



# GENERAL TERMS AND CONDITIONS OF SALE

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# GENERAL TERMS AND CONDITIONS OF SALE

## 1 Definitions

For the purposes of these general terms and conditions of supply, the following definitions apply:

- i) "General Terms and Conditions": these general terms and conditions of supply;
- ii) "Supplier": the entity responsible for the production and/or marketing of the Products and/or the provision of the Services to the Customer;
- iii) "Customer": the entity that orders and purchases the Products and/or Services from the Supplier;
- iv) "Parties": the Supplier and the Customer jointly;
- v) "Order": communication sent by the Customer to the Supplier containing the identification details of the supply;
- vi) "Order Confirmation": communication sent by the Supplier to the Customer after receiving an Order containing the identifying details 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, once the type of Product or Service and its unit price have been established, the quantities of Product estimated to be consumed by the Customer during the period of time expressly indicated and agreed between the Supplier and the Customer (week/month/year) are indicated in general terms;
- ix) "Delivery Release": communication, in any form, containing specific details of the quantities of Product requested and the delivery terms, sent by the Customer to the Supplier in accordance with the provisions of 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 a contract;
- xii) "Documents": all documents, drawings, estimates, technical reports, assessments, offers, analyses and, in any case, any data, processed or other document sent by one of the Parties to the other;
- xiii) "Samples": all samples, prototypes, pre-processed or semi-finished products and, more generally, all manufactured items delivered in the pre-production phase by the Supplier to the Customer;
- xiv) "Equipment": all equipment, moulds and additional tools necessary for the manufacture of the Products or for the performance of the Services intended for the Customer;
- xv) "Force Majeure": all circumstances that are unavoidable by the Parties and beyond their control that limit, prevent or delay the fulfilment of the obligations under the contract, including, by way of example and in any case not limited to, national and company strikes, wars, embargoes, acts of vandalism and terrorism, epidemics, earthquakes, other natural disasters, etc.
- xvi) "Commencement of Supply": the moment, following receipt of the Customer's Order, when the Supplier carries out preparatory or executive activities solely aimed at fulfilling that Order. By way of example only and in any case not limited to, activities such as the following may represent the Start of Supply Execution pursuant to these General Terms and Conditions: the purchase by



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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 production of the Products, etc.

## 2 General notes

These General Terms and Conditions shall be valid and applicable, unless expressly waived in writing:

- a) to any contract concluded between the Supplier and the Customer;
- b) to any Order executed by the Supplier in favour of 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.

Unless otherwise agreed in writing between the Parties, these General Terms and Conditions shall prevail over any (general and/or specific) terms and conditions of purchase of the Customer.

The General Terms and Conditions are automatically accepted by the Customer upon conclusion of the contract, regardless of their express written acceptance.

## 3 Contents 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, including those relating to prices;
- c) the Supplier's documentation sent to supplement the general and special conditions of supply;
- d) any technical document, study or report sent by the Supplier to the Customer for any reason.

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 shall be 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 shall be deemed concluded upon commencement of the execution of the supply.

In the event of discrepancies, in one or more respects, between the Order and the Order Confirmation, the contract shall be deemed to have been concluded under the terms and conditions set out in the Order Confirmation, unless the execution of the supply has commenced without the Supplier having sent the Order Confirmation.

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



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Any request for modification of 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 remain 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 an Order Confirmation, the Closed Order shall be deemed binding upon commencement of the Supply.

## 6 Open Orders

The Supplier undertakes to maintain sufficient stock levels to promptly meet the Customer's needs in accordance with the provisions of the Open Orders.

Each supply of Products and/or Services relating to an Open Order shall be subject to a Delivery Release.

The Customer undertakes to send the Supplier the individual Delivery Releases relating to an Open Order at least 45 days before the delivery date specified in the Open Order itself; in the event of failure by the Customer to comply with the aforementioned deadline, the Supplier shall not be held liable in the event of delayed 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 estimated quantities indicated in the Open Order and may increase or decrease these quantities by a maximum of +/- 15%.

