

GENERAL TERMS AND CONDITIONS OF PURCHASE FOR EQUIPMENT SUPPLY AND ASSOCIATED SERVICES

1. DEFINITIONS

- **'Buyer'** means the company that has placed the Order.
- **'End Customer'** means the Buyer's customer.
- **'Know-how'** means information of whatever kind recorded in any form whatsoever which may or may not be protectable by a form of intellectual property and which either party had in its possession prior to execution of the Order or which either party thereafter acquired strictly independently of its execution of the Order.
- **'Order'** means the Buyer's Supply order and is comprised of the following documents, listed in order of priority: 1) the order and the special terms and conditions of purchase, as well as any amendments thereto, 2) the specifications, conditions of contract and drawings and 3) the General Terms and Conditions of Purchase.
- **'Price'** means the price of the Order, as defined in clause 5 below.
- **'General Terms and Conditions of Purchase'** means these General Terms and Conditions of Purchase.
- **'Supplier'** means the company with which the Order is placed and which has declared that it is qualified and that it has the expertise and all of the resources needed to execute the Order.
- **'Supply'** means some or all of the equipment, materials and parts (standard or specific) and/or the services which the Supplier must provide in accordance with the Order.

2. ORDER ACCEPTANCE

2.1 The Supplier must acknowledge receipt of the Order by dating, signing and stamping the Order form within fifteen (15) calendar days of the issue date. Failing this, the Buyer will be entitled to cancel the Order, without being required to pay an indemnity.

2.2 If the Supplier begins to execute the whole or part of the Order, dispatches the Supply or issues a request for a down payment or an invoice, the Supplier will be deemed to have unreservedly accepted all the terms of the Order, including these General Terms and Conditions of Purchase.

3. PURPOSE OF SUPPLY

3.1 - SCOPE OF SUPPLY

The Supplier must deliver a Supply that is complete, fit for purpose and that meets relevant contractual requirements and characteristics. The supply of documents that are stipulated in the Order or that are simply required to ensure the successful execution of the Order (drawings, diagrams, certificates, assembly, lubrication, maintenance and operating notices, delivery notes, packing lists, etc.) and the delivery of related services (identification of parts, package marking, equipment protection, etc.) are contractual and form an integral part of the Supply.

The delayed or incomplete delivery of the whole or any part of the Supply will have the same effects as the delayed or incomplete execution of the Order.

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3.2 - COMPLETED SERVICES

The Supplier must under its own responsibility assign a sufficient number of qualified personnel, particularly managerial staff and specialists, to deliver the Supply in accordance with industry standards and the terms and conditions set out in the Order. Similarly, the Supplier must supply a sufficient number of machines, devices and tools of a high standard as well as the power and consumables needed to ensure the proper delivery of the Supply, to the sole exclusion of the machines, devices, tools, power and consumables that are specifically stipulated in the Order as to be provided by the Buyer or the End Customer.

3.3 - TECHNICAL ASSISTANCE

Even if the Order does not include technical assistance by the Supplier, the latter undertakes to assign at the Buyer's request one or more qualified technicians to supervise the assembly, testing and/or start-up of the Supply in the workshops indicated by the Buyer or on the installation premises in accordance with reasonable pricing terms to be agreed. Personnel must arrive on site with the equipment required and comply with site regulations.

4. - ORDER EXECUTION

4.1 - CHECKING THE WEIGHT, LOAD AND PACKING OF THE SUPPLY

The Supplier is responsible for checking the weight, load and packing of the Supply. If any of the foregoing is exceeded, the Buyer is entitled to hold the Supplier liable.

4.2 - APPROVAL OF TECHNICAL DRAWINGS AND DOCUMENTS

If any, the approval by the Buyer and/or the End Customer and/or an organisation appointed by the latter of the technical drawings and/or documentation prepared by the Supplier will not release the Supplier from its responsibilities or liability.

4.3 - MODELS AND TOOLS

Models and tools entrusted to the Supplier by the Buyer or created by the Supplier on behalf of the Buyer are the exclusive property of the Buyer. No equipment may be created using such models or tools without the Buyer's prior written consent. Unless the Buyer requests that the models or tools be returned, the latter will be retained by the Supplier under its responsibility and at its expense and they may only be destroyed with the Buyer's prior written permission. They must be returned in good condition upon request.

4.4 - SPARE PARTS

Unless stipulated to the contrary in the special terms and conditions or in the Order, the Supply includes the spare parts needed in order to resolve any incidents that might occur during assembly and start-up.

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On the date indicated in the schedule or, if no such date is indicated, within one month of the date of the Order, the Supplier shall issue the definitive list of spare parts needed in order to maintain the Supply under normal conditions for at least two years.

The Supplier undertakes to ensure that spare parts are available for at least ten years from the date of delivery of the Supply. If the Supplier is no longer able to supply spare parts for whatever reason, including due to the discontinuation of the whole or any part of its business, it undertakes to provide the descriptions, drawings, specifications, models and tools to the Buyer so that that latter may arrange to procure such supplies.

4.5 – SUPPLIER’S PERSONNEL

The Supplier shall assign teams that have the experience, ability, qualifications, authority and certifications needed to properly deliver the Supply. The Supplier is responsible for managing and supervising the work carried out and the services performed by its teams, which will remain under its full managerial authority. The Supplier’s personnel must abide by the laws, standards and regulations in force in the country where the services are provided, particularly those concerning health and safety and the regulations specific to the End Customer.

