



CALZONI

GENERAL TERMS AND CONDITIONS OF SUPPLY

1. INTRODUCTION.

- 1.1. SCOPE - this document defines the general Terms and Conditions applicable to the individual SUPPLY contracts (hereafter also referred to as ORDER) stipulated between CALZONI and the SUPPLIER, without restricting the former to the predetermined purchase of services and/or goods from the SUPPLIER, nor establishing exclusivity obligations in its favor; these Terms and Conditions cancel and replace any other previous agreement between the Parties, including any sales or SUPPLY terms and conditions applied by the SUPPLIER. These Terms and Conditions constitute an integral part of the ORDER, with the exception of any different Special Terms and Conditions agreed to and included in writing in the Order itself, which take precedence over the General Terms and Conditions of Supply to the extent to which they differ from them.
- 1.2. DEFINITIONS - With regard to these terms and conditions, the following are defined: - CALZONI: the company Calzoni Srl, via A. De Gasperi, 7 - 40012-Calderara di Reno (BO); - SUPPLIER: a company that stipulates with CALZONI a Contract for SUPPLYING goods and/or services to CALZONI; - ORDER: the contractual document issued by CALZONI containing the SUPPLY request, stipulated and governed in conformity with these Terms and Conditions and including the purchase ORDER, its annexes, as well as all additional terms and conditions included therein (also, individually specified also as "CONTRACTUAL DOCUMENTATION"), which in the case of discordance is understood to take precedence over those specified herein; - SUPPLIED GOODS AND/OR SERVICES: the goods and/or services that are the object of the ORDER; - CUSTOMER: CALZONI's customer and/or the end user of what is agreed to in the ORDER; - LAW: the laws in force that are applicable to the relationship, even if they are not specified in the following Terms and Conditions; QUALITY or SAFETY PROCEDURES (QP or SP): the requirements to be observed for the execution of the SUPPLIED GOODS AND/OR SERVICES and, generally, to maintain commercial relations with CALZONI, which will be cited and/or attached to these terms and conditions or to the ORDER.

2. PROCEDURE FOR CONCLUDING THE PURCHASE CONTRACT.

- 2.1. ACCEPTANCE OF THE ORDER - The ORDER is sent to the SUPPLIER via fax or e-mail; this Contract proposal must be accepted by the SUPPLIER within 10 days of its date of issue, by signing two signatures in the appropriate area. The SUPPLIER may not proceed to execute the Order without having first accepted it and returned it to CALZONI, otherwise CALZONI will have the right to accept or reject what has been executed in conformity with its own ORDER; execution of the order is defined as what is contained in it, including the Special Terms and Conditions and the General Terms and Conditions of the Order itself.
With its acceptance, the SUPPLIER declares that it has proven experience in the execution of works that are similar to those that are the object of the ORDER.
- 2.2. MODIFICATIONS - CALZONI, to observe its commitments assumed with its CUSTOMER, may request modifications to the issued ORDERS, by means of notification in writing to the SUPPLIER; any modification to the Order (price, delivery, and any other term) is understood to be valid only if sent by CALZONI as an Order revision and returned signed for acceptance by the SUPPLIER, as specified in clause 2.1.
- 2.3. DUTY TO INFORM - The SUPPLIER will promptly inform CALZONI of any event that could affect the commercial relations between the parties, such as, for example, a change in legal representation, ownership, headquarters, the initiation of bankruptcy proceedings, or production reorganization.