Unless otherwise agreed, the Supplier shall not be required to supply the Customer with Products and/or Services in quantities greater than or with delivery times longer than those indicated in the Open Order.

If the Open Order specifies minimum purchase quantities, the Customer may not purchase a number of Products and/or Services lower than these minimum quantities within the time period considered.

If the Customer submits a written request to change the conditions set out in the Open Order, the Supplier may freely decide whether to refuse or accept the request. The Supplier may also make acceptance of such a request subject to the payment of compensation or the application of changes to the unit prices of the Products and/or Services, notifying the Customer accordingly. Unless the Customer communicates a refusal in writing within 7 days of such notification, the recognition of compensation and/or changes to the unit prices of the Products and/or Services shall be deemed accepted with effect from the first subsequent delivery.

In the event of refusal of the proposal for compensation and/or changes to unit prices resulting from the modification of the Open Order, all the conditions originally provided for in the Open Order shall remain in force.

## 7 Preparatory and/or ancillary work related to the order

### 7.1) Documents

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



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It is therefore understood between the Parties that:

- a) the transmission of the Documents does not entail the transfer of ownership or any right of economic exploitation of the same to the receiving party;
- b) the receiving party may not use the Documents for purposes other than those for which they were transmitted;
- c) the Customer and Supplier shall be bound to the strictest confidentiality and secrecy in relation to the existence and content of the Documents exchanged, in accordance with the provisions of Article 10.2 below;
- d) in the event of use of the Documents that differs from that permitted, the owner shall be entitled to obtain, at its discretion, the immediate return and/or destruction of the Documents, in addition to the immediate cessation of any form of use thereof, without prejudice 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 solely and exclusively for the purposes set out 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 required to return the Samples to the Supplier: *i)* within 5 days of the termination for any reason of the contract to which they refer; *ii)* within 15 days of the Supplier requesting them for any reason;
- c) the Customer shall treat the Samples with the utmost secrecy and confidentiality;
- d) the Customer may not in any way dispose of the Samples, even to carry out tests directly or indirectly, without the prior written consent of the Supplier;
- e) in the event of use of the Samples that differs from that permitted, the Supplier shall have the right to suspend, in whole or in part, the execution of all supplies in progress with the Customer and to request the return of the Samples, without prejudice 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 using the materials and methods it deems most appropriate and shall remain the sole and exclusive property of the Supplier.

The Supplier may, subject to agreement between the Parties, charge the Customer - in whole or in part - for the costs incurred for the design and manufacture of the Equipment and/or in any case request the Customer to share in the costs for the design and manufacture thereof, it being understood that - even in this case - in the absence of a different written agreement between the Parties, the Equipment shall remain the full and exclusive property of the Supplier.

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

## 8 Products

### 8.1) Product characteristics

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



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## **8.2) Packaging of the Products**

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

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

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

Any use of "reusable" packaging must 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 use of packaging other than standard packaging may be agreed upon from time to time between the Parties and shall in any case be at the Customer's expense.

## **8.3) Product information and traceability**

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

The Supplier shall ensure the traceability of the batch in which the Product was manufactured until the date of delivery to the Customer. The Customer shall maintain such traceability and impose a similar obligation on its purchasers and/or users.

## **8.4) Supply of Products after the end of series production**

Any supply of Products after the end of the relevant mass production (e.g. spare parts) shall be agreed upon from time to time between the Parties, who shall in particular define the details of the supply in terms of minimum quantities and the relative sale price.

## **8.5) End-of-life disposal.**

By using the component assembled on the finished product, the customer is responsible for the correct disposal of the product at the end of its life in accordance with the laws in force in the country of destination, EU laws and mandatory laws. MG3 declares that the product supplied is made of 100% recyclable steel.

