

GENERAL TERMS AND CONDITIONS

These General Terms and Conditions have been read and approved by the parties to the contract and shall be an integral part of the Order. The contract entered into between the parties, "*Laurini Officine Meccaniche S.r.l.*" as Seller and the Purchaser named in the Order, is supplemented by these General Terms and Conditions by which the parties agree and stipulate as follows.

1. SCOPE OF APPLICATION

These General Terms and Conditions shall apply to all sales of Products, as better defined below, between "*Laurini Officine Meccaniche S.r.l.*", Taxpayer Identification Number and VAT Identification Number 02164990349, with registered office in Busseto (PR), Italy at the hamlet of Spigarolo, no street number, and the Purchaser.

These General Terms and Conditions shall be deemed accepted by the Purchaser with the placing of the Order.

In order to be valid, the general terms and conditions of the Purchaser or any deviations from these Terms and Conditions shall require the express written acceptance of "*Laurini Officine Meccaniche S.r.l.*".

2. DEFINITIONS

In the contract the following terms shall have the meaning set out below:

"**General Terms and Conditions**" or "**Terms and Conditions**" shall mean these Terms and Conditions.

"**Contract**": is the set consisting of the Order, the General Terms and Conditions and of all documents listed therein that are an integral part thereof; any subsequent Change Orders shall also be part of the Contract.

"**Order**": lays down the obligations and rights between the Purchaser and the Seller for the sale of the Seller's Products.

"**Change Order**": is a written change to the Order, issued by the Purchaser and accepted by the Seller under the same procedure as the Order, used to make additions, reductions and changes to the contents of the Order.

"**Purchaser**": means the company and/or firm that issues the Order to the Seller for the purchase of the Products described below.

"**Seller**": means "*Laurini Officine Meccaniche S.r.l.*" as the entity that receives the Order from the Purchaser for the sale of the Products described in the Contract.

"**Product**": means the Products (semi-finished and/or finished products and/or services) ordered from the Seller and described in the Contract, to be supplied by the Seller under the Order.

"**Headquarters**": means the place where "*Laurini Officine Meccaniche S.r.l.*" permanently carries out its business operations, located in 43011 Busseto (PR), Italy, at the hamlet of Spigarolo with no street number.

"**Technical Specification**": means the Product's technical, constructional, functional, aesthetic, quality and safety characteristics and it is an integral part of the relationship for the sale and purchase of the Product, along with the General Terms and Conditions and the Order.

"**Latent defects**" are those defects and faults of which the Purchaser was not only unaware at the time of delivery, but could not even have detected using ordinary diligence.

3. CONTRACT FORMATION

The placing of any Order by the Purchaser shall be evidence of full and unconditional acceptance of these General Terms and Conditions, which may only be waived in writing by the Parties, and, even then, these General Terms and Conditions shall continue to apply as to all their parts not expressly waived.

Any general terms and conditions of the Purchaser shall not apply, even partially, unless they are expressly accepted in writing by the Seller. The same shall apply to any annexes to these General Terms and Conditions or to the Orders that originate from the Purchaser and that contain provisions concerning:

- (i) Warranties, performance, use of the Product and/or
- (ii) Terms of the Seller's liability other than those contained herein and/or
- (iii) Any change to the Seller's rights as set out herein.

Should the Seller start to perform the Contract in the absence of specific written acceptance of any contractual terms and conditions that have been proposed by the Purchaser and differ from those contained in the Seller's proposal shall not imply that the Seller will comply with them. If the Seller performs any Orders placed by Purchaser prior to the signing of these General Terms and Conditions, these General Terms and Conditions shall apply immediately if they are published on the *website* of "*Laurini Officine Meccaniche S.r.l.*" or if they are notified in writing to the Purchaser and the Purchaser does not oppose them and/or does not request any modification to them prior to the placing of the first Order.

4. CONTRACT MODIFICATIONS

Any modifications to the Contract, proposed by the Purchaser, shall cause the Contract to be modified only if they are accepted in writing by the Seller.

5. SUBJECT-MATTER AND SCOPE OF THE CONTRACT

5.1 ORDER

These General Terms and Conditions shall govern the relationship between the Seller and the Purchaser established each time through an Order.

