

GENERAL PURCHASE TERMS AND CONDITIONS FRENER & REIFER GMBH (INTERNATIONAL PURCHASE OF GOODS)

1) GENERAL PROVISIONS – SCOPE OF APPLICATION

These General Purchase Terms and Conditions of Frener & Reifer Metallbau GmbH/Srl (hereinafter referred to as "F&R") apply to all assignments, orders and contracts (hereinafter referred to as "orders") for the purchase of goods (hereinafter referred to as "supplies"). Once duly signed for approval by the contracting parties, these terms and conditions will be attached to each and every purchase contract concluded by F&R and will form an integral and substantial part of each and every single contract.

By signing these terms and conditions, the contracting parties mutually agree to precisely and strictly respect them.

Any order placed by F&R shall be considered as referring to these terms and conditions.

Any derogation to these conditions must be agreed upon in writing by the contracting parties and explicit reference to these derogations shall be made in the orders placed by F&R.

Until expressly cancelled, these terms and conditions apply to all F&R's future businesses with supplier.

2) ACCEPTANCE OF THE CONDITIONS

Before accepting and confirming the purchase order placed by F&R, supplier shall take note of the general and special terms and conditions laid down therein.

Each and every term and condition (both general and special) laid down in the purchase order placed by F&R is considered as accepted regardless of whether they are specifically reproduced in supplier's written delivery confirmation.

Said provision does not apply to those terms and conditions for which supplier issues a written statement by which he denies his acceptance or approval. Said statement of non-acceptance of the terms and conditions is valid only if sent to F&R no later than five days from the receipt of the order.

Any clause contrasting with or supplementing the general and special terms and conditions laid down in the order placed by F&R is void, if it is not explicitly approved by F&R in writing and in compliance with the abovementioned time-limit for objection.

3) CONDITIONS RELATING TO OFFERS AND CONFIRMATIONS

Any written terms and conditions included in the offers and order confirmations submitted to F&R by supplier are void unless F&R accepts them by reproducing them in full in the purchase order placed by F&R.

Any terms and conditions laid down in the correspondence and/or invoices issued by the supplier are void unless F&R explicitly accepts them in writing.

4) PROPOSALS – ORDERS – SAMPLES

4.1) Any and all requests for proposal, consultations and meetings as well as any elaboration of a proposal shall not imply any obligation for F&R and shall be free of charge.

4.2) Any offer received by F&R binds supplier for a period of six months as of the offer's date of issue.

4.3) Only written orders bind F&R.

4.4) In case F&R and supplier establish a more extensive supply relationship, the contracting parties shall conclude a binding framework contract, which shall form integral and substantial part of every single supply contract.

4.5) Supplier shall accept and confirm the orders placed by F&R within three days as of their receipt.

4.6) Any modification of the order laid down in the order confirmation is void unless F&R explicitly accepts and confirms the modification in writing.

4.7) Any samples asked for by F&R for the purposes of testing or presenting the product to its client and/or its representatives shall be provided free of charge and in sufficient quantity for satisfying said purposes.

5) SUPPLIER'S OBLIGATIONS

5.1) Supplier shall verify at its own risk and expenses all data and features of the order, comprising technical drawings, plans, schemes, descriptions, including samples, by following inter alia also the following criteria: completeness, flawlessness, technical/economic feasibility, best quality standards, stability and sustainability of all materials.

5.2) The scope of supplier's obligations is determined by all documentation handed over to supplier at conclusion of contract and comprises the obligations specified in the orders and/or the framework agreement.

5.3) Any and all supplies shall be performed according to state of the art best quality standards, in accordance with trade usages as well as in accordance with relevant Italian and European law.

5.4) Supplier guarantees material properties and performance in accordance with written and non-written rules of construction sector custom. If available, only construction materials and components subject to physical checks shall be employed. Upon request, supplier shall provide evidence that construction materials and components have the characteristics required by physical checks (see also CE-marking).

5.5) Delivered goods shall have the characteristics as provided for in the order and/or the framework agreement as well as in possible other contractual agreements. In default thereof, F&R will reject the goods after having checked them. Any derogation not provided for or not agreed on in writing shall not apply.

5.6) F&R will accept only specifically ordered quantities or number of pieces. The supply of higher or minor quantities/number of pieces necessitates a specific written agreement. If part deliveries are agreed, remaining quantities shall be clearly specified on the delivery note.