## **9 Services**

In the event that the relationship between the Supplier and the Customer provides for the provision of Services, the Supplier shall be required to comply only 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 and Equipment, unless these are produced on the basis of designs or plans prepared by the Customer. Unless otherwise agreed between the



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Parties, the Supplier is also the sole owner of anything produced in the performance of the Services. The ownership of these rights shall remain with the Supplier even after delivery of the Products, Documents, Samples and Equipment. The performance of the supply shall therefore not constitute and shall in no case be interpreted as a form of transfer and/or licensing and/or concession for any other reason 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 article, "Confidential **Information**" means any corporate, financial, commercial or technical information that is internal, non-public, confidential or restricted, as well as any industrial or commercial secrets and know-how concerning the business of one of the Parties and/or the Products and/or Services and that is directly or indirectly communicated 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 organisation, structure, activities, programmes and production and commercial results of the Parties and, more generally, any technical, organisational and/or commercial information, verbal or written, exchanged by the Parties for purposes related to the performance of the supply relationship. The following information is not considered confidential:

- a) which, at the time of communication or subsequently, has become accessible to the public regardless of the conduct of the Receiving Party;
- b) which the Receiving Party already possessed prior to communication without being subject to confidentiality restrictions;
- c) which the Receiving Party developed independently prior to communication.

The Parties undertake to maintain the utmost confidentiality with regard to Confidential Information, to take all necessary measures to ensure its confidentiality and to ensure that their personnel: i) do not misuse it; ii) comply with the confidentiality obligations set out in the General Terms and Conditions.

Confidential Information may not be copied or reproduced without the prior written consent of the Party that disclosed it. All Confidential Information made available during the performance of the supply, including any copies thereof, shall be returned or destroyed upon the occurrence of the first of the following events: a) termination of the supply relationship for any reason; b) request by the Communicating Party, unless the Receiving Party is authorised to retain such Confidential Information for other reasons (e.g. to comply with legal obligations) or has the need to retain it in order to properly execute 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, unless authorised in writing by the other party or the third parties directly concerned, as the case may be.

Each party is directly liable to the other party for any conduct by its employees and collaborators, and more generally by all those who, on its behalf, operate in the performance of the supply relationship, that does not comply with these confidentiality requirements.



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The confidentiality obligation agreed between the Parties shall also extend to the period following the termination of the supply relationship for a duration of 5 (five) years or, if earlier, until such time as the Confidential Information becomes public knowledge.

Notwithstanding the above, each Party may disclose the Confidential Information received if this is required by: i) legal and/or regulatory provisions; ii) judicial authority measures; iii) orders from other authorities binding on the Receiving Party. It is further understood between the Parties that, if one of the situations provided for in this paragraph occurs, the Receiving Party shall be required to promptly inform the other party in writing, provided that this is lawfully permitted by the provisions of law and/or regulations, measures and/or orders on which the disclosure is based.

### **10.3) Guarantee against counterfeiting**

With regard to Products manufactured to the Supplier's design, the Customer shall be required to notify the Supplier in advance, at the time of sending the request for quotation and/or the Order (and in any case before the supply is executed), in which territories the Products will be marketed. Only and exclusively if the Customer provides the Supplier with this information shall the Supplier guarantee to the Customer that there are no patents and/or other exclusive rights of third parties that could prevent the production and sale of the Products in question, limited to the territories indicated. Should the Customer market the Products in territories other than those indicated, the Customer: *i)* undertakes to indemnify and hold the Supplier harmless from any and all direct or indirect consequences that the Supplier may suffer as a result of the production and/or promotion and/or marketing of the Products in such territories; *ii)* shall be directly liable for, or in any case indemnify the Supplier against, all direct and indirect damages and all costs, including defence or legal costs (including the fees of the Professionals appointed by the Supplier itself), which the latter will be required to bear in the event of legal action.

With regard to Products manufactured to design or according to specifications or information provided by the Customer, the latter shall be solely and exclusively liable for any infringement (including in relation to the manufacturing process) of industrial property rights and other rights of third parties. With reference to such Products, the Customer: *i)* undertakes to indemnify and hold harmless the Supplier from 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; *ii)* shall be directly liable for, or in any case indemnify the Supplier against, all direct and indirect damages and all costs, including defence or legal costs (including the fees of the Professionals appointed by the Supplier itself), which the latter may be required 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 required to comply with the delivery times for Products and provision of Services agreed with the Customer.

