BOSCA S.p.A. General Terms and Conditions of purchase

**Interpretation of these Terms and Conditions:** BOSCA S.p.A. – 2, Via Luigi Bosca - Canelli (ASTI) is the Buyer. The Supplier is the Company the purchase order is addressed to. Supply is for any kind of material, goods or services being the object of the purchase order. General Terms and Conditions of Purchase (hereinfter GTCP) are the clauses within this document. Special conditions are the clauses specified on BOSCA S.p.A.’s purchase order. The terms and technical specifications are the documents that define the technical-operative requirements of the supply.

**Art. 1. General requirements.** These GTCP Terms are integral part of the purchase order and shall apply as its essential clauses. Only special conditions in each specific order of purchase shall prevail over any GTCP and may provide as derogation to the latter. GTCP and any occurring special condition shall not be modified nor shall any addition be made thereto unless by a written agreement between BOSCA S.p.A. and the supplier. GTCP shall apply to all purchase orders sent by BOSCA S.p.A. to the supplier. In case one or more articles provided for by these GTCP result for any reason ineffective or contrary to mandatory rules of law, the ineffectiveness and the opposition to mandatory rules of law are not extended to the other provisions of these GTCP.

**Art. 2. Acceptance of General Terms and Conditions of Purchase and of purchase order.** The supplier formalizes the acceptance of the GTCP and of the purchase order by returning a copy of the purchase order duly stamped and signed for acceptance and/or by sending order confirmation on the company letterhead. Should the supplier not return the purchase order duly signed, within seven (7) days after its reception, BOSCA S.p.A. shall reserve the right to cancel
the purchase order at any moment. The started execution of the purchase order by the supplier acts as full acceptance of such order here included the reference documents (GTCP, technical specification etc.). GTCP are tacitly accepted unless differently communicated to BOSCA S.p.A. within seven (7) days after the purchase order has been received.

Art. 3. Full Agreement. This Agreement inclusive of purchase order, GTCP, special conditions and the documents, if any, attached hereto, constitutes the exclusive and entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements concerning the supply. The acceptance of the purchase order and of documents, if any, attached hereto, made by the supplier, automatically terminates the Supplier’s General Sale Terms and Conditions.

Art. 4. Delivery Dates. The Supplier commits to strictly comply with terms and conditions as specified on the purchase order, these being considered accepted.

Art. 5. Reservation of Proprietary rights and assignments: Bosca shall not recognize the supplier or any third party reservation – though only partial - of proprietary rights, without prior written consent by BOSCA S.p.A.. The assignability of the purchase order, even partially, as well as the credit deriving to the supplier from the purchase order is excluded unless formally authorized by BOSCA S.p.A..

Art. 6. Force Majeure. In case of Force Majeure (e.g. earthquakes, fire, epidemics, etc.) compromising the agreed delivery dates, Supplier shall promptly inform BOSCA S.p.A. in writing, specifying the estimated delay. The supplier shall undertake all actions aimed at reducing the delay and recouping the tardiness. Any possible new delivery date shall be agreed upon between BOSCA S.p.A. and the supplier with reference to any event of Force Majeure. Should the above mentioned Force Majeure cause a delay in deliveries exceeding 30 (thirty) days, BOSCA S.p.A. reserves the right to terminate the purchase order in any moment
by sending a registered letter return receipt requested, fax or e-mail to the Supplier.

**Art. 7. Delivery methods and packaging.** The deliveries of the goods shall be accompanied with proper shipping documents on which the following information will have to be stated: date, number and date of the Purchase order, item code, description of the product/service, quantity, gross and net weight of the parcels, delivery means. The supplier must provide a packaging suitable for the supply according to what is specified in the purchase order or, if not specified, according to the best techniques generally applied in the commercial practices, being anyway responsible for all the damages suffered by the goods resulting from an unsuitable packaging.

**Art. 8. Penalties for late delivery.** In presence of late delivery of the purchase order, BOSCA S.p.A. shall apply to the supplier and without prejudice for any and all rights to terminate and to reimburse any damage suffered, a penalty of 0.5% on the value of the amount, specified on the purchase order, of the supply not delivered within the time-limit laid down by the agreement, for each entire week of delay. The total amount of the penalty shall be limited to 10% of the value of the purchase order of the delayed supplied goods.

**Art. 9. Pricing.** In the absence of clauses expressly provided by the purchase order, prices are firm and shall not be reviewed.

**Art. 10. Invoicing.** Invoices shall be addressed as follows: BOSCA S.p.A. – 2, Via Luigi Bosca - Canelli (ASTI). All invoices shall clearly bear: number and date of BOSCA’s S.p.A. purchase order, the list of items following the sequence as indicated in the purchase order, quantity, number and date of the transport document.

