

HME Brass Italy S.p.A. GENERAL CONDITIONS OF PURCHASE FOR GOODS AND SERVICES

1. Orders. Orders of Goods and Services (hereinafter the "Orders" and singularly the "Order") issued by HME BRASS Italy S.p.A. (hereinafter "HME") are valid only if prepared in writing.

- goods are all materials, machinery, products or any movable Goods that are the subject of the specific supply, as expressly indicated in the Orders (hereinafter, the "Goods");
- services are the activities and performances, also of an intellectual nature, provided by the supplier to HME and/or the works whose realisation is entrusted to the supplier by HME (hereinafter, the "Services").

Orders become binding and irrevocable for HME as from the date of receipt by HME of the order confirmation (hereinafter, the "Order Confirmation") duly signed by the supplier for acceptance or alternatively by e-mail to the address specified in the Order Confirmation. HME may revoke the Orders if the supplier does not return to HME the Order Confirmation duly countersigned for acceptance of all conditions contained therein within 10 (ten) days from receipt of the Order. Failure to return the Order Confirmation within the prescribed term shall entitle HME to cancel the same and to claim damages. HME shall be entitled to suspend the supply of Goods if the supplier has returned the Order Confirmation duly countersigned as indicated above.

The present General Conditions of Purchase (hereinafter the "Conditions"), also available on the website: www.hmnetal.com, form an integral and substantial part of the Order itself together with any special conditions of the Order. They also prevail on any other different conditions, general or particular, of the Supplier, which could be applied only if specifically written approved by HME.

The execution of the Order by the Supplier is considered in any case as acceptance of these conditions without reservation.

2. Prices, invoicing, and transport documents. Prices indicated in orders are fixed and are not subject to review. Unless otherwise indicated in orders, prices for Goods are meant free at destination c/o HME sites Goods or any other place indicated in the Order, inclusive of packaging, transport, insurance and of any other cost connected with execution of the order.

If sold on a carriage forward basis, the Goods must be put under the "best tariff" heading; any higher expenses arising from incorrect declarations are at the Supplier's charge. Goods' invoices and transport documents must be received at addresses respectively shown in the Orders and must indicate:

- (a) full order number
- (b) a description and quantity of supplied Goods
- (c) transport documents's date and reference number
- (d) detailed price

If the requirement under letter a) is not observed, invoices shall not be accepted and, consequently, forwarded to the Supplier; if the requirements under letters b), c) and/or d) are not observed, invoices will be considered as not received and, consequently, relevant payment terms will not start until HME receives regular written integration from the supplier.

3. Terms of delivery. Terms of delivery indicated in orders for delivery of Goods or performance of Services are mandatory and essential and, in order to respect them, will be considered as valid the date of arrival of Goods at the place of destination or the performance of Services, as attested by signature and date indicated on transport documents shall constitute a proof thereof. Unless previously agreed in writing, timing specified in orders may not be changed. Early deliveries shall not be permitted unless agreed beforehand and in any case they shall not give right to any benefit for the Supplier. Unless otherwise indicated in orders, if delivery is late due to any cause (except in case of force majeure, which must be duly indicated in writing by Supplier as also stated by following art. 18) but not depending on HME, a penalty equal to 1% of the total price of the supply will automatically be applied for each week of delay, without any need for notification. This penalty shall not exceed 5% of the supply's total price, saving any major damage. In any case HME shall be entitled to terminate the contract ex art.1456 Italian Civil Code due to non-performance by the Supplier by simple written notification to the latter including the right to claim for damages.

4. Shipments, packaging and storing of the Goods. Shipments are carried out at the risk and danger of the Supplier, who shall take out adequate insurance coverage at his own expense, valid until arrival of Goods at the place of destination. Any costs caused by the need to accelerate transport in order to meet delivery deadline are at the Supplier's risk. Instructions referred to the packaging and general conditions of the storage of the Goods are regularly indicated in the Order. Supplier must supply Goods in adequate packaging, in full compliance with the nature of the Goods, to the means of transport and to the Goods destination, according to current regulations about waste, including dangerous waste, in a way acceptable to usual carriers and able to assure delivery of Goods in perfect condition at the place of destination. Essential elements of the packaging shall be the marking or labelling, which shall bear in a visible place, legibly and indelibly the indication of the country of origin of the Goods and shall include the following data: Order number, contents, gross/net weight in kg, place of shipment/destination. Packaging will not be returned to the Supplier, unless otherwise agreed.