Unless otherwise agreed in writing between the Parties, if delivery times are indicated in days and/or weeks and/or months and/or years (and therefore without specifying a precise calendar date), they shall commence from the latest of the following dates:

a) date of the Order Confirmation;



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- b) date of acceptance by the Customer, if required, of all materials, equipment and executive 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 to delivery times; however, it is understood between the Parties that in no case of change in delivery times may the Customer refuse to collect the Products and/or accept the Services.

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

## **11.2) Product delivery terms (ex works Incoterms 2020)**

Unless otherwise agreed between the Parties and without prejudice to the provisions of Article 13.5 below, the Products shall be delivered *ex works* at the factory indicated by the Supplier and shall be deemed to have been delivered on the day and at the time when the Products are delivered to the carrier or forwarding agent; from that moment onwards, all risks and responsibilities relating to the Products shall be transferred to the Customer.

The procedure to be followed for the 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 terms indicated in the "goods ready for delivery" notice;
- c) if the goods are not collected as indicated in the "goods ready for delivery" notice for reasons not attributable to the Supplier, the Customer shall bear all costs, outlays or expenses incurred by the Supplier for any reason (storage, insurance, handling, warehousing, 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 out in Article 13.1.

## **11.3) Transport, customs duties and insurance of the Products**

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

Shipments must include all Products covered by the contract; any requests to ship a quantity of Products less than that ordered will be evaluated freely by the Supplier, who, at its discretion, may decide to accept or reject them.

Unless otherwise agreed between the Parties, the Customer shall always be responsible for customs duties and charges, paying them and, if necessary, completing the relevant procedures.

## **11.4) Verification of the quantities and types of Products delivered**

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

Any dispute or reservation regarding discrepancies in Products, weights or quantities compared 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, the



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delivery note with the relevant reservations or complaints must be sent to the Supplier for information, it being understood that the Supplier shall in no case be liable for events occurring after delivery of the goods to the carrier/forwarding agent 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 shall be deemed accepted in terms of type and quantity.

If the supply involves an intra-Community transfer of Products, the Customer undertakes to provide the Supplier with all the documentation required by Article 45-bis of EU Regulation 282/2011, as amended by Implementing Regulation No. 2018/1912, and necessary to enable the Supplier to benefit from VAT exemption.

## **11.5) Tolerances on Product quantities**

Unless otherwise agreed between the Parties, the tolerances set out in Annex A) to these General Terms and Conditions shall apply to the quantity of Products delivered.

## **11.6) Complaints regarding defects in the Products**

The Supplier is required to deliver Products that are free from defects and comply with the order specifications.

In the event 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 discovery in the case of hidden defects, dispute the Products supplied to the Supplier by sending a suitable written communication containing a list of the defects or faults found, the number of items on which they were found, the methods used to carry out the checks, the batch number and any other information useful to enable the Supplier to accurately identify the Product subject to complaint.

If requested by the Supplier, the Customer shall return the Products subject to complaint at its own expense. The Supplier, at its sole discretion and without this constituting any acknowledgement of liability, may repair and/or replace the Products; in this case, the Supplier shall bear the transport costs for subsequent return to the Customer. If the Supplier does not find the faults 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 the complete replacement of the Products, may the Customer suspend payment for the Products subject to dispute.

If the Customer carries out or has third parties carry out work or interventions on the Products, the latter will no longer be guaranteed by the Supplier and no claim may be made against the Supplier regarding alleged faults or defects in the Products.

If the Customer, in the presence of obvious faults or defects, 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 Products subject to dispute shall be at the Customer's expense.

Any complaints or disputes concerning a single delivery of Products shall not exempt the Customer from the obligation to collect and pay for the remaining quantity of goods, in accordance with the provisions of 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.



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The warranty shall only be valid if the Products are used correctly and if the malfunction is not, even indirectly, attributable to the Customer due to the particular use of the Products.

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

## 12 Prices

### 12.1) Definition of prices for 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 net of any taxes, duties or expenses and, in any case, "ex works".

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

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

### 12.2) Changes to the prices of Products and/or Services

The Supplier may change the prices of the Products and/or Services after acceptance of the Order if there are changes 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 of the new price in writing. 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 provision of the Service following notification of the change.