3. EXECUTION OF THE CONTRACT.

- 3.1. GOOD FAITH - The Parties will perform the object of the ORDER in good faith and in scrupulous observance of the LAW and the agreed contractual terms and conditions.
- 3.2. REPORTING DESIGN DEFECTS - If the SUPPLIED GOODS AND/OR SERVICES are executed on the basis of designs and technical documentation provided by CALZONI, the SUPPLIER must proceed to verify them and report, within the contractual term specified (and subordinately within 7 days of the receipt of the documentation), any anomalies; once the term specified above has passed, no error, deficiency, or omission of the designs, drawings, and technical documentation and no discrepancies with the technical provisions may be put forward by the SUPPLIER to justify delays or manufacturing defects. In any case the SUPPLIER must perform the tests in conformity with the requirements of the ORDER, and be responsible for the charges regarding their execution and for locating the reports and/or certifications issued by accredited bodies that must be submitted to CALZONI, in original and complete copy, together with the SUPPLIED GOODS AND/OR SERVICES.
- 3.3. TRANSFERRING THE SUPPLIED GOODS AND/OR SERVICES - The SUPPLIER may not transfer, in whole or in part, the object of the ORDER without prior written approval from CALZONI. Such approval does not exonerate the SUPPLIER from its responsibilities arising from the LAW and from the contract in effect between the Parties.

4. CONTROL ACTIVITIES.

- 4.1. QUALITY REQUIREMENTS - the requirements to be observed for the execution of the SUPPLIED GOODS AND/OR SERVICES and, generally, to maintain commercial relations with CALZONI are defined in the document QP-O-6-23, which constitutes an integral part of these General Terms and Conditions of Supply, and which the SUPPLIER declares to have read and accepted.
- 4.2. AUDITS - CALZONI, together with their CUSTOMER, may perform audits on the SUPPLIER's quality system to evaluate its correspondence to the requirements applicable to the SUPPLIED GOODS AND/OR SERVICES; CALZONI may also request a copy of the Quality Manual and any existing qualification certifications. The SUPPLIER will have the obligation to transfer to any sub-suppliers they may have, to the extent applicable, all the Quality requirements required for the SUPPLIED GOODS AND/OR SERVICES.
- 4.3. INSPECTIONS AND TESTS - Representatives of CALZONI, together with representatives of its CUSTOMER, may verify the SUPPLIER's activities to check their correspondence to what has been stipulated, both during the execution of and at the time of delivery of the material. The SUPPLIER must submit to CALZONI the progress and testing schedules at least 10 days in advance notice of the expected date and provide the Representatives free access to their facilities, giving them any aid necessary for them to perform their duty, including the availability of documents regarding the SUPPLIED GOODS AND/OR SERVICES and the free use of the necessary means, personnel, equipment, and instruments. It is understood that the inspections performed do not constitute in any way acknowledgement of the SUPPLIER's compliance and/or acceptance by CALZONI of the SUPPLIED GOODS AND/OR SERVICES, being agreed that they remain the sole responsible party for its conformity. The SUPPLIER will have the obligation to transfer the same obligations and compliance described above to any sub-suppliers they may have. The costs and expenses for the tests performed by the Representatives will be the responsibility of the SUPPLIER, if they have a negative result.

5. SAFETY - the SUPPLIER guarantees to CALZONI that the materials used are in compliance with the standards in force regarding product safety, regarding the protection of workers against the risks of exposure to chemical, physical, and biological agents, and regarding prevention and the protection of the environment. The SUPPLIER is also required to observe the standards for preventing accidents and for occupational health in accordance with the laws in force, as well as all the laws regarding Social Security, health insurance, and, in general, employment protection. In the case of work/services at CALZONI's facilities or at Worksites, the SUPPLIER, before beginning work, must perform an onsite inspection for the purpose of identifying any risks and sign the document "Onsite Inspection Report". The SUPPLIER is also required to: - provide the CALZONI safety officer with the name of their safety officer; - provide the information regarding work progress and any other information that is useful for coordinating the risk protection and prevention actions; - perform the works required by the ORDER with their own organization, personnel, machines, and equipment in compliance with all the safety standards in force; - only in extraordinary cases may the SUPPLIER use machinery and/or equipment belonging to CALZONI after signing the document "Delivery of machines and/or equipment"; - make sure that their personnel performing the works always check in, when entering and leaving, at the reception area for activities at CALZONI, for activities at worksites, they must report their presence to the person in charge of the site where the work is being performed, match their hours with those of the department itself, remain at the assigned workplace and not change or extend their working hours without the express authorization of the CALZONI person in charge; - immediately notify the CALZONI safety officer of any injuries or accidents that occur.