The Buyer may without notice ask for any member of the Supplier’s personnel whose work or actions is/are not compatible with the values or safety of persons and property to be removed or replaced. In such event, all costs relating to such removal or replacement will be borne by the Supplier.

The Supplier represents that its personnel and any subcontractors who are assigned to execute the Order are/will be employed and notified in accordance with applicable employment legislation, in particular the laws on unregistered workers and illegal work. It undertakes to arrange for the Buyer to be provided with the documents listed in Appendix A, *Unregistered Workers, Illegal Work and Cross Border Secondment*.

4.6 - HEALTH AND SAFETY

The Supplier must comply with Appendix B, *Health and Safety*.

5. PRICE, INVOICING AND PAYMENT

5.1 The Price of the Order is the amount or amounts stipulated in the Order or the amount resulting from the price calculation formula stipulated in the Order. The Price is firm and fixed for the duration of the Order and may not be reviewed or adjusted due to a fluctuation in currencies and/or the price of materials. The Price takes account of all elements, storage costs, packing costs, consignment costs, insurance, risks, profits and margins relating to the Order. No additional costs may be requested by the Supplier.

5.2 The Supplier must issue invoices according to the schedule set out in the Order. Each invoice must include the Order number, the exact quantity and a description of the Supply, the date and reference number of the

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delivery note and information on any other event that led to the issue of an invoice and be sent along with relevant supporting documents exclusively to the Buyer's registered address. The Buyer will not be liable for any late payment due to the Supplier's failure to comply with invoicing instructions.

5.3 Invoices are issued by the Supplier to the Buyer's name and sent to the address specified in the special terms and conditions of purchase, indicating the number and references of the Order. Provided that the contractual event generating the corresponding payment has occurred and is compliant with the Order and provided further that the documentation (if any) associated with the payment has been delivered and is compliant with the provisions of the Order, invoices are paid within the periods stipulated in the Order. Assuming penalties for late payment may be applied, they shall be calculated on the basis of rate equal to three times the French legal interest rate.

6. IDENTIFICATION - PACKING/MARKING - SHIPMENT

The Supplier must comply with the provisions of Appendix 1, *Identification, Packing, Marking, Shipment*.

7. DELIVERIES

7.1 Unless stipulated to the contrary in the special terms and conditions or in the Order, deliveries are on DDP (ICC 2010 Incoterms) site basis and include unloading.

7.2 If an event prevents the Buyer or the End Customer from receiving the Supply, the Buyer reserves the right to postpone the dispatch date or to request delivery in several instalments.

7.3 In such event, the Supplier must store and protect the Supply in an appropriate manner at its risk and expense for at least three months. Further checks may then be requested by the Buyer before the Supply is dispatched.

7.4 Each delivery or shipment must be dispatched along with the appropriate delivery note, completed as directed by the Buyer and in accordance with international trade standards. A list of packages and other certificates included must be attached to the delivery note and completed as directed by the Buyer.

8. TIME LIMITS

8.1 The time limits stipulated in the Order are mandatory and constitute a fundamental and determining condition of the Order. If it can reasonably determine that it will not be able to meet a time limit or it does not fulfil its obligations on time, the Supplier must immediately inform the Buyer thereof in writing. The Supplier must at its sole expense implement the necessary resources in order to make up for the delay when requested to do so by the Buyer, without prejudice to the latter's rights, and particularly dispatch the Supply using the quickest delivery method in order to meet applicable time limits and make up for the delay. If the Buyer can

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determine, based on reasonable evidences, that the Supplier will not be able to comply with the time limits stipulated in the Order, the Buyer may terminate the Order as per clause 21 below.

8.2 Unless previously agreed by the Buyer in writing or in the event of force majeure as defined in clause 23 below, penalties for delay will be applied should the Supplier fail to deliver on the dates or within the time limits stipulated in the Order. Unless stipulated to the contrary in the special terms and conditions of purchase, such penalties will be equal to 1% of the Price for each commenced week of delay and will be applied without notice at the rate fixed in the Order. The total amount of penalties for delay is capped at 10% of the Price.

8.3 Penalties for delay may be applied without prejudice to compensation for any damage or loss sustained by the Buyer as a result of a delay and without prejudice to the Buyer's right to terminate the Order as of right.

8.4 The Buyer may also, at its own discretion, terminate the Order as per clause 21 below, on account of a failure to meet the time limits stipulated therein.

9. CHANGE ORDER

The Buyer may ask to change the Order by adding, removing or changing the whole or part of the Supply. If a request to change the Order changes the Price and/or the time limits stipulated in the Order, the Supplier must immediately inform the Buyer in writing and stipulate the impact of the change, particularly on the Price and time limits. Any change order will be determined taking account the rates stipulated in the Order and the same price levels used to calculate the original Price. No change order will be effective until the Buyer has agreed thereto in writing.

10. COMPLIANCE

10.1 Compliance by the Supplier with the terms of the Order, particularly the terms regarding time limits, dates and compliance with applicable technical specifications, is an obligation to achieve the results contemplated in the Order. The Supplier also has a duty to provide advice and information.