The Order shall concern the Seller's Products, it being understood that the Seller reserves the right not to accept orders for products and quantities other than those set out in the original Order.

5.2 TECHNICAL SPECIFICATION

The Products are described in the Technical Specification, which means the Product's technical, constructional, functional, aesthetic, quality and safety characteristics and it is an integral part of the relationship for the sale and purchase of the Product, along with the General Terms and Conditions and the Order.

It is understood that, if the Parties (i) intend to prepare the Technical Specification only at the time of issuing the first Order or (ii) intend by mutual agreement to change its contents due to any changes in the Products during the execution of individual Orders, the Technical Specification shall be attached to the first Order or to subsequent Orders respectively, in any case without prejudice to these General Terms and Conditions.

Any changes or modifications to the Technical Specification shall be agreed upon in writing and beforehand by and between the parties.

The Technical Specification shall set out the tolerance margins, by way of example but not limited to in terms of quality, weight, etc., agreed upon.

In any case, it is understood that, if the Technical Specification has been prepared by the Purchaser, then the Purchaser shall be fully responsible for the technical, constructional, functional, aesthetic, quality and safety characteristics of the Product.

5.3 NON-BINDING DATA

Weights, sizes, capacities, prices, yields and other data in catalogues, brochures, circulars, illustrations and price lists are approximate indications. Therefore, these data shall only be binding to the extent that they are expressly provided for in the Contract.

6. DELIVERY

6.1 INCOTERMS

Any reference made to trade terms (such as "DAP", "DAT", "EXW", etc.) shall be deemed as reference to the latest version of the Incoterms of the International Chamber of Commerce.

6.2 DELIVERY TERMS

Unless otherwise agreed in each Order, the delivery term stated in each Order shall run from the later of the following dates:

- (i) The Contract finalization date, following acceptance of the Order by the Seller;
- (ii) The date of receipt by the Seller of any payment on account as agreed between the parties prior to delivery of the Products.

Upon expiration of the delivery term, the Seller shall be entitled to a reasonable "grace period" commencing at the end of the contractual term and better indicated in each Order or in any case, if not indicated, to be deemed of no less than 30 (thirty) days, without the expiration of which the Seller shall not be held liable for the delay.

If delivery is delayed due to any of the circumstances provided for in Article 11 below, or due to an act and/or omission of the Purchaser, an extension of the delivery period shall be granted in order to reasonably take into account all relevant circumstances.

In the event of delay in delivery attributable to the Seller after the expiry of the "grace period", the Purchaser may claim, after sending formal demand to comply in writing to the Seller, compensation for the actual damage proved by the Purchaser, up to a maximum limit of 10% (ten per cent) of the price of the Products delivered late.

If the Purchaser fails to collect the Products at the place and time stipulated in the Contract and/or Order for any reason not attributable to the Seller, the Purchaser shall nevertheless make all contractually agreed payments as if the Products had been delivered. In this case, the Seller shall store the Products at the Purchaser's expense and risk. The Seller shall also be entitled to reimbursement of all justified expenses it incurs in the performance of the Contract, such as, by way of example and not limited to, storage expenses, including those not covered by payments received, without prejudice to any other action against the Purchaser for failure to collect the Products.

6.3 SHIPPING DOCUMENTS

Unless otherwise agreed, the Seller shall determine the route and means of transport, and shall choose the forwarding agents and carriers.

Unless otherwise agreed, the documents relating to the delivery, marking, packaging, identification, collection, shipment, transport and return of the Products shall be prepared by the Seller on the basis of its logistical procedures.

7. TRANSFER OF RISK - TRANSFER OF OWNERSHIP

7.1 TRANSFER OF RISK

Unless otherwise agreed between the parties, all the risks concerning the Products shall be transferred to the Purchaser upon arrival of the Products at the agreed place of delivery and from the moment the Purchaser is obliged to take delivery of the Products in accordance with the applicable Incoterms.

The Seller shall in no event be held liable for loss of or damage to the Products occurring after the transfer of risk. The Purchaser shall in no case be released from the obligation to pay the price when the loss of or damage to the Products occurs after the transfer of risk.

7.2 TRANSFER OF OWNERSHIP

The transfer of ownership of the Products to the Purchaser shall occur exclusively against full payment of the price of the Products.