6. DELIVERY OF THE MATERIAL.

- 6.1. DELIVERY DATE - the delivery terms specified in the ORDER will be binding and essential to the interests of CALZONI and, with regard to said delivery terms, neither delays nor early delivery are permitted, unless explicitly accepted in writing by CALZONI; in the case of delays, the SUPPLIER is required in all cases to promptly inform CALZONI of the reasons for said delays, specifying at the same time the new delivery time. If defects are found, the delivery date is understood to be the date of delivery of the material that is in conformity with the ORDER and, therefore, depending on the case, appropriately repaired and/or replaced. In the case of early delivery, the payment terms will begin only as of the agreed delivery date, subject to charge for any additional expenses (for example: storage expense, etc.).
- 6.2. CERTIFICATIONS - The required certificates will constitute an integral part of the object of the ORDER and must be delivered to CALZONI together with the SUPPLIED GOODS AND/OR SERVICES or be submitted at the time of testing in order for the SUPPLIED GOODS AND/OR SERVICES to be considered complete; the certificates must always list the number and position of the ORDER to which they refer. The lack of certificates or their inadequacy will be considered a delivery delay to all effects, especially in reference to penalties and payment terms. For those products for which the legislation in force requires safety certificates, product safety data sheets, and/or the classification of waste type, the SUPPLIER will send the relevant certification together with the SUPPLIED GOODS AND/OR SERVICES, even without explicit request in the ORDER. The following may also be required: suitability or qualification certifications of the SUPPLIER, the "anti-mafia certification," DURC certificate, certifications required pursuant to art. 13 "ter" of Italian Law Decree no. 83, consolidated text, of June 22, 2012, and generally those certificates necessary for complying with the CUSTOMER's requirements or with the LAW.
- 6.3. SHIPPING DOCUMENT - The document accompanying the goods must be compliant with the provisions of LAW and clearly indicate the ORDER number and whether the SUPPLIED GOODS AND/OR SERVICES are on account or paid in full. If the ORDER number is missing, the material will not be accepted. If the orders are shipped directly to the destination, without passing through CALZONI's facilities, at the time of shipping the SUPPLIER must send to CALZONI a copy of the delivery note accompanying the goods being shipped.
- 6.4. PACKING OF THE GOODS - The packing is understood to be included in the price of the goods and must be adequate for protecting the contents during transport and storage. The SUPPLIER is responsible for all the logistic operations necessary for delivering the materials that are the object of an individual contract or ORDERS, including packing operations, loading on vehicles, stowage, and transport of the goods until delivery is completed. Delivery must be made at CALZONI's offices from 8:30 a.m. to 12:30 p.m. and from 1:30 p.m. to 4:45 p.m. on workdays with the exception of Saturday and periods during which the company is closed for holidays or vacation, for which advance notice will be duly given. When transport is CALZONI's responsibility, it is necessary to contact CALZONI in advance regarding the shipping methods, if they are not specified in the ORDER. If a shipping agent is used that is different from the one specified in the ORDER, any higher expenses incurred by CALZONI will be charged.
- 6.5. INSPECTION AND ACCEPTANCE OF THE MATERIAL - Any signature for receipt of the goods by CALZONI's personnel does not result in their acceptance, which is subject to the subsequent inspection phase in accordance with the requirements of CALZONI's internal procedures. If, after this inspection, the material is found to be not in compliance with the ORDER requirements, it may be returned for replacement or for repair, repaired at CALZONI's facilities with a charge of the related expenses, accepted with a price reduction, or, in order to avoid greater damage, procured from another SUPPLIER, charging any additional costs incurred. Also, goods exceeding the amounts ordered will be refused, even if they were temporarily held in the warehouse; the goods to be returned will be sent to the SUPPLIER, freight collect. The SUPPLIER will be required to compensate CALZONI for any damages resulting from the delay in delivery with the sole exception of damages resulting from force majeure. However, force majeure may not be put forward when such force majeure occurs after the expiration of the agreed delivery term, and under no circumstances will sub-suppliers' delays be considered force majeure.
- 6.6. PENALTIES - in the case of delays in the delivery date as defined in section 6.1, the SUPPLIER will recognize CALZONI's right to apply a penalty of 2% of the total price of this ORDER for each week of delay or fraction thereof, up to a maximum amount of 10% of such total price. CALZONI will also have the right to apply the penalty by means of withholding it from the remaining amount due, with precedence being given to amounts that have not yet expired.