10.2 The Supply must be (a) delivered in strict accordance with the terms of the Order (particularly the relevant performance and operating criteria and models, drawings and operating specifications), (b) delivered in accordance with the Buyer's requirements as set out in the Order or with its legitimate expectations, (c) new and manufactured using quality materials, (d) manufactured by competent, qualified personnel, (e) delivered in accordance with industry standards, (f) delivered in accordance with applicable standards, laws and regulations (including European REACH Regulation No 1907/2006, in respect of which the Supplier undertakes to comply with the provisions of Appendix 2, *REACH Regulation*) and (g) in accordance with the general principles laid out in the Global Compact (www.unglobalcompact.org) with which the Supplier declares itself to be familiar.

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10.3 In addition, the Supplier undertakes to deliver the Supply taking the following into consideration:

- climatic conditions on the End Customer's site,
- any specific requirements regarding the assembly or industrial operation of the Supply.

If specifications, instructions and standards are imposed by the Buyer or the End Customer in respect of the Supply, the Supplier must ensure that the results and performances sought can be achieved. Otherwise, it must promptly inform the Buyer thereof and offer a solution in its capacity as a specialist.

11. INSPECTIONS

11.1 The Buyer and/or the End Customer may access the premises of the Supplier and its subcontractors (if any) in order to inspect, check and/or test the Supply using the Supplier's resources and at the latter's sole expense. The Buyer's inspection of the Supply, its approval or the fact that it does not issue any reserve will not exempt the Supplier from its contractual obligations in respect of the Order. The Supplier undertakes to respond to any questionnaire aimed at preparing for and planning the inspection work performed by the representatives of the Buyer and/or the End Customer.

11.2 The Supplier undertakes to facilitate an inspection of the Supply at any time during execution of the Order, including during design work.

Taking applicable legislation into consideration, it undertakes to inform the representatives of the Buyer and/or the End Customer of any risks and of applicable internal regulations and safety instructions and to ensure their safety during the performance of their work. Inspections (which will under no circumstances release the Supplier from its responsibilities or liability) will particularly be carried out in order to check the following:

- the progress and proper execution of the Order,
- the quality of the materials,
- compliance with the drawings, specifications, standards and requirements stipulated in the Order,
- the preparation of all documents that are required in the Order or that are simply needed to ensure the proper and complete execution of the Order.

If it appears during an inspection that the Supply does not conform to the Order or that it is defective, the Supplier must resolve the matter. The Supplier may not claim that a delay in the delivery of the Supply was due to an inspection.

12. CONTROLS AND TESTS

12.1 Throughout the execution of the Order, the Supplier must carry out any controls it deems necessary as well as those stipulated in the Order. It must not submit to the Buyer or the End Customer for inspection or dispatch any equipment that has not already been checked by its own control department and deemed to comply with the Order.

The Supplier must produce a certificate to confirm that such control has indeed been carried out and that the Supply has been acknowledged as conforming to the Order.

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12.2 In the absence of such certificate, the Buyer reserves the right to refuse the equipment and to suspend its obligations.

In the event of a control that is stipulated in the Order, prior to carrying out the control, the Supplier must request that a representative of the Buyer be present by informing the Buyer of the scheduled date of the control at least 15 days in advance, it being specified that such representative may choose to attend or not, at his entire discretion. If an inspection organisation has been appointed, the Supplier must also inform such organisation of the date and place of the controls.

12.3 The Supplier must make available to the representatives of the Buyer and/or the End Customer or the organisation appointed by the latter the resources needed in order to take action and carry out tests, without charge. The devices must be adjusted, calibrated, stamped and marked in accordance with applicable standards. The Supplier must bear the expenses that arise in connection with the tests and controls except for expenses incurred by the representatives of the Buyer, the End Customer or any organisation appointed by them. However, if the equipment is not accepted for reasons due to the Supplier, any above mentioned expenses may be charged to the Supplier.

12.4 Controls and tests must be carried out in accordance with the Order or, if the Order contains no provision in that regard, in accordance with the practices and standards normally followed in respect of the equipment involved. Additional control, analysis or test required as a result of the previous examinations in order to fully and appropriately assess the equipment will be borne by the Supplier. During these controls, the Supplier must submit the technical report defined in clause 13 below to the representative(s) of the Buyer and/or the End Customer for their perusal. The Supplier may not claim that a delay in the delivery of the Supply was due to an inspection.

13. TECHNICAL INSPECTION REPORT

13.1 A technical report must be provided upon delivery of the Supply. The report must include the inspection certificate signed by the Supplier which confirms that the Supplier has conducted its own controls (clause 12) as well as any and all documents stipulated in the Order.

13.2 In any event, the technical report (to be drawn up in the number of counterparts requested and in the form and language stipulated in the Order) must be sent to the Buyer at the same time as the 'package inventory' (see Appendix 1, *Identification, Packing, Marking, Shipment*) if the equipment is dispatched directly to the End Customer and/or to another supplier appointed by the Buyer.

14. EFFECTS OF INSPECTIONS AND CONTROLS

The Supplier must not dispatch any equipment that must be checked without the prior consent of the Buyer or the inspection organisation appointed by the Buyer.

