

TECNIPLANT S.P.A. GENERAL CONDITIONS OF PURCHASE

Article 1

For the purposes of these general conditions of purchase, the terms listed below have the following meanings:

Purchaser: TECNIPLANT S.p.A., based in Sesto San Giovanni (MI), Via Carducci, 125;

Supplier: any natural or legal person, which is the counterparty of the purchase order of the goods and / or services ordered by the Purchaser;

Purchase Order: any order to purchase the goods and / or services issued by the Purchaser;

Parties: the Purchaser and the Supplier.

Article 2

2.1. These general conditions of purchase are an integral and essential part of each purchase Order.

2.2. These general conditions of purchase govern all contractual relationships between the Purchaser and the Supplier and prevail over any other provision contained in any general or specific condition of sale or order confirmation of the Supplier.

2.3 The "second sheets", drawings and supply requirements referred to in the purchase Order are an integral part of the order itself.

2.4. Should the drawings, supply requirements and anything else necessary for the performance of the supply be not attached to the purchase Order, or be not already in possession of the Supplier for the performance of other supplies, it is the responsibility of the Supplier to promptly request them to the Purchaser.

Article 3

3.1. The purchase Order confirmation and the present general conditions of purchase duly signed by the Supplier shall be sent by the Supplier to the headquarters of the Purchaser by fax or email and shall be received by the latter within 5 working days of receipt of the purchase Order and these general conditions of purchase.

3.2 In case of non-compliance with the provisions referred to in clause 3.1. above, the Purchaser is entitled to cancel the Purchase Order.

3.3. Once received by the Purchaser, according to those terms and conditions as set out in paragraph 3.1., the Order confirmation of purchase and the general conditions of purchase duly signed, the supply contract between the Purchaser and the Supplier

shall be deemed executed. Failing any confirmation, the provisions referred to in the Order shall be deemed accepted in full and valid.

Article 4

4.1. The prices are, unless otherwise agreed in the purchase Order, fixed and invariable, for goods of good commercial quality, free from evident and hidden defects, entirely suitable for the intended use, delivered as stated in the Order, including packaging.

4.2 Phytosanitary IPPC marking on wood packaging – Regulations on wood packaging material treatments.

For wood packaging, in compliance with the IPPC phytosanitary regulations, the latter provides that solely and exclusively wood treated in accordance with the rules in force in the Country of final destination shall be used and that the two opposite sides of the packaging shall be clearly and permanently marked pursuant to the ISPM No. 15.

Article 5

5.1. Drawings, gauges, models, printed matters and samples, if any, delivered by the Purchaser to the Supplier for the performance of the purchase Order remain the exclusive property of the Purchaser and shall be returned in good state of repair upon completion of supply.

5.2 In taking the order, the Supplier agrees to limit the preparation or construction of the pieces to be performed on the Purchaser's design to the quantity ordered and not to assign to third parties, for any reason whatsoever, these pieces, even in small quantities, regardless of the fact that they bear or not the trade-mark or other distinctive marks of the Purchaser.

Article 6 Terms of delivery

6.1. The terms of delivery referred to in the purchase Order are deemed for goods delivered to the specified destination and shall be strictly complied with by the Supplier.

6.2. Should the Supplier be unable to carry out a total or partial delivery within the prescribed period, it shall immediately notify the Purchaser and explain the reasons for inability or delay.

6.3. Should the delay or impediment be not due to recognised causes of force majeure, or should the reasons for delay or impediment be not immediately notified, the Purchaser is entitled to terminate the contract with the Supplier by operation of law, without the latter having any right to compensation.

6.4. The Purchaser is likewise entitled to order from another supplier the material not delivered or the service not provided within 30 days after the requested and / or confirmed delivery date, bringing actions against the Supplier for any damage resulting from differences of price or conditions and other repeatable damage.

Article 7

The Purchaser is entitled to perform, through staff entrusted by it, inspections in the factories of the Supplier in order to verify the works progress or ascertain the quality of materials, samples or services covered by the purchase Order.

Article 8

The controls on product made by personnel appointed by the Purchaser shall not relieve the Supplier from any supply requirements and related warranties.

Article 9 Transport

9.1. The packaging shall be appropriate to the material provided and made in compliance with the related rules and all faults from imperfect packaging or negligence of the shipment shall be borne by the Supplier.

9.2. Departure parking expenses, packaging, freight forwarders' fees or other charges, which have not been expressly authorized by the Purchaser, shall not be recognised.

9.3. Deliveries made directly to the factories of the Purchaser or to a different place of destination, shall be always accompanied by a regular transport document containing the details of the purchase Order.

Article 10

10.1. The delivery of the materials shall be limited to the quantity ordered, except for usual manufacturing tolerances.

10.2. The Purchaser assumes no responsibility regarding the materials sent by mistake, or outside of the purchase Order, or in excess than the quantity ordered.

10.3. Such materials shall be returned carriage forward and, if applicable, with compensation of expenses unduly incurred by the Purchaser.

10.4 As a rule, the entire material is received at the time of delivery, subject to further control for quality and quantity.

10.5. Should, upon arrival, or during the processing or the first period of operation of the device or system, which they are intended to, the Purchaser finds out that the delivered materials fail to comply with the requirements contained in the purchase Order or with the samples returned, they shall be rejected and made available to the

Supplier, which shall take care of the withdrawal thereof.

10.6. After an eight-day term, the Purchaser is entitled to return the materials carriage forward and with compensation for any expenses incurred and repeatable damage.