7. PAYMENTS.

- 7.1. PRICES - The set prices are understood to be net of VAT, set per piece, and not subject to revision no matter what changes in the prices of materials and in the cost of labor should occur during the execution of the ORDER, even if such execution requires, for any reason, a longer period of time than that agreed. The prices are understood to include packing, shipping and transport costs to the place of delivery; the costs in relation to the return of the goods due to failure of the SUPPLIER will be the responsibility of the latter.
- 7.2. INVOICES - Invoices must be sent by the term established by law and must include, in addition to what is required by law, the ORDER number, the ORDER position, the description of the SUPPLIED GOODS AND/OR SERVICES, the number and date of the shipping document, and the IBAN code. The invoices for completed services may be sent only if they include as



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- attachments the relevant explanatory documentation with the proof of acceptance by the person who commissioned/certified the work. Assignment or factoring is prohibited without CALZONI's express written authorization.
- 7.3. **PAYMENTS** - Payments will be made by bank transfer within 120 days after the end of the month of the date on which delivery was made as defined in section 6.1, on the basis of an invoice prepared according to the procedures specified in section 7.2 and, if applicable, upon delivery of the documentation specified by art. 13 "ter" of Italian Law Decree no. 83, consolidated text, of June 22, 2012. If invoices are issued that are not compliant with the PURCHASE CONTRACT or the issued ORDER, or if documentation required by law is missing, or if defects in the SUPPLIED GOODS AND/OR SERVICES are reported, or in any case if the ORDER is not promptly and exactly executed by the SUPPLIER, the above terms will be suspended and will begin again from the moment in which such lack, nonconformity, or defect will have been resolved or the cause preventing prompt and exact execution will have been eliminated. For the higher charges and expenses that the SUPPLIER must reimburse, CALZONI is recognized to have the right, without any reservation or exception, to withhold the relevant amount due from the price, giving precedence to amounts that have not yet expired. If CALZONI has receivables due from the SUPPLIER for supplying goods and/or services prior to the delivery date of the goods and/or products that are subject to payment, they will proceed to offset the relevant debt(s) and receivable(s).
 8. **WARRANTY** - The SUPPLIER guarantees that the SUPPLIED GOODS AND/OR SERVICES have been executed in a professional and expert manner and that the goods supplied by them will be free of defects; this warranty is valid for a period of two years beginning from the date of acceptance of the goods for "normally recognizable defects" and two years beginning from the date of discovery of "latent defects". If defects are ascertained, the SUPPLIER must promptly eliminate them; otherwise, and in any case, after 15 days have passed from the request for repair or replacement, CALZONI will have the right to eliminate said defects directly or through third parties, charging all expenses to the SUPPLIER. The SUPPLIER will be responsible for all relevant charges, including transport, disassembly and reassembly, etc. In the case of repairs or replacement, the warranty period for the replaced/repaired part with commencement from the date of replacement/repair.
 9. **RESPONSIBILITY FOR DAMAGES** - The SUPPLIER is liable to CALZONI and/or its assignees and/or third-party plaintiffs for all damages caused by defects in its products pursuant to the provisions of Italian Presidential Decree no. 224 of 20/05/88 and subsequent amendments, and they assume responsibility for all material damage or personal injury caused directly and indirectly, even by their sub-suppliers, in relation to the execution of the ORDER, holding CALZONI harmless from any damages, expenses, or sanctions whatsoever regarding the noncompliance with the assumed obligations; in the case of legal disputes, it will be the SUPPLIER's obligation to be the party in the legal action, indemnifying and holding CALZONI harmless from any consequence directly and/or indirectly connected to its actions. However, the SUPPLIER will be considered directly liable to CALZONI even if third parties are employed to fulfill its obligations.