5. Passing of ownership and transfer of risk. Acceptation. Unless otherwise envisaged in orders, passing of ownership and transfer of risk take place upon delivery of Goods to HME at the place of destination. Any retention-of-ownership clause inserted by the Supplier shall be considered as not inserted. Delivery and passing of ownership shall not constitute acceptance of Goods by HME; therefore, any acceptance of Goods expressed at the time of delivery shall always mean "conditional acceptance". Acceptance of Goods shall always be subject to a positive outcome of inspection and/or check performed without any constraint in terms of form and/or term by HME or on its behalf, in order to verify their compliance with specifications, absence of flaws, and suitability for use. Acceptance of Goods/Services by HME doesn't exempt the Supplier from the liabilities of the Goods/Services offered and is not a waiver to its own rights. Weighing, measuring or counts performed upon arrival of Goods at HME's factories are binding for the parties.

6. Supplier's obligations. The Supplier undertakes to provide the Goods and execute the Services expressed in the Order and complies with the object of the Order and observe all laws and regulations in force, regarding industrial safety and health, workers' safety and environmental quality (EHS). The Supplier must comply to the previous prescriptions at his own cost and risks and under his responsibility. Particularly, the Supplier will respect the following:

- Ensure the fulfillment of the orders entrusted to it and have specialized personnel in its employ, suitable for the purpose;

- Set all technical/administrative documents that show he has the professional availability for the performance referred to Goods/Services belonging to the type specified in the Order;

- Inform carefully his own employees about specific risks related to the work and the place where the purchases will take place;

- Monitoring the work of his employees in order to ensure it complies with the current Safety program;

- Equipping his employees with all instruments needed in order to perform the Services, giving them all personal protective equipment required. The Supplier declares under his own responsibility that he conforms to all provisions of laws and the labour contract relevant to his employees and grants the compliance with all remuneration, social security, insurance and safety provisions. He will also deliver all written documents (i.e. DURC) requested by HME from order to prove that he conforms to all current laws applicable to workers' rights, and that he will keep the same valid during all the period he will perform Orders for HME;

- Implement, for the performance of the Orders, all technical, organisational and equipment measures provided for or prescribed by the applicable workers' safety regulations, both for the safety and hygiene of the work of its own technicians and workers, and for the safety of persons, plants and property of HME and third parties in compliance with the applicable legislation;

- Report any changes to the information provided to HME concerning the ownership of its company, the shareholding of the supplier and its own corporate organizations or Unless prior authorization given by HME, the supplier is prohibited from entrusting third parties, even partially, with the execution of the Orders. In the absence of such written authorization, HME reserves itself the right to withdraw the Order and recover damages. In case of supply of Services by other subcontractors, the Supplier will be responsible on his own for all the obligations of the subcontractor, as if performed by the Supplier itself. Anyway, the Supplier will deliver to HME all documents proving the professional requirements of its subcontractors in the same manner as he does, and that they incorporate all the Conditions in contracts with subcontractors.

7. Audit rights of HME. 7.1 HME reserves as of now the right to verify, at any time and by any reasonable and suitable means, the supplier's compliance with the provisions under clause 6 hereinabove.

For such purpose, HME shall be entitled to carry out inspections at the supplier's premises or at the places of performance of the Services, as well as shall be entitled to exercise the verification rights under this clause at any time and up to 3 (three) months following the delivery of the Goods or the performance of the Services, by sending a specific request to that effect by registered letter with return receipt or by PEC to the supplier. 7.2. Without prejudice to the foregoing, in order to verify the supplier's compliance with the provisions of article 6, HME may also request from the supplier at any time and at its own discretion - by sending a written request to that effect - the following documentation:

- updated copy of the "Single Document of contributory regularity" (DURC) issued by social security and insurance institutions (referring to the supplier's entire contributory position);
- Declaration substituting a deed of notoriety (pursuant to Article 76 of Presidential Decree no. 445 of 28 December 2000), which the supplier declares under its own responsibility that it is in order with the payments of social security and welfare payments (INAIL, INPS, Cassa Edile);
- any other documentation specifically requested by HME in order to verify the extent and compliance of the obligations to it, the fulfillment of the obligations provided for by labour laws by the same supplier and/or the payment of social security contributions and salaries due in relation to the employment relations with the supplier's personnel (including, by way of example, the Work Book (Libro Unico del Lavoro - LUL), the bills of transfers certifying the payment of salaries of the employees assigned to the Services and the receipts of the F24 made to the competent Authorities). The Supplier shall comply with HME request without delay and in any case within 15 days of the request.

7.3. In the event of: (i) failure to transmit the above detailed documentation within the established terms, and/or (ii) failure to regularize the contributions due by the supplier, HME shall be entitled to terminate the contract pursuant to article 1454 of the Italian Civil Code by registered letter or by PEC, if the supplier fails to fulfil within the term indicated in said notice, without prejudice to compensation for damages.