7.3 RETENTION OF TITLE

In case of deferred payments, the Products shall remain the property of the Seller until full payment of the price.

The Purchaser undertakes to take the necessary steps to establish valid retention of title or to put in place a similar form of security in favour of the Seller.

The Purchaser also undertakes to cooperate with the Seller in deploying the necessary measures for the protection of the Seller's ownership right. The Seller shall be authorized to carry out any formal procedure as necessary to make the retention of title enforceable against third parties.

8. PRICES – PAYMENT

8.1 PRICES

The prices applied for the sale of the Products shall be stated in the Order.

The prices of the Products may be revised having regard to the following factors:

- (i) in the event of any change in the Seller's costs for the purchase of raw materials, components and for production, with the consequence that the Seller may demand the full price difference as published periodically in *Il Sole 24 Ore*;
- (ii) Volumes of the Products ordered by the Purchaser.

8.2 PAYMENT TERMS AND CONDITIONS

If the parties have agreed that payment is to be made after the delivery date, payment shall be made, unless otherwise specified, within 30 (thirty) days of the invoice date, by *ricevuta bancaria* (Electronic Bank Receipt, i.e. a collection order sent by the payee's bank). Payment shall be deemed to have been made when the related amount is available to the Seller at its bank in Italy.

Where the parties have agreed on payment before delivery without further specification, payment shall be presumed to relate to the entire price. Unless otherwise agreed, payment before delivery shall be credited to the Seller's current account at least 30 (thirty) days prior to the agreed delivery date.

If the parties have agreed on payment by documentary credit, the Purchaser shall, unless otherwise agreed, ensure that an irrevocable documentary credit is notified to the Seller upon the Order confirmation. The documentary credit shall be confirmed by an Italian bank the Seller approves of and shall be payable at sight.

Where the parties have agreed on payment against documents, payment shall take place, unless otherwise agreed, in accordance with the Documents Against Payment term.

Unless otherwise agreed, any bank expenses or fees due in connection with the payment shall be borne by the Purchaser.

8.3 DEFAULT INTEREST

If payment is late, i.e., made after the agreed date, the Seller shall be entitled to charge the Purchaser default interest for late payment at the rate set forth in Directive 2000/35/EC, transposed into the Italian law by Italian Legislative Decree No. 231 of 9 October 2002. Interest shall apply from the payment due date until the date of actual payment. The right of the Seller to take action against the Purchaser claiming compensation for any further damage shall, however, remain unaffected.

CONSEQUENCES OF LATE OR NON-PAYMENT

Late or non-payment shall mean that:

- (i) The Seller may suspend the execution of the Order underway and refuse to accept new Orders until the outstanding invoices have been paid in full;
- (ii) After sending a written reminder for payment within the subsequent term of 15 (fifteen) days, the Seller may demand immediate payment of the entire amount due by the Purchaser and referred to in the invoices still unpaid, by operation of the acceleration clause regardless of their due date;
- (iii) After sending a written reminder for payment within the subsequent period of 30 (thirty) days, the Seller may terminate all existing contracts with the Purchaser. Such termination shall take effect on all Orders that have not yet been paid for, whether or not the relevant Products have been delivered, regardless of their delivery date.

Should it become apparent that the fulfilment of the Purchaser's contractual obligations is at risk due to financial difficulties (specifically, in the event of cessation of payments, application for insolvency procedures, foreclosure or execution, protest of cheques or bills of exchange and revocation of loans, revocation of credit facilities by credit insurers, both in the relationships between the parties and in relationships with third parties), the Seller may, at its own discretion, demand payment of unpaid invoices and/or suspend the supply of Products until advance payment is made by the Purchaser or a payment guarantee is issued in such form as the Seller deems appropriate.

8.4 OFFSETTING - SUSPENSION OF PAYMENTS

The Purchaser may not offset any claims, even by way of compensation, on payments due to the Seller, unless authorized to do so in writing by the Seller.

If the Seller authorizes the Purchaser to offset any claims on payments due, the maximum amount that the Purchaser may offset as compensation in the event of damage resulting from a defect or non-conformity of the Product shall be equal to the price of the defective or non-conforming Product.

Any objection raised by the Purchaser shall in no event suspend or delay the Purchaser's obligation to pay the outstanding amounts on their due dates, nor its obligations under the contract, with express waiver of exceptions of any kind.