Without prejudice to the foregoing, in the event of refusal 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.

The withdrawal must be communicated in writing by one party to the other and shall be effective 45 days after the date of communication; it is understood between the Parties that, during the aforementioned notice period, the Supplier and the Customer shall be required to perform the contract under the same conditions as previously applied.

## 13 Payments

### 13.1) Payment terms

Payment for supplies shall be made, regardless of any disputes, within the times and in the manner agreed between the Parties, without prejudice to the applicability of the provisions of Legislative Decree No. 231 of 9 October 2002, unless explicitly waived in writing.

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

### 13.2) Late payments

Without prejudice to the provisions of Article 13.1 above, in the event of non-payment for the Products and/or Services within the terms agreed between the Parties, the



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Supplier shall be entitled to interest on arrears at the rate provided for in Article 5 of Legislative Decree No. 231/2002.

In the event of late payment, the Supplier shall be authorised at any time to issue an invoice showing the amounts accrued in the meantime as interest and expenses. The Customer shall immediately pay the amount shown on the aforementioned invoice.

In the event that an invoice is issued for interest and expenses, the Supplier may, at its sole discretion, allocate all payments subsequently made by the Customer to settle the aforementioned invoice for interest and expenses and, only for the remainder, to the payment of the Products and/or Services provided.

If the Customer's breach is repeated or serious, the Supplier may, at its discretion, suspend the shipment of Products or the performance of Services and/or refuse requests for further deliveries and/or declare the contract terminated by operation of law.

### **13.3) Changes in the Customer's financial or social situation**

In the event that the Customer is declared bankrupt or is otherwise subject to any insolvency proceedings (composition with creditors, receivership, bankruptcy, compulsory liquidation, extraordinary administration), the Supplier may suspend further supplies and/or exercise its right to withdraw from the contract.

The Customer is required to notify the Supplier of any significant change in its corporate structure or management-administrative organisation or the signing of a transfer of the company or branch thereof, when such event concerns the supply of Products and/or Services. The Supplier, having assessed this information, may notify the Customer of its intention to withdraw from the contract. In this case, the Supplier may in any case retain, on account of the amount due, any advances or sums collected up to that point.

### **13.4) Customer credits**

The Customer may not, for any reason or title, issue, without the Supplier's consent, debit notes or invoices for credits for which it is responsible or, in any case, charge the Supplier amounts for which the latter has not expressly acknowledged itself to be liable in writing.

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

In the event of credits in favour of the Customer, the Supplier is expressly authorised to offset such sums against the amounts due to it for supplies made or to be made.

### **13.5) Retention of title**

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

The Customer shall be required to take all necessary measures to protect and safeguard the Supplier's property rights and shall be liable for any consequences that may arise in relation to the Products until full payment has been made.

The Customer shall be required to take all useful measures to avoid confusing the Supplier's Products with other similar products from other suppliers and shall therefore store the Product in specific, clearly marked and easily identifiable areas.

The provisions of this article do not imply a derogation from the provisions of Articles 11.2 and 11.3 regarding the transfer of risk and liability for the transport and storage of the Products.



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## 14 Liability

### 14.1) Definition of the Supplier's liability

The Supplier shall be solely responsible for the correct supply of the Products and/or Services, which must have the agreed characteristics. No other liability may be attributed to the Supplier.

The Supplier shall also organise and carry out the supply in compliance with the regulations in force in the country where 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 such activities are carried out by the Customer or by third parties indicated by the Customer;
- c) the use of equipment specified or delivered by the Customer or by third parties indicated by the Customer;
- d) treatment or handling carried out without the Supplier's consent;
- e) production errors when the process has been specified 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) failure to comply with the Supplier's recommendations, instructions or suggestions regarding the maintenance, storage or use of the Products themselves.