7.4 It is understood that the failure by HME to exercise the right to verify the correct fulfillment by the Supplier of its obligations relating to social security contributions and salaries by law, as well as the positive outcome of the verifications possibly carried out by HME pursuant to article 7 and/or the possible payment by HME shall not prejudice in any way the right of HME to be indemnified pursuant to article 16, should any claims be subsequently raised against HME by the subjects referred to therein, such payments being intended as always made by HME subject to reservation. The Supplier expressly acknowledges that the non-exercise by HME of the right to be indemnified pursuant to article 16, as well as the non-exercise of the right of termination pursuant to article 1454 of the Italian Civil Code, shall be construed as a waiver by HME of the exercise of the same.

8. Warranty. The Supplier's term of warranty is 24 (twenty-four) months as from delivery of the Goods or the performance of the Services at the place of destination and the term for reporting any flaws, either evident or hidden, is 15 (fifteen) days as from the date of discovery, saving any longer term established by the Supplier. The Supplier undertakes, for the entire duration of the warranty, that the Goods/Services comply with specifications indicated in the Order and to the last "state of art"; the supplier further warrants that the Goods comply with the applicable promptore legislation, and in particular with the EU directives on product safety, are CE-marked and fitted with safety devices, are of perfect quality, free of design and/or manufacturing defects, function or any other defects and are complete with all necessary parts and perfectly fit for the use for which they are supplied. In the case of the supply of Services for the restructuring of production lines and the installation of new production lines, the supplier undertakes to deliver: the certificates attesting to the conformity of the equipment with the regulations, the documentation relating to the analyses and specific risk assessments, carried out in accordance with the particular conditions of this Order, and also the user and maintenance manual in Italian.

9. Non-conforming or defective goods. The supplier warrants that the Goods delivered shall be free from defects. The Goods shall be considered defective if: (a) they do not comply with the requirements of the Order; or (b) they do not reflect the characteristics possessed by the samples and prototypes delivered by the supplier; and/or (c) they are not suitable for the use for which HME intended to use them. In the case of non-compliance of the Goods supplied or of faults found, the Supplier must immediately collect the Goods and replace them at its risk and costs at the same place of destination. In the absence of corrective actions by the supplier within the 15 (fifteen) days since the communication of HME of finding of faults/nonconformance, HME reserves the right to proceed, at its own discretion, with immediate replacement of the Goods by other supplier, charging the supplier for related costs, including storage and shipment costs, higher price and any other costs. This is without prejudice to the right of HME to ask the supplier for a price reduction of the defective Goods or - in the event of non-conformity and/or defectiveness of the Goods such as to totally impair their functionality and thus constitute non-fulfilment by the supplier of its obligations under the Order -

to proceed with termination of the contract for non-performance via simple written notification and to ask for non-possible compensation for damage.

10. Environmental protection. Hazardous substances. The Supplier undertakes - in the production of Goods and performance of Services indicated in the Order - to minimize negative effects of its own activities upon humans and environment, by adopting proper technical measures to reduce possible negative consequences for the environment. In this respect, the Supplier shall set up in agreement with HME the necessary procedures in order to limit any environmental/acoustic pollution.

Moreover, the Supplier shall develop, according to its own capacities, a quality system as well as a certification procedures system with reference to applicable environmental laws. The supplier declares and guarantees that chemical substances contained in Goods indicated in HME's Orders comply with REACH regulation and are comprised in the European list of chemical substances. In any case, the aforesaid Goods shall not have to contain any of the so called SVHC chemical substances (Substances of Very High Concern) and limited by Montreal Protocol.

It shall be a Supplier's responsibility to keep itself updated in advance with reference to periodic disclosure of new substances in the SVHC list available on the web site <http://www.echa.europa.eu/>.

HME reserves the right to ask for Supplier's specific documentation regarding the above any chemical substance or product introduced in HME's premises shall have to be accompanied by "Material Safety Data Sheets" (MSDS), in compliance with EU Directive. HME, at its own discretion, reserves the right to defer the authorization for introduction of chemical substances/products. Moreover, in case of ascertainment of radioactivity Goods by means of detector at HME's premises entrance, HME shall refuse supplies of Goods containing radioactive substances. In such a case, storage expenses as well as return to the Supplier of Goods containing such substances shall be entirely borne by the same Supplier.