8.5 PAYMENT GUARANTEES

If it has been agreed that the payment shall be backed by a bank guarantee, the Purchaser shall provide the Seller upon Order confirmation with a first-demand bank guarantee, issued by a leading Italian bank and payable upon simple statement by the Seller that the Seller has not received payment within the agreed terms.

The Parties may agree on specific payment guarantees in favour of the Seller (issuance of surety with a leading credit or insurance institution; registration of a mortgage in favour of the Seller on immovable property or machinery). These guarantees shall be agreed on by signing a separate deed.

If the Purchaser or its guarantors, if any, fail to provide the guarantees in accordance with the agreed terms and forms, the Seller may suspend performance of its obligations, without the Purchaser having any claim. After another 30 (thirty) days have elapsed from the end of the term for guarantee issuance, the Seller may terminate the Contract.

9. FINAL TEST

Products are carefully checked by '*Laurini Officine Meccaniche S.r.l.*' during the manufacturing phase. The final test shall be carried out at '*Laurini Officine Meccaniche S.r.l.*' if not otherwise agreed and shall consist in verifying that the specifications requested by the Purchaser are met. The final test shall be carried out within 20 (twenty) days after the Seller notifies the Purchaser that the goods are ready for testing. The Purchaser shall be notified of the final test date in order to be able to participate.

The final test shall be carried out in accordance with the conditions for the Product final test procedure and end with the preparation of a final test report.

In any case, the final test shall be deemed to have been successfully carried out, resulting in acceptance of the Products by the Purchaser if:

- a) The Purchaser is present at the final test, in case of no specific objection in writing in the final test report of any essential defects affecting the system and/or the Product, during or immediately after the final test or commissioning;
- b) The Purchaser represents that it does not wish to attend the final test or does not attend it;
- c) The Purchaser proceeds to the commissioning of the Products without reservation;
- d) The Purchaser does not permit the commissioning to take place within 30 (thirty) days after completion of the assembly or installation of the Product.

In the case of minor defects, especially when these do not considerably impair the performance of the Products, the Purchaser may not refuse acceptance and signing of the final test report. Such defects shall be remedied by '*Laurini Officine Meccaniche S.r.l.*' within an appropriate term. The Purchaser shall be obliged to notify the Seller in writing of any defects that cannot be found within the final test as soon as they are detected, otherwise they shall be deemed accepted. '*Laurini Officine Meccaniche S.r.l.*' shall not be liable for defects that are reported at the end of the warranty period referred to in Article 10 below and, in any case, within 8 (eight) days of their discovery.

The Purchaser undertakes not to use the goods without the written consent of '*Laurini Officine Meccaniche S.r.l.*' prior to the signing of the final test report.

If the final test fails, the Seller shall, within a reasonable period of time, remedy the defects resulting from the final test report. The final test shall be repeated with the same methods and with the same consequences as the final test first run in a reasonable time. Any repetition of the final test shall only verify the specific defect resulting from the previous final test report. In any case, the Purchaser shall not be entitled to claim the existence of defects beyond the scope of the final test second run. For any final tests or inspections following the second one, the same methods as set out above shall apply but with the narrower scope resulting from the previous final test report.

10. CHECKS, CERTIFICATIONS AND WARRANTY ON PRODUCTS

10.1 CHECKS AND RETURNS

Immediately upon receipt of the Products, the Purchaser shall examine the packaging for any signs of damage or tampering in the packaging. If the Purchaser discovers any damage or tampering, the Purchaser shall notify the carrier immediately of it and shall state it on the delivery note. Generic wordings such as '*damaged packaging*' or '*accepted with reservation*' without specifying the type of damage and the number of damaged packages shall not be sufficient. Any acceptance with reservation of Products giving no reasons or with ungrounded reasons shall not be effective.

As soon as the Products have arrived at the place of delivery, the Purchaser shall check the Products and the transport documents. The Purchaser shall, within 2 (two) days of receipt, notify the Seller in writing of any missing or damaged Products, loss in transit or errors in documentation. After the end of this period, the Products shall be deemed to have been fully and unconditionally accepted by the Purchaser.

The prior express consent of the Seller shall be essential in order for any Products to be returned. Any Products returned without the aforementioned authorization shall be deemed accepted by the Purchaser.

