Tariffs of products (HS Code of Products);
- Contact person within the company, available, on request, to provide further information. Upon request, the Supplier shall provide any additional data on foreign trade in the supplied goods and components thereof in writing and inform Satisloh of any changes made to that data promptly and in any event prior to delivery to Satisloh.

15 Compliance with the Rules and Principles

- 15.1 The Supplier shall comply with the provisions of law regarding the treatment of employees, environmental protection and health and safety in the workplace and work to minimize the negative effects of their activities on people and the environment. In addition, the Supplier shall comply with the principles of the UN Global Compact, in particular those relating to the protection of human rights at the international level, the right to collective bargaining, abolition of forced labor and child labor, the elimination of discriminatory criteria in hiring of personnel, environmental responsibility and the prevention of corruption. For more information about the UN Global Initiative reference is made to: www.unglobalcompact.org.
- 15.2 In the event that the Supplier repeatedly violates or infringes the law despite having been duly forewarned, and is unable to prove that the breach has been remedied to the extent possible and that it has taken the necessary precautions to avoid future violations, Satisloh reserves the right to withdraw or terminate the supply contract without notice.

16 Place of Delivery

The place of supply is the place where the goods are to be delivered or where the service is to be provided according to the Order.

17 Rules of Conduct for Suppliers

- 17.1 The "Rules of Conduct for Suppliers" adopted by Satisloh Italy Srl, available on the website: www.satisloh.com/home/nav/legal/general-terms-of-purchase-SLI form an integral part of these General Terms of Purchase and Supplier shall comply with the said Rules of Conduct for Suppliers when supplying goods or services to Satisloh.
- 17.2 Failure to follow the "Rules of Conduct for Suppliers" is considered as a material breach and reason to terminate the contract for failure to fulfill obligations under Article 1456 Civil Code and legitimate Satisloh to terminate the Order with immediate effect.

18 Miscellaneous

- 18.1 Any amendments to these General Terms of Purchase or to the supply contracts or any side- agreements shall be made in writing. This shall also apply to the requirement of the written form.
- 18.2 If any provision of these Delivery Terms is or becomes invalid or unenforceable in part or in whole, the validity of the remaining provisions shall not be affected thereby and the invalid or unenforceable provision shall be replaced by a valid and enforceable provision which comes closest to the commercial purpose of the invalid or unenforceable provision.
- 18.3 These General Terms of Purchase shall be interpreted in accordance with and governed exclusively by the laws of the Italian Republic, excluding the United Nations Convention on the International Sale of Goods of April 11, 1980.

- 18.4 Exclusive place of venue for any disputes arising out of the contractual relationship between Supplier and Satisloh shall be the Court of Milan, excluding any other alternative court.

Edition December 2013