11. Performance of works and safety at work. If Orders provide the execution by the Supplier of some Services at any of HME's sites, the same Supplier shall comply with HME's applicable internal regulations, and in particular undertakes to be strictly compliant with EHS procedures, whose Supplier expressly consents to know. The Supplier shall have to cooperate and coordinate with HME in order to minimize inferential risks, by complying with the so called Document for Interferential Risk Assessment (DUIVRI) attached to the Order Confirmation and/or to the service contract, if any, that the Supplier shall have to return to HME duly signed for acceptance before the entrance to HME's sites; the Supplier shall also have to appoint a representative having necessary powers and experience to manage in a proper way all activities together with identification of the risks and, with the respect of EHS' requirements and procedures and maintenance of discipline during the performance of such activities. In order to allow, upon its own responsibility, the entrance of Supplier's employees and/or partners, any of HME's sites, the same Supplier shall have to previously provide all the technical and administrative documentation mentioned in the previous Art. 6 and undertakes to deliver in advance a complete nominative list of its own partners and/or employees, together with identification documents, such as and/or entrance visa or residence permit, issued by Authorities in accordance with immigration regulations. The Supplier acknowledges and accepts that is under its responsibility to maintain valid all the above - mentioned documentation.

The Supplier and/or subcontractor's employees and/or partners shall have to wear an identification badge completed with photo and indicating their own personal data and the Supplier shall be responsible for the company to which they belong.

HME shall deliver to the Supplier specific information concerning HME's site, and in particular concerning area in which activities shall have to be performed. It is prohibited to the Supplier to use any of the above information for purposes different from those indicated by HME without this latter's previous written authorization. The Supplier shall perform Services by using its own materials and devices needed for loading and transport, by delivering prior to the access to HME's site a complete list and the documentation on proving conformity to the applicable law. The utilization of HME's devices and materials by the Supplier is not permitted, unless specific prior written approval of HME. In case of breach of HME's interest in EHS regulations and procedures, the same HME reserves the right to request, at its own and sole discretion, that Supplier removes or replaces Supplier's employees and/or partners that have infringed provisions concerning safety and/or rules of conduct. Repeated infringement of the abovementioned provisions will lead to the termination ipso iure of the Order for breach by means of a simple written communication to the Supplier, without prejudice of any right to claim compensation for damages.

12. Access to Supplier's facilities. Controls on materials and equipments. In order to allow HME to control quantities of supplied Goods and very the correct performance of Services indicated in the Order, the Supplier shall be notified by notice from HME, shall have to periodically grant to HME and/or to its appointed the access to all places (of the Supplier or of its subcontractors) destined to Order's performance, in which Goods are produced or stored in compliance with all the places in which Services are executed. Such entries shall not release Supplier from any of its obligation. Moreover, the Supplier shall be subject to inspections and periodical controls, either at its own premises or at HME's sites in which Services indicated in the Order are performed to the aim of verifying the effectiveness compliance with regulations and HME's EHS procedures, among which: works at height exceeding 1,2 m., lifting operations, DPI, hot working, working with pressurized liquids etc.. The maintenance of HME's supplier status shall also depend by results of said audits.

13. Payments. Payments due for Supplier's Goods/Services are to be made by HME at terms and conditions indicated in Orders. Any conditions or terms of payment mentioned in the invoice different to those indicated in orders, shall not be considered valid. Prior written consent, HME may always compensate its debts to the Supplier with receivables accrued or otherwise, including future receivables, that HME has vis-à-vis the Supplier up to the amount of related invoices (upon request the Supplier will receive information on HME industrial group's structure).

14. Modifications and cancellations. When so requested by HME in writing, the Supplier undertakes to promptly modify specifications of ordered Goods/Services and not yet received/performed. The Supplier shall be obliged to accept in a timely manner of any changes in price or timing as a consequence of requested changes. Aforesaid amendments shall be agreed by the parties in writing in a document that amends the Order or by the issue of a new Order. HME reserves the right of early termination ex art. 1373 c.c. to cancel orders any time by means of a registered letter with advice of receipt, without paying any penalty to the Supplier.

15. Termination of the Order. HME shall be entitled to terminate the Orders as of right, pursuant to and for the purposes of article 1456 of the Italian Civil Code, and to claim compensation for the damage suffered in the event that the supplier fails to fulfil even only one of its obligations under the Orders and these Conditions. The right to terminate Orders pursuant to this Article, may only be exercised after the following procedure has been followed:

1. HME shall notify the Supplier in writing of the relevant breach within an indicative period of fifteen (15) days from its occurrence;
2. the defaulting supplier shall remedy such non-performance within twenty (20) current days from the notice of default;
3. If the defaulting supplier is not able to remedy its non-performance within the period of time set forth under 2. above, HME may terminate the Order by written notice by registered letter with return receipt to be sent within the following twenty (20) days.