If the Seller authorizes the return of damaged Products for repair or replacement, the Purchaser shall, unless otherwise agreed, bear the related transport costs and risk.

The return to the Purchaser of repaired or replaced Products shall, unless otherwise agreed, take place at the Seller's expense and risk.

10.2 CERTIFICATIONS

At the Purchaser's request, the Seller shall give the Purchaser the quality certificates set forth in the Technical Specification or other documents certifying the conformity of the Products with the respective indications of the Technical Specification.

10.3 WARRANTY

The Seller warrants that all Products shall be compliant and conforming with the Technical Specifications and certifications issued (within the tolerances stated in the Technical Specifications or contractually agreed or provided for in accordance with international standards) for a period of twelve (12) months after delivery of the Products to the Purchaser or for such other shorter period, if any, as may be provided for in international standards.

If a material or manufacturing latent defect is discovered during the warranty term of validity, the Purchaser shall notify the Seller of it by certified e-mail (Italian acronym PEC) within 8 (eight) days of its discovery, under penalty of forfeiture. In the event of timely notification of the defect in accordance with the above terms, the Seller shall perform the following activities during normal business hours and at the Seller's premises and/or at the premises of a dealer of the Seller and/or at another authorized workshop:

- a) Repairing or replacing, at the Seller's discretion, parts and components that the Seller has determined to be defective. In such a case, the parts and components replaced within the warranty terms shall become the property of the Seller;
- b) Replacing any lubricating oil, filters, antifreeze and other service items that the defect has made unusable;
- c) Providing the necessary labour for the remediation of the defect.

Notwithstanding the foregoing, it is understood that the Purchaser shall bear the following:

- i. The costs associated with the transport of the Product;
- ii. All labour costs other than those referred to in (a), (b) and (c) of this Article;
- iii. Travel expenses advanced by the Seller's service engineers;
- iv. Local taxes, if due;
- v. The shipping costs of parts exceeding the standard rate;
- vi. The cost of complaint analysis, unless the defect is attributable to a manufacturing and/or material defect.

The Seller does not warrant the Products' compliance with particular specifications or technical characteristics or their suitability for particular uses (by the Purchaser or any end users) except to the extent that such characteristics have been expressly referred to in the contractual documents.

The Seller's warranty does not cover defects arising from faulty workmanship, maintenance or repair performed by parties other than the Seller or its authorized representatives, from normal wear and tear, or from any use and/or installation that the Seller deems inappropriate. In no event shall the Seller be liable for conformity defects and for faults that have their cause in an event occurring after the transfer of risk.

This warranty shall absorb and replace all warranties or liabilities provided for by law and shall exclude any other liability of the Seller however arising from the Products; in particular, the Purchaser shall not be entitled to make any other claims for damages, price reduction or termination of the contract. After the warranty period has expired, no claims may be enforced against the Seller.

This warranty shall be acknowledged by the Seller exclusively in favour of the Purchaser and shall not operate in favour of third parties, including but not limited to the Purchaser's end customers, unless otherwise agreed upon in writing between the parties.

10.4 COMPLAINTS - REMEDIES

In the event of defects, poor quality or non-conformity of the Products, the Seller shall be obliged, solely at its own option, to repair the Products or to supply replacement Products. It shall also be the Seller's option to obtain that the Purchaser scraps the defective Product *on site*, it being understood that, in this case, the Purchaser shall be given a refund equal to the value of the Product minus the value of the scrap.

Any defects or faults in the delivered Products may not be reported by the Purchaser, during the term of the Seller's warranty, if the Products have already been put into operation by the Purchaser, or incorporated into products, machinery or plants of the Purchaser's final customer.

In order to use the remedies provided for in this Article, the Purchaser shall notify the Seller in writing of defects, poor quality and non-conformity within the statutory term (8 days), specifying the reasons for the complaint.

The Seller reserves the right, at its own discretion, to inspect and verify the Products being complained against. If, at the outcome of its inspection, the Seller does not recognise the defects complained of by the Purchaser, the Seller and the Purchaser shall make every reasonable effort to reach an amicable solution.