- 5.7) F&R may return surplus deliveries at supplier's costs and expenses. F&R shall not be liable for surplus deliveries, even if already delivered.
- 5.8) Goods are to be considered as delivered only once an employee or delegate of F&R acknowledges the receipt by signing the delivery note. The respective burden of proof lies with supplier.
- 5.9) Supplier shall perform the order personally. Even a partial assignment/delegation of the order ("parziale cessione dell'ordine") requires explicit authorisation of F&R. In case F&R authorises a partial assignment/delegation of the order, supplier remains accountable and liable for the entire order.

6) PRICES – TERMS OF PAYMENT

- 6.1) Prices indicated in the orders are all-inclusive (flat prices). This does not exclude that a different, project-related price may be specifically agreed. Prices are binding and firm until the obligation has been performed, irrespective of any price increase of, for instance, material costs. No price increase will be accepted.
- 6.2) Unless otherwise agreed in writing, prices are to be considered as free plant ("franco stabilimento") or free construction site ("franco cantiere") and include packaging costs, transport costs, insurance costs as well as all and any other costs relating to supply.
- 6.3) VAT shall be clearly specified, otherwise it is understood that prices include VAT.
- 6.4) Invoices may be processed only if the order number, date of order, number of supplier as well as article number are specified according to the conditions laid down in orders and/or the framework agreement; supplier shall bear any and all costs deriving from any non-fulfilment of said obligation, unless supplier provides evidence for not being liable.
- 6.5) Unless otherwise agreed, the term of payment is 30 days as of the invoice's date of issue. If payment is made within 14 days as of the invoice's date of issue, F&R is entitled to a 3% early payment discount on the overall amount of the invoice. Payment will be made by bank transfer.
- 6.6) In case the contracting parties have not agreed on or supplier has not issued a performance bond ("contratto di fidejussione") regarding all its obligations, F&R may retain on account on all payments 10% as security.
- 6.7) Supplier shall issue its invoices, with particular regard to VAT, according to the rules and regulations applying to the territory of the European Union or according to the conventions and regulations between countries that do not belong to the European Union. In default thereof, payment of the invoice is not due.
- 6.8) F&R may avail itself of compensation and retention rights provided for by statute.
- 6.9) In case of delivery of defective goods, F&R may refuse payment until liability has been clarified.

7) DELIVERY TIMES

- 7.1) Delivery times specified in the orders are binding and relate to the moment in which goods are delivered to F&R's plant or to any other agreed location (for example to a construction site).
- 7.2) If no delivery time has been agreed on, it is understood as being immediate.
- 7.3) In case of delay in delivery, supplier shall immediately inform F&R in writing, specifying the reasons for the delay as well as the presumable duration of the delay.
- 7.4) Part or early deliveries are only permitted if expressly accepted by F&R. In any case, supplier cannot demand payment ahead of schedule.
- 7.5) In case of delay in delivery, F&R may avail itself of the relevant rights provided for by statute. In case of delay in delivery, any and all costs and expenses deriving from said delay will be communicated and then charged to supplier if supplier is accountable for said delay.
- 7.6) In case of lack of delivery as well as in case delivery is not made within the agreed time, F&R may appoint a third party for the delivery of the goods. Any and all related costs and expenses, comprising any possible higher prices, will be charged to supplier.
- 7.7) In any case, F&R may claim all and any further damages deriving from the delay in delivery and/or lack of delivery.

8) SHIPPING – PACKAGING – TRANSFER OF RISK – DOCUMENTATION – PROOF OF ORIGIN – CE-MARKING

- 8.1) Unless otherwise agreed, supply shall be performed free at factory gate ("franco stabilimento") or free at building site ("franco cantiere").
- 8.2) Shipping documents shall include the following data: order number; date of order; number of supplier; article number. In default thereof, F&R is not liable for possible delays in payment.
- 8.3) With regard to CE-marking, supplier shall mark the goods in accordance with relevant European Law and shall attach appropriate written proof to shipping documents – EC-Declaration of Conformity or EC-Conformity Certificate.
- 8.4) Supplier shall organise appropriate shipping in order to be able to deliver goods without damaging them. Packaging shall be adequate and consist in materials that are common in commerce. For any damages and defects which are due to inadequate packaging, supplier shall be exclusively liable and shall bear all related costs and expenses. This also applies in case supplier assigns/delegates shipping to a third party.
- 8.5) Supplier shall collect all and any cumbersome packaging free of charge and/or shall bear all and any costs for their disposal. Supplier shall conclude, at own expenses, an insurance contract covering any and all risks relating to the goods until transfer of risks.
- 8.6) Any risk is transferred from supplier to F&R at the moment of handing over the goods to F&R at F&R's plant or at any other destination agreed on by the parties (for example at construction site).