The faculties provided by this clause shall not prejudice in any way the exercise of other rights by HME, including the compensation of further damage. Any tolerance on the part of HME in relation to the non-fulfilment by the Supplier of any obligation provided for by and resulting from the Order shall not be construed as a conclusive behavior or otherwise give rise to any right or faculty not expressly provided for by the Order.

16. Indemnification. The supplier undertakes to indemnify and hold harmless HME and its representatives against any loss, claim, cost or expense (including costs of legal defence) arising out of or in connection with any default and/or breach of the Orders or otherwise in connection with the supply/performance by the supplier.

17. Industrial property rights and confidentiality. All assigned data, systems, operating procedures, figures, drawings and other information that, regardless of their nature and origin, have been communicated by HME to the Supplier or that this latter learned as a result of observation or use of the same, form part of HME's exclusive property; they must be treated as strictly confidential; they can be used by the Supplier solely to execute the order; and they must then be returned to HME without retaining copies. The Supplier warrants that use by HME of supplied Goods/Services does not infringe patents or other third party industrial property rights and undertakes to hold HME harmless from any third-party demands or actions and to pay for any consequent damage, loss or disadvantage suffered by HME.

18. Force majeure. If the performance of the Order is rendered impossible or becomes excessively onerous due to an unforeseeable and extraordinary event the occurrence of which is not due to conduct or omission attributable to the parties and which, by its nature and extent, is of such a nature as to delay or prevent the fulfillment of contractual obligations and the performance of the Order and/or which affects the regular performance (such as, by way of example war, riot, rebellion, act of terrorism, sabotage or piracy; acts of authority, whether lawful or unlawful, compliance with laws or governmental orders, rules, regulations or directives, curfews, calamities, epidemics, pandemics, health emergencies, natural disasters, explosions, fires, earthquakes, strikes (hereinafter "Force Majeure Event") each party shall upon the occurrence of any Event of Force Majeure that makes it impossible to comply, in whole or in part, with the terms set forth in the Orders or makes them excessively onerous, notify the other promptly and in any event within 10 working days by means of PEC or registered letter with return receipt. If requested by HME, the Supplier must immediately send to HME certification of the relevant Chamber of Commerce proving the Force Majeure Event. If execution of the Order is reasonably impossible, HME reserves the right to terminate the contract either totally or in part by means of simple written notification to the Supplier. It is understood that the Supplier's payments, obligations for Goods/Services will be able to be satisfied only in the absence of the aforesaid Force Majeure Event and only if national/international restrictive provisions of foreign trade (i.e. embargoes) and/or of payments method do not intervene.

19. Organisational model pursuant to Italian Legislative Decree 231/2001. 19.1 The supplier hereby gives deed and acknowledges that Legislative Decree no. 231 of 8 June 2001 on the administrative liability of legal persons is in force in the Italian legal system. 19.2 In light of the above, the supplier undertakes, as of now, not to commit (and to ensure that its employees or consultants do not commit) any of the offences provided for in Legislative Decree no. 231/01 and to comply (and to ensure that its employees or consultants comply with the provisions contained in the Model adopted by HME, available at the following link: <https://www.hmnetal.com/it/>).

19.3 The supplier expressly acknowledges, as of now, that its failure or inaccuracy (and/or its employees or consultants) to comply with even one of the obligations provided for in paragraph 19.2 above constitutes a serious and inexcusable breach, with the terms set forth in the Orders or makes of such unfortunate hypothesis, HME shall have the right to terminate all the agreements in place between the Parties due to the deed and fault of the supplier pursuant to article 1456 of the Italian Civil Code, in any case without prejudice to HME's right to request and obtain compensation from the supplier for all damages suffered.

20. Treatment of personal data. With Orders acceptance, the Supplier expressly confirms to be aware of statement concerning treatment of personal data pursuant to article 13 of European Regulation 2016/679, available on HME's web site: https://www.hmnetal.com/fileadmin/user_upload/DOWNLOADCENTER/IT/Informativa_sul_trattamento_dati_pers_onali_al_fornitori_e_consulenti_ai_sensi_dell_art._13_dell_Reg_UE_2016679_GDPR.pdf.

21. Applicable law. Competent jurisdiction. All disputes concerning supply/performance of Goods/Services in favour of HME, even if arising with foreign parties or for Goods/Services supplied from abroad, shall be governed by current Italian legislation and exclusively settled by the Court of Milan. Nevertheless, in case of proceedings against the Supplier, HME reserves the right, to elect the competent court of the Supplier's place of residence or domicile in Italy or abroad.