### 14.2) Limits of liability

Except in cases of wilful misconduct or gross negligence, the Supplier's liability for any complaints, losses or damages of any kind resulting from faults and/or defects in the Products and/or Services, Product and/or Service recall campaigns, complaints from third parties and/or in any case arising from the execution of the supply, as well as for damage caused to property or personnel or collaborators of the Customer, shall not exceed an amount equal to 3 times the value of the batch or service subject to complaint. Any liability for indirect damages, loss of image, loss of profits, loss of earnings, operating losses, loss of profits, line downtime, or any other 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 damage suffered by the Customer as a result of the use by the Customer of technical documents, information, data on the Products and/or Services, indications of technical or functional characteristics, etc., when such use has not been specifically authorised in advance in writing. Under no circumstances shall the Supplier be liable for any failure in the performance of the Product manufactured.

In any case, no liability may be attributed to the Supplier in relation to the unsuitability 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.



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

If the cause of the suspension lasts for more than 15 working days, the Customer may temporarily obtain the Products and/or Services it requires from another Supplier, without prejudice to the Customer's commitment to repurchase the Products and/or Services from the Supplier once the cause of Force Majeure has ceased.

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

If the cause of Force Majeure continues for more than 120 days, the Supplier and the Customer shall meet to assess the possibility of terminating the supply contract. In any case, the Customer shall collect and pay for all Products in the Supplier's warehouse ( ), as well as the cost of semi-finished products and special raw materials that cannot be used for other purposes.

The Customer shall promptly inform the Supplier of any event that may be considered Force Majeure and that may make delivery or collection of the Product difficult. In this case, the Customer must also indicate to the Supplier how the Product can be delivered, possibly even to a location other than the one agreed upon, bearing, in this case, the additional cost indicated by the Supplier, taking all appropriate measures to be able to collect or store the Product manufactured by the Supplier in order to minimise the inconvenience to the Supplier.

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

## **16 Principles of conduct**

The Customer undertakes, on its own behalf and pursuant to Article 1381 of the Italian Civil Code on behalf of its employees, consultants and collaborators, to adhere to the ethical and behavioural principles set out by the Supplier in its Code of Ethics and in the Organisation, Management and Control pursuant to Legislative Decree 231/2001, where adopted, published on its website, which it declares to have read and which form an integral and substantial part of this document.

In the event of a breach 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 breach or its discovery.

## **17 GDPR**

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

## **18 Prevalence clause**



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In the event of any conflict and/or discrepancy, including interpretative differences, between the Italian and English versions of these General Terms and Conditions, the Italian version shall prevail and shall be referred to.

## 19 Partial invalidity and validity of the General Terms and Conditions

The possible nullity of one or more clauses shall 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 such a way as to produce some effect rather than in such a way as to have no effect.

## 20 Applicable law, jurisdiction and competent court

The General Terms and Conditions, individual contracts and, more generally, all supplies made by the Supplier to the Customer for any reason whatsoever are governed and regulated in every respect by Italian law, with the express exclusion of the applicability of the 1980 Vienna Convention on the International Sale of Goods.

Any dispute concerning the supply of Products and/or Services and, more generally, the interpretation, execution and/or termination of the General Terms and 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 exclusively to the jurisdiction of the court of the place where the Supplier has its registered office.

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**These General Terms and Conditions have been unanimously approved and decided upon by the UPIVEB Board**

### **ANNEX A) – Supply tolerances**

#### **Tolerances on the numerical capacity of packages**

The following maximum deviations are permitted from the number of pieces stated on the packages:

For packages containing fewer than 100 pieces:

0 for bolts with  $d > 12$  mm;

$\pm 1$  for bolts with  $d < 12$  mm.



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For packages with 100 pieces and above:

± 1 % for bolts with  $d > 12$  mm;

± 2 % for bolts with  $d < 12$  mm.

### Tolerances on the quantity requested

For standardised bolts, the quantity supplied must be equal to the quantity requested, minus the tolerance on individual packages and any rounding that may be necessary if the quantity requested is not equal to or a whole multiple of the numerical capacity of the packages.

For non-standard fasteners, the quantity supplied must be equal to that requested with the tolerance, unless otherwise agreed at the time of ordering, as indicated in the table below:

QUANTITY REQUESTED	REQUESTED QUANTITY	
	HIGHER	LESS
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%
over 100,000	+ 2%	- 2