 10. **INDUSTRIAL AND INTELLECTUAL PROPERTY** - All the information (such as, by way of example, but not limited to: technical standards, mathematical files, drawings, tables, specifications, and procedures), as well as models, samples, and specific equipment provided by CALZONI for the execution of the contract or ORDER, will remain the exclusive property of the latter and may be used exclusively for the execution of the individual contract or ORDER. The SUPPLIER, without explicit written approval, may not copy or reproduce or transmit or allow the use by third parties of the information received and pledges to return all authorized copies together with the SUPPLIED GOODS AND/OR SERVICES. In the case of construction according to CALZONI's drawings, the SUPPLIER also pledges to not execute or market directly or indirectly constructions that are identical or similar to those that are the object of the PURCHASE CONTRACT or ORDER. This restriction will remain valid beyond the completion of the ORDER itself and will be binding on the SUPPLIER and its successors and will also remain valid with respect to any modification to the company name or its ownership structure.
 11. **ADVERTISING** - It is prohibited to disseminate any type of advertising that refers to the GOODS AND/OR SERVICES SUPPLIED to CALZONI. The SUPPLIER will not identify the supplied product with plates or other materials showing its logo or other advertising information, with the exception of that necessary to comply with the provisions of the law.
 12. **COUNTERFEITS**
 - 12.1. **USER LICENSE, PATENTS, AND TRADEMARKS** - The SUPPLIER guarantees to CALZONI full user and trade license both in Italy and abroad for the object of the ORDER, assuming in all cases complete responsibility against any and all claims by owners or licensees of patents, trademarks, licenses, drawings, models, and other original works used for the purpose of executing the ORDER. The SUPPLIER is required to specify in their Proposal, or as an attachment thereof, the systems, equipment, devices, and work processes patented by the SUPPLIER itself or by third parties, that it intends to adopt, indicating for each one of these the details of the patent; in the case of third parties' patents, the SUPPLIER is also required to demonstrate that it is in possession of the related licenses or alternatively an irrevocable commitment of transfer in its favor of such rights by the owner. All the charges, for any reason, in connection with obtaining the exploitation rights of the patents specified in this section, trademarks, licenses, drawings, models, and any other original works, are the SUPPLIER's responsibility and are understood to be included and compensated in the contractual price. CALZONI remains outside of the relations between the SUPPLIER and the owner of the patents and any disputes that may arise between said parties. Consequently, the SUPPLIER assumes all responsibility resulting from the use of devices or the adoption of technical solutions or solutions of another nature that infringe upon the patent rights, intellectual property rights, and industrial property rights of other parties generally, indemnifying and holding CALZONI harmless from any claims advanced and in connection with alleged infringements of such rights.
 - 12.2. **AUTHENTICITY OF THE SUPPLIED GOODS AND/OR SERVICES** - Only new and authentic materials must be used in products delivered to CALZONI. No counterfeit parts or parts that are suspected of being counterfeit must be contained in the supplied products. All the parts must be purchased directly from the original manufacturers or through their affiliated distributors, and the documentation must be made available that authenticates their traceability back to the applicable original manufacturer. Independent distributors (brokers) must not be used without CALZONI's written permission. Any counterfeit parts or parts suspected of being counterfeit will be withheld by CALZONI; the SUPPLIER must promptly replace such parts with parts that are acceptable to CALZONI and must be responsible for all direct and indirect costs in relation to the removal and replacement of said parts and/or due to their use. CALZONI reserves all contractual rights and damages actions following disputes and negative impacts due to the use by the SUPPLIER of counterfeit parts or parts suspected of being counterfeit.
 13. **WITHDRAWAL, SUSPENSION, AND POSTPONEMENTS** - CALZONI will have the right to revoke their order upon giving written notice to the SUPPLIER, at any time, without prejudice to compensation for the costs incurred up until that time, if adequately justified, documented, and approved; upon receiving notification of withdrawal, the SUPPLIER must immediately stop their activities and limit to a minimum the expenses for ending the SUPPLIED GOODS AND/OR SERVICES. The SUPPLIER also grants CALZONI the right to temporarily suspend the execution of the ORDER or to postpone the delivery term, without the SUPPLIER being able to make any claim.