9) EXAMINATION OF DEFECTS – LIABILITY FOR DEFECTS

- 9.1) For all and any defects of the goods existing at the time of transfer of risks, even if the defects surface only after the time of transfer of risks, supplier is liable according to these general purchase terms and conditions, the orders and/or the framework agreement, any other written agreements and relevant provisions set forth in the Italian Civil Code and the 1980 Vienna Convention on Contracts for the International Sale of Goods.
- 9.2) Supplier's liability for defects and warranty of quality apply for the entire duration of F&R's liability and warranty of quality towards its final client.

9.3) F&R shall exam the goods within a reasonable period of time regarding possible quality and quantity defects/shortcomings; any claim is considered timely if made to supplier within 30 workdays as of risk transfer or, in case of hidden defects/shortcomings, as of the time of discovery of defects/shortcomings.

9.4) In any case, F&R may request supplier to remedy deficiencies or to replace defective goods.

9.5) Supplier shall remedy deficiencies or replace defective goods without delay. Supplier shall bear all related costs, in particular all transportation, processing, packaging and material costs. F&R may, in any case, claim any and all damages; in particular, F&R may claim damages rather than requesting performance of the relevant contract. If the first attempt of replacing defective goods fails, the replacement is to be considered entirely failed.

9.6) In any case, F&R may remedy deficiencies personally or through third parties in case of periculum in mora or particular urgency. The same applies if supplier is in delay in remedying deficiencies. Any and all related direct and indirect costs shall be charged to supplier.

9.7) In case F&R's client rejects the goods produced and/or commercialised by F&R because of defects of supplied goods as well as in case F&R's client reduces purchase price as well as in case F&R's client advances claims against F&R due to defects of supplied goods, supplier shall indemnify and hold harmless F&R and F&R has full right of recourse ("diritto di rivalsa") against supplier. In all these cases and with regard to supplier's liability for defective goods, all and any limitation periods provided for by statute for advancing claims or asserting any other right ("termini decadenziali per l'azionamento dei diritti di F&R") are not applicable.

9.8) Any and all direct and indirect costs and expenses that F&R may bear as a consequence of defective goods shall be charged to supplier. This also applies in case defects are discovered after goods have left F&R's plant and until the agreed or statutory limitation period for F&R's liability for defects towards the final client expires.

9.9) If any defect surfaces within 6 month as of risk transfer, it shall be presumed that the defect existed at the moment of risk transfer, unless it can be shown that said presumption is incompatible with the type of goods or defects.

9.10) In any case, F&R reserves the right to claim all and any damages.

9.11) Any lawsuit shall become time-barred ("l'azione si prescrive") after 36 month as of risk transfer. This applies without prejudice to the longer limitation period provided for under paragraph 9.2). In this latter case, the limitation period of 36 month begins to elapse from the moment F&R takes note of the defects denounced by its final client.

9.12) Supplier shall stipulate liability and product liability insurance contracts with a top policy cover that is adequate and sufficient to cover the supply with regard to liability for damages against other goods and/or humans.

10) TERMINATION ("RECESSO") AND EXPRESS CANCELLATION CLAUSE ("CLAUSOLA RISOLUTIVA ESPRESSA")

10.1) F&R may terminate the contract at any time and without advance notice whenever one of the following situations happens:

- a) Initiation of procedures relating to the declaration of insolvency of supplier;
- b) Submission by supplier of offer on out of court arrangement with creditors ("proposta di concordato stragiudiziale") or application of supplier for admittance to any other arrangement with creditors ("domanda per l'ammissione a concordato preventivo");
- c) Death, missing or incapacity of supplier or sale of supplier's business, if supplier's business is a one man business;
- d) Dissolution, liquidation, sale, merger, non-formal transformation of supplier's business, if supplier's business is a company/corporation;
- e) Judicial proceedings against supplier that may compromise or damage its commercial reputation or image, or the commercial reputation or image of F&R.