Should the parties fail to reach an amicable solution, the dispute shall be settled by an independent expert on the basis of the following procedure:

- (i) The Party that intends to initiate the procedure shall notify the other party in writing, stating the expert it proposes to appoint;
- (ii) Within ten (10) days after receipt of such notification, the other party may accept, by written notification, the proposed expert, in which case the expert shall be appointed;
- (iii) If the proposed expert is not accepted within the aforementioned term of ten (10) days, the expert shall be appointed by the Chamber of Commerce, Industry, Craft Trade and Agriculture of the Emilia Region, upon request of the most diligent Party;
- (iv) The appointed expert shall resolve on the dispute within thirty (30) days of his or her appointment, also stating which party shall bear the expert assessment costs (or how the costs are to be shared between the Parties);
- (v) The expert shall promptly notify the Parties of his or her decision at the same time;
- (vi) The expert's decision shall be binding on the Parties.

The Purchaser shall not repair or replace the disputed Products and shall not have such operations performed by third parties, throughout the duration of the procedure provided for in this Article, unless authorized in writing by the Seller.

11. LIMITATION OF LIABILITY - LIMIT TO DAMAGE

11.1 LIMITATION OF LIABILITY

The Seller shall not be liable for any indirect or consequential damage arising from the Products, including but not limited to loss of profit (direct or indirect), loss of revenue, recall campaigns.

The Purchaser shall not be entitled to make any claim for injury to persons or damage to property other than the Products unless it appears from the circumstances of the case that the Seller has committed gross negligence.

"Gross negligence" shall not include any and all failure to exercise due care or skill, but shall mean an act or omission of the Seller involving failure to take into account those serious consequences, which a conscientious supplier would normally have foreseen as likely to occur, or deliberate disregard of any consequences resulting from such act or omission.

11.2 LIMIT TO DAMAGE

If the Seller is liable to pay damage compensation to the Purchaser, such damage compensation shall not exceed the value of the damage that the Seller could reasonably have foreseen at the time of the Contract finalization.

If the Purchaser claims non-performance of the Contract, the Purchaser shall deploy all necessary measures to mitigate the loss that has occurred. If the Purchaser fails to do the above, the Seller may claim a reduction in damage compensation.

It is understood that any damage compensation due by the Seller to the Purchaser shall not exceed an amount equal to the value of the price of the defective Product.

12. RESPONSIBILITY AND LIABILITY OF THE PURCHASER

The Purchaser shall ensure that the Products comply with the laws of the Country of destination of the Products and shall inform the Seller promptly, and in any case before shipping the Products, of any changes to be made, in which case the Seller shall be free to reject the Order or to charge the Purchaser for the related higher cost.

The Purchaser shall provide the Seller with all documents and data relevant to traceability of its end customers receiving the Products or the final use of the Products.

In any case, it is understood that any liability that may arise from the Products, for events occurring after the transfer of risk to the Purchaser, including any damage to persons or property, shall be borne exclusively by the Purchaser, and the Purchaser shall hold the Seller harmless and also undertakes to appropriately insure any related risk, without any right of recourse against the Seller. The Purchaser hereby gives its consent to be involved in any legal proceedings brought against the Seller by third parties, including the Purchaser's end customers.

13. FORCE MAJEURE

The parties may suspend performance of their contractual obligations when such performance is made impossible or irrationally expensive due to any unforeseeable event beyond their control, e.g. if one or more of the following impediments occurs:

- (a) War (whether declared or not), armed conflict or grave threat thereof (such as, *inter alia*, hostile attack, blockade, military embargo), hostilities, invasion, act of a foreign enemy, extensive military mobilization
- (b) Civil war, revolt, rebellion and revolution, military or usurped power, insurrection, civil riot or disorder, mass violence, act of civil disobedience;
- (c) Any act of terrorism, sabotage or piracy;
- (d) Any measure issued by a competent authority, whether legal or illegal under any law or governmental order, rule, regulation or provision, legal restriction, expropriation, mandatory acquisition, seizure of works, requisition, nationalization, price controls or restrictions or imposition of related duties;
- (e) Force majeure, plague, epidemic, natural disaster, such as, *inter alia*, violent storm, cyclone, typhoon, hurricane, tornado, flood, blizzard, earthquake, volcanic activity, landslide, tidal wave, tsunami, flood, damage or destruction caused by lightning, drought;
- (f) Explosion, fire, destruction of machinery, equipment, factories and any type of installation, prolonged failure of transport, telecommunications or electricity;
- (g) General labour disturbances such as, *inter alia*, boycotts, strikes and lock-outs, protests, occupation of factories and premises.