 14. **EXPRESS TERMINATION CLAUSE** - CALZONI reserves the right to terminate, with immediate effect, the contract, if facts or circumstances arise that are likely to irrevocably jeopardize the trust relationship with the SUPPLIER, such as, for example, the occurrence of serious financial difficulties, the initiation of bankruptcy proceedings, a change in representation and in the ownership structure, or any other situation involving the SUPPLIER that has the potential for negatively affecting the contract, even from an ethical point of view or, in any case, in relation to the ability of the SUPPLIER to normally fulfill its obligations. Equally, pursuant to art. 1456 of the Italian Civil Code, the contract is understood to be legally terminated, once notice to this effect has been sent by CALZONI, if even just one of the situations listed below occurs: a) subcontracting without prior authorization of all or a portion of the object of the ORDER, or transfer of the contract itself; b) lack of observance of the safety regulations cited in section 6; c) use of materials that are not in compliance with the contractual terms and conditions or that were found to be defective upon testing or d) use of materials in violation of section 14; e) violation of section 16; f) serious violations of the ethics standards cited in section 15; g) delays in the Delivery Terms of more than 5 weeks.
 15. **ETHICS STANDARDS AND BUSINESS CONDUCT** - CALZONI has adopted a STANDARD CODE OF BUSINESS CONDUCT and requires its SUPPLIERS to comply with the same requirements, in accordance with PQ-O-6-23, that the SUPPLIER declares, by their signing of this contract, to have received, read, and accepted, and to comply with in its entirety. The SUPPLIER also notes that CALZONI has adopted an Organization, Management, and Control Model in application of Italian Legislative Decree no. 231/2001 and subsequent amendments ("Model 231") and is committed to performing its activities in observance of the general principles of propriety and transparency, pledging to adopt suitable rules for preventing the crimes specified in Italian Legislative Decree no. 231/2001.
 16. **INSURANCE GUARANTEES** - The SUPPLIER must provide at its own expense adequate insurance coverage for any accident that might occur to its own employees and to cover all risks assumed and potential damages resulting from the execution of the contract.
 17. **APPLICABLE LAWS - COURT OF COMPETENT JURISDICTION** - The ORDER will be governed and interpreted according to Italian law. Any dispute relating to noncompliance with these General Terms and Conditions of Supply and/or the Special Conditions of the ORDER that is not resolved by direct agreement between the parties within 60 days of its occurrence, will be delegated to the exclusive jurisdiction of the Court of Bologna.
 18. **EXPORT CONTROL**
 - 18.1. **DUTY TO PROVIDE INFORMATION** - The SUPPLIER is required to specify in writing, at the time of the proposal, to CALZONI any requirements and/or restrictions regarding export licenses (re-exportation) of the goods and/or services provided under Italian and/or foreign legislation on export control and on the applicable customs regulations.
 - 18.2. **DEBARMENT** - In relation to US export control regulations, the SUPPLIER certifies, by their Acceptance of the ORDER, that they have not been notified, suspended, or proposed to be notified, or declared ineligible to stipulate contracts from the Executive Branch of the US Federal Government. The SUPPLIER must immediately send written notice to CALZONI if they discover that they have committed an error in such certification or if they discover that they themselves and/or one of their sub-suppliers, has been notified, suspended, or proposed to be notified by the US Federal Government or by any other US Federal Agency.
 19. **PROCESSING AND PROTECTION OF PERSONAL DATA** - The PARTIES pledge to process the personal data learned about during the execution of the SUPPLIED GOODS AND/OR SERVICES in conformity with the provisions of Italian Legislative Decree no. 196/2003. The SUPPLIER declares that they are aware of their rights to access personal data and grants to CALZONI, in their capacity as the controller, their obligatory consent to the related processing, with established means and procedures, for the execution of the ORDER and the activities connected with it.
 20. **FINAL CLAUSE** - The ORDER constitutes the full expression of the willingness to negotiate of the Parties, which have also attained full knowledge of all the related clauses, having negotiated their content, and which therefore declare their specific approval of said clauses individually and together in their entirety.