10.2) Without prejudice to any further right, F&R may terminate, by means of recorded letter, the contract at any time and without advance notice, whenever supplier commits one of the following violations:

- a) violation of the obligation to secrecy/confidentiality contained in paragraph 12 of the present general purchase terms and conditions;
- b) violation of the quality obligations contained in paragraph 5 of the present general purchase terms and conditions;
- c) repeated violation of payment terms set forth in paragraph 6 of the present general purchase terms and conditions;
- d) repeated violation of delivery times and terms set forth in paragraph 7 of the present general purchase terms and conditions.

10.3) F&R may terminate the supply contract even before its expiry and without justification. The declaration of termination shall be made to supplier by means of recorded letter with an advance notice of 30 (thirty) days. In case of termination, supplier cannot claim any damages for lost profit.

11) GUARANTEES/WARRANTIES FOR VIOLATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS

11.1) Supplier warrants and guarantees that no third party intellectual property rights are infringed by the supply within the European Union. A special agreement shall be made for the supply outside the European Union.

11.2) If third parties advance claims against F&R, supplier shall, upon simple written request, indemnify and hold harmless F&R from and against any and all claims advanced or legal proceedings brought by third parties; without prior consent of supplier, F&R is not authorized to conclude any agreement, in particular to reach any settlement-agreement.

11.3) Supplier's obligation to indemnify and hold harmless F&R comprises all and any costs and expenses that are directly or indirectly linked to claims advanced or proceedings brought by third parties.

12) RESERVATION OF PROPERTY RIGHTS – TOOLS– CONFIDENTIALITY

12.1) F&R will retain title to any and all intellectual property rights on images, photographs, drawings, calculations, descriptions and other documents and information, that shall not be disclosed to third parties without prior written consent of F&R. Such documentation shall exclusively be used for planning/scheduling the supply and/or for producing the goods on the basis of the orders and shall be returned upon completion of the order. Said documentation shall be kept strictly confidential also after completion of the contract.

12.2) F&R will retain title to any and all tools. Supplier shall exclusively use said tools for purposes of producing goods ordered by F&R. Supplier shall stipulate at own expenses an adequate insurance contract that covers the value when new of F&R tools against fire, flooding and theft, with F&R as beneficiary. F&R

expressly authorises supplier to appoint F&R as beneficiary. Supplier shall promptly carry out, at own expenses, all necessary maintenance and inspection as well as repair work. F&R shall be immediately informed about any and all failures/defects; in default thereof, any damages claims will be rejected. Supplier agrees to hold in safe custody, at own expenses, any and all tools for a period of at least 10 (ten) years. After expiry of said term, supplier shall ask F&R in writing for indications on the further assignment/application of said tools. Any and all further assignment/application of said tools necessitates prior written consent of F&R and possible compensation to the credit of F&R.

12.3) Supplier shall keep secret and confidential any and all images, photographs, drawings, descriptions, calculations and all documentation and business information and technical-industrial experience of particular value and other information, including commercial information, which concern products, processes, strategies and projects relating to F&R activities and which were disclosed or have otherwise become known to supplier during the life of the contract. Supplier shall keep any and all such documentation/information secret and confidential also after completion of the contract. Supplier shall take all measures that are necessary to safeguard said secrecy and confidentiality. In particular, supplier shall impose said secrecy and confidentiality obligation on its employees and/or consultants and shall prohibit any unauthorized and/or abusive use of said documentation/information. Without prior written consent of F&R, supplier shall not disclose said documentation/information to third parties and, in particular, to sub-suppliers etcetera.

13) GOVERNING LAW – COURT OF JURISDICTION

13.1) Any and all interpretation and performance of the present general purchase terms and conditions as well as any supply and/or sale between F&R and supplier are subject to Italian law and the 1980 Vienna Convention on Contracts for the International Sale of Goods.

13.2) Any and all controversies arising out of or in relation to the interpretation and/or performance of any contract concluded by and between F&R and supplier shall be settled exclusively by the competent Court of Bolzano Forum.

For purposes of Articles 1341 and 1342 of the Italian Civil Code, the following general purchase terms and conditions are expressly approved: 4.2 (irrevocable offer); 5.9 (prohibition of sub-supply), 6.9 (refusal of payment), 7.5 - 7.6 (charge of costs and expenses), 8.5 (collection of packaging), 9 (examination of defects, liability for defects), 10 (termination and express cancellation clause), 13.2 (governing law - court of jurisdiction)