



TERMS AND CONDITIONS OF PURCHASE “CGA”

DRQ ACQ 018

Version 00

Revision 00 dated

17/01/2014 Reference

procedure PG ACQ 001

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1) GENERAL PRINCIPLES

These general conditions of purchase (hereafter, the "General Conditions of Purchase") regulate the orders issued or the purchase contracts stipulated by FAG Artigrafiche S.p.A (hereinafter, FAG or the Purchaser) with its suppliers of goods or services (hereinafter the Supplier), in the absence of a specific written agreement between the Supplier and Purchaser specifically prepared and signed to this effect.

These General Conditions of Purchase replace and prevail over the Supplier's General Conditions of Sale and any other conditions governing the relationship.

Signing these conditions is essential; in the absence of a signature, FAG may consider the agreement incomplete and reject the supply.

2) TECHNICAL SPECIFICATIONS

2.1 The Supplier undertakes to supply the Goods or Services described in the Purchase Order in accordance with the quality and detailed technical specifications in the Purchase Order and the Technical Documentation (where available).

2.2 The Supplier will comply with the provisions of the laws and regulations in force in the country where the Goods are manufactured, or in which the Services are provided, and which apply in terms of manufacturing, packaging, packing and delivering the Goods, and providing the Services.

2.3 Except as otherwise indicated in the Purchase Order and Technical Documentation (where available), the Goods must be manufactured and the Services provided in accordance with the most recent relevant technical specifications or industrial procedures (where applicable), it being understood that where any changes are made to the technical specifications or standard procedures (modalities that may have an impact on the agreed technical specifications of the Goods), the Supplier must inform the Purchaser before the Goods are delivered, and the Purchaser may, entirely at its own discretion, withhold or cancel the Purchase Order, without additional costs, expenses or obligations of any kind against it.

2.4 The Supplier cannot cede or sub-contract, in whole or in part, performance of the Purchase Order to third parties without the prior written consent of the Purchaser.

3) CONFIDENTIAL

INTELLECTUAL PROPERTY

3.1 The Supplier guarantees that the purchase, use and/or resale of the Goods or supply of the Services by the Purchaser does not infringe any third party intellectual property rights.

3.2 Except as provided below, the Supplier acknowledges that the Purchaser is the owner of the Technical Documentation and the Purchase Order, and that he is the exclusive owner of any commercial, technical, financial and economic information about the Buyer's products or activities. The Supplier agrees to keep confidential and not to divulge in any way what he became aware of during the supply relationship as well as the documents mentioned above.

4) DELIVERY AND EXECUTION

4.1 The Supplier acknowledges and agrees that the conditions of the supply are all essential. In particular, the Supplier will deliver the Goods or provide the Services on the date or within the period indicated in the Purchase Order.

4.2 In the event the Supplier makes a delivery late compared to the agreed terms, it must immediately inform the Purchaser's Purchasing Office. Furthermore, if the delivery takes place in places or to subjects other than those indicated by FAG, the latter may refuse to accept the supply, and is entitled to request full compensation for damages. Notwithstanding the provisions of art. 1510, second paragraph, of the Italian Civil Code, the Supplier is not released from the delivery obligation by returning the goods to the carrier or the forwarder. The unconditional acceptance of a delivery of goods or the late

provision of services will not result in, and cannot be understood and equated to a waiver of compensation.

4.3 Where delivery is made before the scheduled date, and/or in any case not as agreed, the Purchaser reserves the right to accept or to return the Goods at the expense of the Supplier.

4.4 If the date of delivery for the Goods is not known on the date of the Purchase Order, the Supplier will suggest a likely delivery date to the Purchaser, as soon as possible, which cannot be unreasonably revoked.

4.5 Unless otherwise agreed in writing between the Purchaser and the Supplier, the Purchaser will not accept any margin of tolerance as regards the quantity of the Goods delivered.

4.6 The delivered Goods must be in good condition, and comply exactly with the Purchase Order. Non-equivalent supplies can be refused by the Purchaser or will require their written consent for acceptance. Without prejudice to any of the Purchaser's rights, including compensation for any further damages and the right to assert and protect their claims in other locations and with different instruments of protection, the Supplier will promptly replace non-compliant Goods without any expenses charged to the Purchaser, or will reimburse to the Purchaser any sums already paid in respect of the non-compliant Goods.

5) RISK AND OWNERSHIP

Notwithstanding any other legal or commercial provisions, the Supplier will bear the risks of any damage or loss of the Goods during transport until their delivery to the address indicated on the Purchase Order, or in the absence of such a specific address, the Purchaser's address.

The ownership of the Goods will pass to the Purchaser on delivery of these to the address indicated on the Purchase Order or, in the absence of such a specific address, to the address of the Purchaser.

6) PRICES - PAYMENT

The price of the Goods and Services is final, all-inclusive and cannot be subject to any increases for the entire time period specified in the Purchase Order, and excludes VAT, unless otherwise agreed in writing between the Supplier and the Purchaser. All the contractual clauses, conditions of payment, packing, delivery and transport present in the order/purchase contract are valid.

6.1 The products sent must always be accompanied by a DDT which must include the order number and any other data that the Purchaser reserves the right to request.