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14.1 - Accepted Supply

Controls, tests or inspections carried out in the presence or without the presence of an agent appointed by the Buyer or the End Customer or any other organisation will not release the Supplier from its guarantee commitments, responsibilities or liability.

14.2 - Non-compliant Supply

If it is observed during a controls, during production or following completion of the Supply in the presence or without the presence of the Buyer or the End Customer that the Supply is non-compliant or defective, the Supplier must render the Supply compliant, eliminate the defects and carry out further verifications, provided that the repairs and verifications were submitted to the Buyer for its prior approval, on the understanding that the Buyer may subject its approval to the amendment of the contractual terms.

Unless otherwise agreed in writing by the Buyer must, the additional work required in order to restore a non-compliant Supply cannot give rise to extension of time.

14.3 - Rejection

If the Supply does not conform to the terms of the Order, the Buyer is entitled to reject the whole or any part of the Supply. Without prejudice to its other rights, the Buyer may ask the Supplier to replace the rejected Supply at the Supplier's risk and expense. If the Supplier cannot comply within a time limit that is acceptable for the Buyer, the Buyer is entitled to cancel the whole or any part of the Order and to procure the Supply from another Supplier of its choosing, at the Supplier's expense. In such event, the Supplier undertakes to promptly reimburse to the Buyer any amounts received in connection with the Order or part of the Order that has been terminated and to retrieve the rejected Supply at its expense within seven (7) days of notification of the Buyer's rejection. Once this time limit has expired, the Buyer is entitled to return the Supply to the Supplier without notice, in which case all costs and risks will be borne by the Supplier. The cost of returning the faulty Supply and having it manufactured by a third party may be deducted from the amounts owed by the Buyer to the Supplier, in which case the relevant amounts will be offset as of right, in accordance with clause 22 below. Notwithstanding the Buyer's rejection, the Buyer reserves the right to temporarily use the Supply in order to minimise the loss sustained.

15. ACCEPTANCE

15.1 Acceptance of the Supply must be recorded in an acceptance certificate that is dated and signed by the Buyer once the following conditions have been met:

- the apparent compliance of the Supply has been acknowledged,
- the results of tests carried out on the Supply reveal expected performance levels,
- the Buyer has in its possession all of the documents required in connection with the Order, and
- the Buyer has obtained the End Customer's acceptance.

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15.2 The Buyer may agree for the Supply to be accepted subject to reservations. In such event, by signing an acceptance report, the Supplier will be undertaking to perform or complete the omitted or uncompleted work and to remedy the problems or defects affecting the Supply within the time limit set by the Buyer. Once such time limit has expired, the Buyer will be entitled to arrange for the services to be provided by a company of its choosing at the Supplier's expense without notice. The cost of such services may be deducted from the outstanding amount owed by the Buyer to the Supplier, in which case such setoff will be made as of right, in accordance with clause 22 below.

15.3 The inspection, delivery or acceptance of the Supply will in no way reduce or have any effect on the Supplier's liability.

16. RISK AND OWNERSHIP

16.1 Notwithstanding clause 7.1, the risk of loss or damage to the Supply will be transferred to the Buyer upon acceptance thereof, in accordance with clause 15 above.

16.2 Ownership of the Supply will be transferred to the Buyer upon the Order's acceptance by the Supplier as per clause 2. The Supplier undertakes to set aside each of the parts included in the Supply in the name of the Buyer as and when they are manufactured, such that they cannot be confused with its own stock or other parts to be delivered to third parties. The Buyer reserves the right to ask the Supplier to produce original certificates of ownership which indicate that the Supply is the 'Property of the Buyer'. The Supplier undertakes to ensure that its subcontractors also comply with these provisions.

16.3 No retention of title clause may be enforced against the Buyer.

17. GUARANTEE

17.1 The Supplier guarantees that the Supply will comply with the Order, as stipulated in clause 10 Compliance and that it will not be defective or non-compliant. Without prejudice to the guarantees provided for by law, this guarantee will cease to apply on the latter of the following dates:

- twenty-four (24) months following acceptance of the Supply in accordance with clause 15 Acceptance, or
- thirty-six (36) months from delivery of the Supply in accordance with clause 7, Deliveries.

17.2 Pursuant to this guarantee, the Supplier undertakes to promptly disassemble, replace, repair or correct the whole or any part of the Supply that does not conform to the Order or that is defective at its expense when requested to do so in writing by the Buyer. If it fails to do so, the Buyer may arrange for the Supply to be disassembled, replaced, repaired or corrected by a third party and ask the Supplier to reimburse the costs incurred in that regard. The Supplier shall bear all of the costs and expenses incurred in connection with its guarantee, including the cost of parts, labour, disassembly, re-assembly, consignment (including customs

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taxes and duties), packing as well as the cost of disassembling and re-assembling surrounding parts affected by the defect, whether such costs are incurred by itself or the Buyer. The Buyer may offset such costs as of right against outstanding amounts owed to the Supplier, in accordance with the terms and conditions set out in clause 22 Setoffs below.

17.3 Parts that are replaced, repaired or corrected are covered for a further twenty-four (24) month guarantee from the date the replacement, repair or correction is accepted. If, during the guarantee period, the Supplier, the Buyer or the End Customer is compelled due to timing reasons to replace faulty parts with parts taken from the stock of spare parts, the said parts will be replaced by the Supplier without charge, in accordance with clause 17.2.