The party that has lawfully invoked this clause shall be released from the duty to perform its obligations under the Contract from the time when the impediment has resulted in non-performance and, if notification thereof is given in a timely manner, or, if notification thereof is not given in a timely manner, from the time when the other party has received notification of the impediment.

The party that has lawfully invoked this clause shall be released from any liability for damages or any other contractual remedy for breach of Contract.

If the suspension caused by force majeure lasts for more than 6 (six) weeks, either party may terminate the Contract by sending a written notification of termination to the other party within 10 (ten) days.

If the contract is terminated on the basis of Article 13, the allocation of the costs incurred to perform the Contract shall be determined by agreement between the parties.

In case no agreement is reached, the expert appointed to solve the dispute in accordance with the procedure laid down in Article 10 shall determine which of the parties has been unable to perform its obligations and the amount of the expenses to be reimbursed. If the expert finds that both Parties have been prevented from performing their obligations, the expert shall allocate the aforementioned expenses proportionally between the parties in a fair and reasonable manner, having regard to the circumstances of the case.

For the purposes of this article, the term "expenses" means the actual disbursement reasonably incurred after both parties have reduced their losses to the extent possible.

14. KNOW HOW - TRADEMARKS

All technical documentation and know-how, whether patented or not (the "*Confidential Information*"), transmitted by the Seller under the Contract shall be the exclusive property of the Seller and therefore may not be copied, transmitted to third parties or used by the Purchaser and/or third parties in general. The Purchaser undertakes to guard Confidential Information with the utmost care. Confidential Information shall be used by the Purchaser solely for the performance of this Contract and shall not be used for any other purpose.

The execution of an Order shall not give the Purchaser any rights to the Seller's trademarks, distinctive signs, logos and name.

In the event that the Purchaser does not comply with this provision and those laid down by the applicable law having regard to trademarks and copyrights, the Seller shall be entitled to exercise the actions provided for by the law on intellectual and industrial property, as well as by the applicable legislation on unfair competition.

15. TERMINATION - WITHDRAWAL

15.1 TERMINATION

The Seller may terminate the contractual relationship arising from these General Terms and Conditions and each individual Order without the obligation of any prior notice, by simply sending the Purchaser a registered letter with return receipt, certified e-mail or fax, in the following cases:

(i) The Purchaser fails to pay any amounts it owes under the Contract within 15 (fifteen) days of the sending of a formal notice of default by the Seller;

(ii) The Purchaser refuses or fails to take delivery of the Products supplied in accordance with these General Terms and Conditions and the relevant Order;

(iv) Failure of the Purchaser to give payment guarantees in accordance with Article 8.6.

In the event of termination of the contractual relationship under these General Terms and Conditions and the related Order by the Seller on the basis of Article 13, without prejudice to the right to claim damages, the Seller shall be entitled to demand immediate payment of all amounts due by the Purchaser, which shall become immediately payable; it may dispose of all Products at its discretion; it shall be relieved of any further obligation to supply Products to the Purchaser; the Purchaser shall reimburse any related damages or expenses.

15.2 WITHDRAWAL FOR JUST CAUSE

The Seller may withdraw from the contractual relationship arising from these General Terms and Conditions and from each individual Order, by simple written notification to the Purchaser, in the event that:

(i) The Purchaser is declared bankrupt or becomes insolvent or a receiver is appointed for the purpose of protecting creditors or is otherwise subject to any insolvency proceedings;

(ii) The Purchaser goes into liquidation, voluntary or otherwise;

(iii) The Purchaser is acquired by, merged by absorption into or transfers its assets to a competitor of the Seller.

15.3 WITHDRAWAL BY THE SELLER

The Seller may withdraw from the relationship arising from these General Terms and Conditions for any reason whatsoever by written notification to be given 30 (thirty) days in advance. In the event of termination by the Seller, the Seller shall not be required to pay any penalty, indemnity or compensation to the Purchaser, it being understood that the Seller shall in any case be obliged to execute outstanding Orders.

16. PENALTIES FOR WITHDRAWAL

Once the Seller accepts the Contract, it shall no longer be possible to withdraw from it.