10.7. The replacement, unless otherwise specified by the Purchaser, shall be subject to those conditions as set out in the purchase Order and in the shortest possible time, which shall be communicated to the Purchaser for acceptance.

Article 11 Warranty

11.1. The Supplier represents and warrants that the materials covered by the purchase Order are free from any defect, whether evident or hidden, in design and manufacturing, and are fit for the purposes, which they are subject to.

11.2. Unless otherwise specified in the purchase Order, the warranty is valid for a period of twelve (12) months from the commissioning of the equipment or system on which the materials covered by the purchase Order are used.

11.3. In case of detection and reporting of faults or defects, the Purchaser is entitled, at its own discretion, to request the Supplier to immediately repair or replace the goods found to be defective with charges thereof borne by the Supplier, or to deduct from the amount due to the Supplier, the supply value or part thereof not consistent with the purchase Order.

11.4. Should the Supplier be in late with the removal of faults and / or defects, or in case of urgency, the Purchaser is entitled to remove any fault and / or defect or have them removed and to replace those parts, which are not in compliance with the purchase Order at the expense and risk of the Supplier, without prejudice to the right to damages of any nature, including indirect damages or damages consequential to the fault and / or defect of the delivered goods.

11.5. Throughout the warranty period, the Supplier shall indemnify the Purchaser from all claims, which the latter may suffer, by its customers and / or third parties in respect of damages of any kind to persons or property, resulting from defects of the goods supplied.

11.6. The costs for the replacement and / or repair of the goods shall be fully borne by the Supplier and the parts replaced under warranty are guaranteed for a further period of twelve (12) month following the replacement and / or repair.

11.7. The Supplier shall be likewise liable for all damages caused to the products to be delivered occurred during transport.

Article 12 Terms and method of payment

12.1. The invoices shall be made out and addressed in accordance with the provisions set out in the purchase Order.

12.2. Each invoice shall refer to a single delivery or shipment and shall contain the reference number and date of the purchase Order.

12.3. The value of rejected goods for waste, if any, shall be deducted from the invoices together with expenses and repeatable damage, which have not already been repaid.

12.4. For the purposes of the final dates for payments, the date of receipt of the invoice is deemed valid.

12.5. Should the invoice refer to supplies made in advance, the final date for payment starts from the date of the delivery term provided for by the purchase Order.

12.6. Withdrawal of bills of exchange is not allowed.

Article 13 Compliance with rules, laws, regulations

13.1. The Supplier declares that it regularly fulfils all its legal, administrative and contractual obligations towards its employees, both in relation to wages and social security contributions, and to the procedures and formalities relating to the payments.

13.2. The Supplier declares that it has fulfilled all the formalities required for safety and health of workers.

Article 14 Samples, drawings and technical documents

14.1. The Supplier agrees, for itself and for its staff, to maintain the strictest confidentiality, with prohibition of disclosure to third parties, relating to documents, photographs, drawings, information, and any other material provided by the Purchaser; in addition, the Supplier agrees not to use them for purposes other than the performance of contractual obligations without the specific permission of the Purchaser.

14.2. The Supplier agrees, for itself and for its staff, to maintain the strictest confidentiality in respect of all the information and news related to the Purchaser, which can become aware of as a result and / or in the performance of the supply.

Article 15 Subcontracting

15.1. The Supplier undertakes not to subcontract, in whole or in part, the supply, without the prior consent of the Purchaser.

15.2. The Supplier undertakes not to assign, in whole or in part, the supply contract, without the prior consent of the Purchaser.

Article 16

16.1. The Supplier undertakes to indemnify and hold harmless the Purchaser from any harm the latter may suffer in view of requests for compensation from customers of the Purchaser for damages caused by the Supplier's staff.

Article 17 Tecniplant S.p.A. organizational model

17.1. The Supplier declares that it is aware that the Purchaser has adopted a model of organization, management and control pursuant to the Italian legislative decree No. 231/01 and undertakes, also for fact committed by its employees, collaborators and agents, not to violate the requirements referred to in the Italian legislative decree No. 231/01.

Article 18

18.1. The Parties mutually acknowledge that the supply contract may be terminated by the Purchaser, pursuant to article 1456 of the Italian civil code, when the Supplier:

- a. infringes the following articles: 5, 6, 10, 13, 14, 15, 16,17 and 18;
- b. becomes insolvent or is subject to bankruptcy or requires admission to any insolvency proceedings;
- c. is entered into liquidation;
- d. implements a change of management or, within the corporate structure, related facts or circumstances or events fit to discredit the good name of the Supplier occur.

18.2 The supply contract will be terminated by operation of law upon receipt by the Supplier, at its registered office or administrative headquarters, of a registered letter with acknowledgment receipt, which declares the Purchaser's will to rely upon this termination clause.

Article 19

19.1. Should one or more provisions of these contractual general conditions become contrary to mandatory rules or rules of public policy, they will be treated as not included herein and will not affect the validity of the entire contract.

Article 20

20.1 Any waiver, whether express or implied, by the Purchaser to rely upon any of the covenants contained in these general conditions of purchase, or the acquiescence to a breach or failure to comply with a clause by the Supplier, will in no way be deemed as a waiver of the provisions of that clause and will not prevent the Purchaser from demanding performance of that clause or of any other clause and to act by virtue of it

or as a result of any other breach or failure.

Article 21 Jurisdiction of disputes

21.1. All disputes arising out of or related to the supply contract shall be subject to the exclusive jurisdiction of the Court of Milan, which will judge according to the Italian laws. For any dispute, unless otherwise agreed, the official language for legal documents will be the Italian language.