6.2 The invoices must be addressed to the Administration Office and must indicate the reference DDT, and all other data that the Purchaser has the right to request. The Purchaser will make the payment in the way and by the deadline established in the Purchase Order.

7) FORCE MAJEURE

Failure by one of the parties will not be attributable to that party if it is the result of a strike, fire, earthquake, flood, law or ordinance or restriction, terrorist act, war, or any other reason for which the breach is not sufficiently foreseeable, goes beyond reasonable control and is not caused by negligence or wilful misconduct (hereinafter, the "Force Majeure Event"); all of this on condition that the non-performing party provides (i) prompt notification to the other party, in writing, of the Force Majeure Event, indicating to what extent this event has hindered or prevented the execution of its performance and (ii) a provision for fulfilling its performance as soon as is reasonably possible.



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8) GUARANTEES AND RESPONSIBILITIES

The Supplier gives the Purchaser a guarantee that the Services will be provided and/or the Goods will be manufactured by duly qualified and trained personnel, using the required care and diligence, and observing the standard quality level normally expected by a Purchaser under all circumstances.

The Supplier will keep the Purchaser free from damage due to:

- any action, claim, damage and expense arising from any fault, negligence or failure of the Supplier, its employees, agents or workers, sub-contractors/suppliers that arises during the supply, delivery and installation of the Goods, or in connection with the provision of Services,
- any violation of any warranty granted by the Supplier in relation to the Goods and Services,
- any claim that the Product itself, or its import, use or resale, violates the patent rights, copyrights, design rights, trademarks or other intellectual property rights of other parties;
- any personal injury or injury caused in connection with the supply of the Goods or the provision of Services.

9) CANCELLATION - SUSPENSION

9.1 The Purchaser may cancel the Purchase Order in relation to all or part of the Goods and/or Services, by giving adequate notice to the Supplier before delivery or performance, and without this leading to additional costs, expenses or obligations of any kind being charged to that Purchaser.

9.2 Without prejudice to any other faculty, the Purchaser can cancel any Purchase Order in the following cases:

- a breach or failure by the Supplier to comply with any of the General Conditions of Purchase, the conditions set forth in the Purchase Order and/or the Technical Documentation (where available);
- if the Supplier is declared bankrupt or carries out a voluntary winding-up or strike off procedure or is admitted to a bankruptcy procedure or stipulates any agreement or arrangement with its creditors;
- a possible event of force majeure that lasts for more than [2] months.

9.3 The Purchaser reserves the right to require the Supplier to suspend deliveries in the event of a strike, lock-out, fire, accident or interruption of the business or production of the Purchaser, which prevents or hinders use of the Goods. In each of the aforesaid hypotheses, the payment will be postponed to the time at which the deliveries will be made again.

9.4 The tolerances of a Purchaser who fails to assert his claims where the Supplier violates these General Conditions of Purchase or the conditions provided in the Purchase Order and/or the Technical

Documentation (where available), will not be understood as a systematic renunciation, even in the event of further violations of the terms and conditions in the aforementioned documents or of any other provisions.

9.5 The Supplier declares to have read the Code of Ethics and the Organisational Model drawn up in accordance with Legislative Decree No. 231 of June 8, 2001 concerning the Administrative Responsibilities of legal entities published on the company's website (www.fagartigrafiche.com/italiano/ilgruppo/html) or free to consult at the company headquarters in Via Torino no. 347 - Dogliani (CN).

The Supplier declares that it intends to comply with the provisions of the model in question as regards its supply relationships with the purchasing company.

The Purchaser reserves the right to unilaterally terminate the supply contract in question in the event of a violation by the Supplier of the provisions of the Organisational Model.

10) ASSIGNMENT OF THE CONTRACT, PURCHASE ORDER AND TECHNICAL DOCUMENTATION

The Purchaser will have the right to assign, even partially, the contract, the Purchase Order and the Technical Documentation (where available), as well as the rights and obligations contemplated in it, to any company belonging to its group without asking for the Supplier's consent, who will be given timely notice of the assignment.

11) TREATMENT OF PERSONAL DATA

The Purchaser and the Supplier agree that the data received from each of the Parties in relation to this contract, the Purchase Order and the Technical Documentation (where available) will only be used for the execution of this contract or the Purchase Order, and cannot be disclosed in any way or to anyone except those who have to understand data like these in relation to implementing this contract or the Purchase Order (for example, carriers, accountants, consultants, etc.).

12) 13. DISPUTES - COMPETENT COURT

These General Conditions of Purchase will be governed by Italian law. In the event of a dispute between the Purchaser and the Supplier that cannot be settled fairly, the Court of Cuneo will have exclusive jurisdiction.

The Supplier (stamp and signature) → the Purchaser

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Pursuant to and for the effects of art. 1341, second paragraph, of the Italian Civil Code, the Supplier also declares to specifically approve the following clauses contained in the aforementioned General Conditions of Purchase under the following points: 1 (General principles), 2 (Technical specifications), 3 (Confidentiality obligations), 4 (Delivery and execution), 5 (Risk and property), 7 (Force majeure), 8 (Warranties and liability), 9 (Cancellation - suspension) and 12 (Disputes - Competent court).

The Supplier (stamp and signature) → the Purchaser

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