**Art. 11. Supply control system.** Supply acceptance is subject to the compliance with quantity and quality requirements as specified by BOSCA S.p.A.’s purchase order. At the delivery of the goods BOSCA S.p.A. shall perform the appropriate controls concerning quantity, quality and documents required. Should
product/service not comply to what specified by the agreement, this will be rejected and made available to the supplier to be replaced with an item as described in the purchase order at its own care and expenses, without prejudice for BOSCA S.p.A. to terminate the agreement and be refunded for damaged goods.

**Art. 12. Guarantee.** The Supplier guarantees the ordered goods or services to be free of defects and legal imperfections of any nature both visible and hidden, which make the product unsuitable for the use for which it was intended or diminishes its value. The supplier shall be held liable for damages of any kind to property, animals or persons caused by a defect of his/her products. The supplier shall indemnify BOSCA S.p.A. for any claim, legal action or request for non-compliance and non-reliability of the supply, reimbursing BOSCA S.p.A. for any suffered damages.

**Art. 13. Accidents.** The goods object of the purchase order must be guaranteed to be in compliance with the accident prevention regulations in force. The supplier shall commit to put, where necessary, the existing legislative information notice.

**Art. 14. Unilateral termination.** BOSCA S.p.A. reserves the faculty to entirely or partially withdraw from the purchase order at any moment even after the purchase order has started to be executed, through registered letter, telefax or electronic mail to be sent to the supplier with a 20 (twenty) days’ notice starting from expected delivery date. In that case BOSCA S.p.A. shall provide the supplier with an amount for the period up to the date of termination - equal to the value of a regular executed performance, based on the contracts’ prices.

**Art. 15. Termination.** In the event of an infringement or non-compliance made by the supplier of one or more clauses specified in the purchase order, in the general terms and conditions of purchase and in the attached documents, BOSCA S.p.A. has the right to terminate the purchase order by a registered letter return receipt requested sent to the supplier, without prejudice for BOSCA S.p.A. to its right of compensation for damages; moreover, the purchase order shall be terminated
due to the following conditions: acquisition made by a third party of the supplier control, insolvency, liquidation, judicial settlement, extraordinary administration, composition, supplier's bankruptcy, non-compliance with GTCP clauses.

The contract of goods/services shall be deemed to be terminated when the supplier does not comply with behavior indications within the documents regarding BOSCA S.p.A’s Organization, Management and Control Model in accordance with Legislative Decree 231/2001 and following, complying with company organization provisions.

**Art. 16. Express termination clause for specific offences according to Legislative Decree 231/01 and S.M.I.** Pursuant to and for the purposes of art. 1456 of the Italian Civil Code (Express Termination Clause), this agreement shall be deemed to terminate when the Supplier is finally sentenced / sanctioned for one of the offences specified in the Legislative Decree 231/01 and S.M.I. The above is without prejudice to compensation for any loss suffered by BOSCA S.p.A. and caused by the termination of the agreement.

**Art. 17. Inspections and on-the-spot checks at the supplier’s.** BOSCA S.p.A. reserves the right, subject to notice to send experts and inspection bodies to the Supplier’s headquarters to check in any moment and during standard working hours, production, the quality of used raw materials and the compliance with requirements specified in the purchase order in accordance with the safety and privacy regulations in force. Such inspections and on-the-spot checks do not release the supplier from his/her obligations within the stated agreement.

**Art. 18. BOSCA S.p.A.’s machinery and equipment** Drawings, molds, equipment, samples, digital supports given by BOSCA S.p.A. to the supplier to implement the purchase order, shall remain property of BOSCA S.p.A. and shall be returned to the latter once the purchase order exhausted and in a good state of preservation. It’s been explicitly agreed that the before mentioned shall not be reproduced and that shall only be used by the supplier for BOSCA S.p.A.’s execution of the purchase order.
Art. 19. Patented produced supplies. The supplier guarantees that the before specified supply has not been manufactured in breach of the law on patents and the lawfulness of the use and trade both in Italy and abroad. The supplier commits to defend, indemnify and hold harmless BOSCA S.p.A. from any legal proceedings and claim subject to third party appeal for the use and trade of the above mentioned.

Art. 20. Confidentiality. The supplier undertakes to avoid advertising by using BOSCA S.p.A. brand. All information within the purchase order, any attachment and anything provided by BOSCA S.p.A. during the supply period, shall be considered strictly confidential. It is strictly forbidden to supplier to have direct contacts with BOSCA S.p.A.’s final customer.

Art. 21. Governing Law and Arbitration. The Terms and Conditions of this purchase order and its special conditions shall be governed by and construed in all respects in accordance with the laws of Italy. Any controversy arising under or in connection with the purchase order shall definitely be settled based on the Statute-Regulation by the Chamber of Commerce Industry Agriculture and Craft Trades of Asti by one or more arbitrators appointed according to the aforementioned Regulation. The Arbitration shall be in Italian. The nue of the Arbitration shall be Asti.