Any withdrawal from the Contract by intention or act of the Purchaser shall entail the application of a penalty equal to the price agreed on in the Contract for the supply of the Products increased by 10% (ten per cent), subject to the provisions of Article 15 above.

17. COMPLIANCE CLAUSE: COMMITMENT TO COMPLY WITH THE MODEL UNDER ITALIAN LEGISLATIVE DECREE 231/2001 AND WITH THE CODE OF ETHICS; EXPRESS TERMINATION CLAUSE

The Purchaser is aware that "*Laurini Officine Meccaniche S.r.l.*" has adopted and implements an Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01, along with the related Code of Ethics and Disciplinary System, and represents that it has read them on the Seller's website (<https://www.laurini.com/>) and has understood the contents thereof.

The Purchaser shall abide by the principles of the aforesaid Organisation, Management and Control Model and undertakes to comply with its contents, refraining from any conduct that may give rise to any of the offences referred to in Italian Legislative Decree No. 231/2001, as amended and supplemented.

The Purchaser also undertakes to comply and, where the case, to ensure that its personnel comply with all the principles contained in the aforementioned documents and with the behaviour protocols adopted by "*Laurini Officine Meccaniche S.r.l.*" pursuant to Italian Legislative Decree 231/2001.

Any violation of the rules laid down by the aforementioned documents shall amount to serious contractual default. The Purchaser hereby undertakes to indemnify and hold "*Laurini Officine Meccaniche S.r.l.*" harmless from any penalties or damages that the Seller may incur as a result of the violation of the above-mentioned documents by the Purchaser or any of its personnel and/or employees.

If the Purchaser or any of its personnel and/or employees breaches the rules referred to in the previous point, and if the Purchaser or any of its personnel and/or employees perpetrates any of the offences punished under Italian Legislative Decree 231/2001, "*Laurini Officine Meccaniche S.r.l.*" shall be entitled to terminate this Contract by sending the related notification via registered letter with return receipt or via certified e-mail (Italian acronym PEC). The termination shall have immediate effect as of the date of receipt of the notification. "*Laurini Officine Meccaniche S.r.l.*" shall also be entitled to act claiming compensation for any damages that have been or may be suffered.

18. CONTROLS TO BE PERFORMED BY THE ORGANISMO DI VIGILANZA

The Purchaser undertakes to allow controls to be carried out by the *Organismo di Vigilanza* (Body in charge of the prevention of the offences under Article 6 of Italian Legislative Decree 231/01) of '*Laurini Officine Meccaniche S.r.l.*', subject to agreement as to the related time schedule. The controls shall comply with the applicable labour law and with the applicable legislation on personal data protection.

The Purchaser is aware and accepts that the controls may also be carried out by the relevant corporate functions in the organization of "*Laurini Officine Meccaniche S.r.l.*" or by appointed third party specialists.

The Purchaser undertakes to report any cases of violation of the principles contained in the aforementioned documents to the *Organismo di Vigilanza* of "*Laurini Officine Meccaniche S.r.l.*", in accordance with the procedures laid down in the Code of Ethics and in the Model protocols.

19. APPLICABLE LAW

The Purchase Order shall be governed by and construed to all extents and purposes in accordance with Italian law, except as expressly provided in the Order.

In any case, it is agreed between the parties that all Contracts and Orders to which these General Terms and Conditions apply shall be governed by the Italian law, including, if the Purchaser is not an Italian national, the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980).

20. COURT OF COMPETENT JURISDICTION

The parties expressly agree that any and all disputes that may arise between them in connection with the interpretation and/or performance and/or termination of this Contract and/or of individual Orders shall fall under the exclusive jurisdiction of the Law Courts of Parma, Italy.

21. PERSONAL DATA PROTECTION

With regard to the provisions on the protection of personal data, the parties acknowledge that they reciprocally exchanged the information to data subjects referred to in Italian Law 675/1996, Italian Legislative Decree 196/2003 and Article 13 of Regulation (EU) 2016/679.

Each party gives the other party consent to the processing of its data directly or indirectly, through third parties, in accordance with Italian Law 675/1996, Italian Legislative Decree 196/2003 and Regulation (EU) 2016/679, for the purposes necessary for the management of the Contract.