17.4 The Supplier hereby agrees for its guarantee to be transferred to the End Customer provided it is notified thereof by the Buyer in writing.

17.5 If the End Customer asks the Supplier to implement its guarantee obligation, the Supplier undertakes to so notify the Buyer within 48 hours.

17.6 Repairs and/or replacement that must be made pursuant to the guarantee and which either, do not require the intervention of the Supplier on site, or must be implemented urgently, may be made in the appropriate workshops or on site by the Buyer, the End Customer or an external company appointed by the Buyer or the End Customer, at the Supplier's expense.

17.7 If the Supplier refuses to fulfil or delays the fulfilment of its guarantee obligations or fails to act diligently, the Buyer, the End Customer or an external company appointed by the Buyer or the End Customer may make the necessary repairs or changes at the Supplier's expense and risk if a formal notice to perform remains without effect for seven days.

18. LIABILITY AND INSURANCE

18.1 The Supplier will be liable for any damage caused by the Supplier, its employees, representatives and/or subcontractors to the Buyer and/or the End Customer and/or a third party on account of the Supply and/or the execution of the Order. The Supplier shall hold the Buyer harmless from and against any claim made in that regard.

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18.2 The Supplier and its subcontractors undertake to take out and/or to maintain for the duration of the Order the following insurance policies:

- a commercial general liability insurance policy covering third party liability (public liability) and product liability/completed operations for a limit of not less than EUR five million (€ 5,000,000) per claim (on the understanding that this sum does not limit the Supplier's liability).

If necessary:

- a workers compensation insurance policy if the Supplier or its subcontractors (if any) operate in a country that has no mandatory employment cover,
- any mandatory insurance policy in the country where the Supply is delivered.

The Supplier must provide the Buyer upon request with the corresponding certificates of insurance and notify it of the sums insured and the applicable excesses (if any).

19. SUSPENSION

The Buyer reserves the right to suspend execution of the Order at any time without owing the Supplier any costs that may arise as a result thereof if the Order is suspended for less than six (6) months. If the suspension exceeds the aforementioned six-month period, the parties shall meet in order to determine whether or not to pursue the Order.

20. TERMINATION FOR CONVENIENCE

The Supplier acknowledges that the Buyer may for convenience terminate the whole or any part of the Order in writing at any time after the Order has taken effect. On the date set by the Buyer, the Supplier shall stop performing any activity related to the Order and undertakes to protect and maintain the equipment and materials intended for the Order in their current condition. The Supplier shall deliver to the Buyer all of the equipment and materials used in whole or in part in connection with the Order. The total amount payable to the Supplier in such case shall not exceed the amount of expenses reasonably incurred and for which supporting documents are provided and is reimbursable upon the presentation of paid invoices. Any and all sums received as a down payment/advance or interim payment must be deducted from the above mentioned total amount.

The difference must be reimbursed by the debtor to the creditor according to the statement of account. The total amount covers any and all damages; the Supplier agrees not to take any action against the Buyer for additional claims, in particular for the loss of profit.

21. TERMINATION FOR BREACH

If the Supplier fails to fulfil any obligation or obligations in connection with the Order, the Buyer may terminate the whole or any part of the Order as of right, without the need to carry out any formality, or have the Order executed, in whole or part, by a third party company at the Supplier's expense if a formal notice in

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writing remains without effect for seven (7) days, without prejudice to all of the other rights and remedies available to the Buyer. The Supplier shall promptly provide the Buyer with all of the equipment and materials acquired, as well as the products created in whole or in part in connection with the Order.

In addition, the Buyer may in such a case require the Supplier to comply with one or several of the following measures:

- leave the Final Customer's site within the shortest time,
- hand over to the Buyer, or to the third party designated by it, the partial works executed up to the termination date,
- furnish to the Buyer, or to the third party designated by it, any means and tools specifically required to complete the works,
- grant to the Buyer any intellectual property rights belonging to it and necessary to perform and complete the works,
- take any necessary steps to assign to the Buyer the subcontracts, if any, related to the works.

22. SETOFFS

The parties expressly agree that the Buyer may set off amounts owed to the Supplier against penalties, debts and indemnities of whatever kind owed by the Supplier to the Buyer after having formally notified the Supplier thereof in writing.

23. FORCE MAJEURE

23.1 If an unforeseeable, unavoidable event occurs that is beyond the control of one of the parties to the Order and which prevents that party from fulfilling its obligations in connection with the Order, the Order will be immediately suspended provided that the party affected by the force majeure event so informs the other party in writing within three working days of occurrence thereof, indicates the estimated duration of the event and produces reasonable corresponding evidence of the event in writing. No strike involving solely the personnel of the Supplier or its subcontractors will constitute a force majeure event.

23.2 The affected party must take all necessary measures in order to minimise the consequences of the force majeure event as much as possible.

23.3 The parties agree that the Supplier's right to extend the time limits imparted to it in the Order as a result of the force majeure event will in no way affect the Buyer's right to terminate the Order at any time in accordance with clause 20 Termination for Convenience.

23.4 If the force majeure event persists for more than fifteen (15) consecutive calendar days, the parties shall meet in order to discuss possible solutions.

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24. CONFIDENTIALITY

24.1 The Supplier must keep confidential all information acquired from the Buyer and/or the End Customer in connection with the Order and take such steps as to ensure that third parties also keep such information confidential. It agrees not to use such information for any purpose other than to execute the Order and not to produce the Supply it has been commissioned to deliver for any other party. Such information may not be published or disclosed without the prior written consent of the owner thereof. If the Supplier is required to disclose such information to third parties in order to execute the Order, it must procure the same confidentiality undertakings from such third parties.

24.2 The Supplier also undertakes to keep confidential all technical results and information developed in connection with the Order, except for information that becomes public knowledge other than through a fault of the Supplier.

24.3 Under no circumstances may the Supplier refer to the Buyer or specifically use photographs of the Buyer's installations for its advertisements or commercial literature without the Buyer's prior written permission.

24.4 Notwithstanding the termination, cancellation or complete execution of the Order, the provisions of clause 24 will remain in force for five (5) years from the date of termination or completion of the Order.

25. INTELLECTUAL PROPERTY AND KNOW-HOW

25.1 The Buyer and the Supplier remain the exclusive owners of their Know-how. However, the Supplier hereby grants a royalty free, transferable licence to use any intellectual property rights relating to its Know-how that are needed in order to use the Supply and/or the contract entered into between the Buyer and the End Customer.

25.2 All of the Know-how and related intellectual property rights created, developed, produced or provided by the Supplier whilst executing the Order are deemed to have been created at the initiative of and as directed by the Buyer, which owns all related intellectual property rights. The Supplier expressly acknowledges the foregoing. The Supplier assigns all of the rights of use corresponding to such intellectual property rights, notably the rights of reproduction, public performance, translation, adaptation and marketing on any media, including all methods of use. It warrants that its employees and any subcontractors and their personnel also assign the foregoing rights. The assignment is an exclusive assignment for the duration of protection of intellectual property rights, in any country and in any language.

25.3 The Buyer remains the owner of all intellectual property rights and corresponding rights to use any improvements it makes to the Supply.

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26. QUIET ENJOYMENT

26.1 The Supplier warrants that the Buyer will have peaceful and undisturbed possession of the Supply, which must not be encumbered by any right, pledge, security or lien.

26.2 The Supplier agrees not to use the intellectual property rights of a third party in order to execute the Order without the prior written permission of the relevant third party. Any fees or royalties payable in order to use such rights must be paid exclusively by the Supplier.

26.3 The Supplier shall hold the Buyer harmless from and against any claim or complaint by a third party on the basis of infringement or a violation of its intellectual property rights and shall compensate the Buyer for any consequences that arise from any such claim or complaint.

27. TRANSFER - SUBCONTRACTING

As the Order is being placed on 'intuitu personae' basis, the Supplier agrees not to howsoever transfer or assign the Order or to subcontract the whole or any part of the Order, either without charge or in return for payment, without the prior written permission of the Buyer. In all cases, the Supplier will be solely responsible towards the Buyer for the proper execution of the Order. The Supplier must prohibit any subcontractors from further subcontracting the services entrusted to them unless the Buyer gives its prior written permission for them to do so.

28. NO WAIVER

Failure of the Buyer to rely on a provision of the Order should not be construed as a waiver by the Buyer to enforce that provision.

29. SEVERABILITY

If any provision or provisions of the Order are null, invalid or illegal, the other provisions of the Order will not in any way be affected thereby. The parties undertake to promptly agree in good faith on the adjustments required pursuant to amendments to the Order.

30. CORRESPONDENCE

Any formal notice or notification to be served in connection with the Order must be sent by letter with acknowledgement of receipt. All other correspondence must be sent by ordinary post, fax or email. Unless stipulated to the contrary in the special terms and conditions or in the Order, correspondence must be sent to the Buyer's registered head office.

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31. DISPUTES

31.1 The Order is governed by Italian law (even if it is placed outside Italy), to the exclusion of conflict of laws rules. The Court of Milan has exclusive jurisdiction to hear any dispute that arises in connection with the Order. The United Nations Convention on Contracts for the International Sale of Goods signed in Vienna on 11 April 1980 does not apply to the Order. The Buyer chooses its registered office as its address for service.

31.2 The parties expressly agree that any decision rendered by an arbitral tribunal or court in connection with the main contract between the Buyer and the End Customer will be binding on the Supplier, provided that the latter was formally requested to attend the proceedings that led to such decision being rendered.

31.3 The Supplier may not under any circumstances rely on the existence of a dispute with the Buyer or a third party to suspend, modify or delay the fulfilment of its obligations.

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APPENDIX 1

IDENTIFICATION, PACKING, MARKING, SHIPMENT

1 - IDENTIFICATION

Each part or sub-assembly of the Supply that can be handled separately must be identified by one of the following, as requested by the Buyer or recommended by the Supplier:

- a label indicating the Buyer's Order number, the item number, possibly the assembly drawing and marking numbers or any information included in the Order or that can be used to identify the part,
- cold stamping or paint marking of the information listed in the previous paragraph.

If the conditions for identifying parts are not met, equipment identification costs will be borne by the Supplier or deducted from payments due.

2 - PACKING - MARKING

Unless stipulated to the contrary, the Supplier is responsible for the design and completion of packing and marking operations that must be carried out according to the type of equipment involved, the method of transport, the place of destination and constraints relating to such destination (e.g. standard ISPM15).

Packing for the Supply must be such that it cannot deteriorate as a result of climatic conditions, handling, transport, storage, impact, vibrations, etc. The Supply must be packed, marked and prepared for dispatch in accordance with relevant best practices, standards and international regulations to ensure that it reaches the destination named in the Order under the best possible conditions.

Like the Supply itself, all packing and marking may be inspected by the Buyer's representatives, its customer or any organisation acting on their behalf. Such inspections will in no way release the Supplier from liability.

The Supplier shall indicate its instructions as regards the lifting, moving and shipment of the Supply on all packages or containers and clearly indicate the storage and transport precautions that must be taken. On each package or container, the Supplier shall affix information relating to the shipment, the Order reference, the dispatch date, the name and address of the carrier as well as any other information provided by the Buyer.

The equipment must be safely loaded and secured in a wagon, container or truck in accordance with industry standards.

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The Supplier will be solely liable for any damage or loss caused to the Supply owing to a lack of protection (e.g. Tectyl), secure loading, packing or marking. Any and all additional costs incurred due to a lack of packing, inadequate packing, incorrect or lack of information or marking will be borne by the Supplier.

3 - SHIPMENTS

3.1 - Shipments

The Supplier shall inform the Buyer once the equipment has left the Supplier's premises, by sending a shipping advice or collection notice.

- Direct deliveries

If a shipment is dispatched from the Supplier's premises (or the premises of its subcontractors) directly to the site of installation or to the End Customer, the Supplier shall prepare the detail of contents, according to the condition in which the Supply is being dispatched, on the 'package inventories', 'shipping lists' or similar forms.

The Supplier shall provide these package inventories to the Buyer. After verification, they will constitute the 'final packing lists'. A copy of the package inventory, shipping list or similar document must be affixed to each package prior to dispatch.

Upon receipt of the 'final packing lists', the Buyer's shipping department shall give the Supplier instructions as to how the packages should be marked (if such information has not already been provided), which documents should be provided and the delivery method and address. The Supplier must strictly comply with the instructions received, even if it knows the address to which the Supply should be sent, it must await all relevant instructions from the Buyer.

- Shipments to the Buyer's suppliers or storage warehouse

The packing list must be prepared on the Supplier's forms. The Supplier must ensure that the Order contains all relevant information on the address of delivery or if necessary request such information in a timely manner. The Supplier must strictly abide by the instructions regarding information to be included on the shipping documents.

All costs that arise as a result of a shipment delivered to the wrong address or as a result of incomplete documents will be charged to the Supplier.

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APPENDIX 2

REACH REGULATION

INTRODUCTION

- a) REACH Regulation No 1907/2006 (hereinafter 'REACH') concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals came into force on June 1, 2007. It concerns the registration and assessment of substances available on the European market and aims to protect human health and the environment.
- b) Suppliers of equipment, products and substances that market their products in the European Economic Area are all concerned by REACH, either directly or indirectly. Taking REACH into consideration allows the Supplier to:
 - guarantee the sales of its supplies on long term basis,
 - allow the Buyer to continue to use the supplies according to the Buyer's own processes,
 - failing to the above, to notify the Buyer of the need to find alternative supplies as soon as possible.

1. **Applicable Provisions if the Purchase Order is related to "Articles"¹ within the meaning of REACH**

- 1.1 If the Supply contains a Substance that is already included in the "candidate list"² when the Order is entered into, the Supplier undertakes to inform the Buyer if the candidate substance has a weight of more than 0.1% compared to the total weight of the Supply.
- 1.2 If a Substance included in the delivered Supply is added to the "candidate list" after the Order has been awarded, the Supplier shall provide the above information within thirty (30) days of publication of the updated "candidate list" that includes the relevant Substance. The Supplier must provide a sufficient amount of information for the Supply to be used safely. This obligation will cease to apply if the updated "candidate list" that includes the Substance is published more than twelve (12) months after the Supply was delivered.
- 1.3 If, further to a regulation to authorise or restrict a Substance present in the Supply, the Supplier decides to change the composition of the Supply or to stop the sales of the Supply, the Supplier undertakes to inform the Buyer six (6) months prior to the implementation of such decision.

¹ Any manufactured product (joints, engines, electronic goods, etc.).

² Substances "of very high concern" due to their carcinogenic, mutagenic, persistent, liable to bioaccumulate or toxic properties, etc.. This list is updated twice a year. Some of these substances will ultimately be listed in Annex XIV to the REACH Regulation as substances subject to authorization (i.e. forbidden substances unless specific authorisation for a limited period of time).

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2. Applicable provisions if the Order is related to the purchase of a “Substance” or “Substances” within the meaning of REACH³

2.1 Regarding the registration of Substances, the Supplier:

- warrants the Buyer that the Substances provided in connection with the Order that are subject to REACH were registered as required between 1 June and 30 November 2008. The Supplier also warrants the availability of the pre-registration number and provide the latter to the Buyer,
- undertakes to give the Buyer six months’ notice of any decision to take a Substance or preparation provided in connection with this Order off the market,
- undertakes to check that the use of the Substance is or will be covered by the registration, whether the Supplier is directly involved in the registration process or an upstream supplier is responsible for registration.

2.2 For Substances which are or will be in the candidate list:

- if the Substance is already included in the “candidate list” when the Order is awarded, the Supplier undertakes to include this information on the Safety Data Sheet,
- if the Substance is included in the “candidate list” after the Order was awarded, the Supplier shall provide the relevant information within thirty (30) days of publication of the updated “candidate list” including that Substance. The Supplier must provide a sufficient amount of information for the Substance to be used safely. This obligation will cease to apply if the updated “candidate list” that includes the Substance is published more than twelve (12) months after the Substance was delivered.

2.3 With respect to Substances that are subject to authorisation or restriction, the Supplier undertakes to:

- provide substances that have been duly authorised for the uses identified by the Buyer where such substances are listed in Annex XIV of the Regulation. The Supplier shall provide the relevant authorisation number in the Safety Data Sheet,
- provide the Buyer with substances and preparations complying with applicable restrictions where said substances are listed in Annex XVII of the Regulation,
- If, further to a regulation to authorise or restrict a Substance present in the Supply, the Supplier decides to change the composition of the Supply or to stop the sales of the Supply, the Supplier undertakes to inform the Buyer six months prior to the implementation of such decision.

³ Substances such as solvents, paint, grease, oil, fluids, etc..

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GENERAL TERMS AND CONDITIONS OF PURCHASE FOR EQUIPMENT SUPPLY AND ASSOCIATED SERVICES

APPENDIX A

UNDECLARED LABOR, ILLEGAL LABOR AND CROSS BORDER SECONDMENT

(Documents to be provided before the Order is entered into)

1. UNDECLARED LABOR

The Supplier declares that it is familiar with and that it complies with the provisions of Article L8221-1 of the French Employment Code which prohibits labor that is undeclared in whole or in part, defined as the performance of profit-making production, transformation, repair work or supply of services or the performance of commercial transactions by a natural or legal person who deliberately circumvents his obligations by:

- failing to register on the Trade Register (*Répertoire des Métiers*) or the Trade and Companies Register (*Registre du Commerce et des Sociétés*) when required to do so or engaging in an activity after having been refused registration or struck off the register, and/or
- failing to make the requisite declarations to the social security and/or tax authorities.

As a result and pursuant to Article L8221-1 of the French Employment Code, the Supplier undertakes to provide the following before the Order is entered into and every six (6) months thereafter until the Order has been completed:

1.1 If the Supplier is a French company

A. In all cases, the following documents:

- Certificate issued by URSSAF (or an equivalent body) confirming receipt of social security contributions,
- Sworn statement that all mandatory tax return forms have been duly filed with the tax authorities,
- In the absence of one of the above documents, for natural or legal persons who have operated their business for less than one year, a receipt acknowledging that a declaration has been filed with a business registration centre.

B. If the Supplier is self-employed

- A document issued by URSSAF confirming that the person is self-employed

1.2 If the Supplier is a foreign company and the works are executed in France

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- A. When the Supplier's registration to a business register is required in its country of origin, one of the following documents must be provided:**
- a document issued by the authorities that keep the business register or an equivalent document ;
 - for companies in the process of being set up, a document issued within the last six months confirming that the company has applied for registration.
- B. If the Supplier employs people to provide the works for more than one month**
- a sworn statement, every six (6) months, confirming the issuance of a pay slip according to French or equivalent standards.

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GENERAL TERMS AND CONDITIONS OF PURCHASE FOR EQUIPMENT SUPPLY AND ASSOCIATED SERVICES

2. ILLEGAL LABOR

(The following applies if the performance is provided in France)

The Supplier declares that it is familiar with and that it complies with the provisions of Article L8251-1 of the French Employment Code which stipulates that *“it is prohibited to hire, use the services of or employ, either directly or through an intermediary, a foreign person who does not have a permit to work in France, regardless of the duration”*.

2.1 If the Supplier is established in the European Union, it undertakes to provide the following prior to conclusion of the Order and every six months thereafter until the Order is complete:

- a nominative list of any foreign employees who require a work permit (based on payroll with an indication for each employee of the date of his/her hire, his/her nationality and work permit type and number),
- a copy of each foreign employee’s proof of identity or passport and employment contracts,
- a temporary work permit (*autorisation provisoire de travail* or APT) if the foreign worker has worked for the company for less than one year.

2.2 If the Supplier is not established in the European Union, it undertakes to provide the following prior to conclusion of the Order for each employee:

- a temporary work permit,
- a pay slip prepared in accordance with French standards that can be used to check whether the Supplier particularly complies with French public policy provisions concerning the employment of children, the protection of pregnant workers, working hours, the minimum wage and overtime.

3. CROSS BORDER SECONDMENT

(The following applies if the Supplier is not established in France but the works are performed in France)

The Supplier declares that it is familiar with and that it complies with the provisions of Article L1261-2 of the French Employment Code relating to cross border secondment:

- secondment declaration R 1263.3: name or company name, address, legal form of the company, registration number, name of legal representatives, name and address of representative in France for the duration of the works, address of the place where the works are performed, start date and estimated duration, type of activity, hazardous equipment or processes, first name, surname, date of birth, gender, nationality, date of conclusion of the contract of seconded employees;
- declaration of working hours,
- declaration regarding collective housing.

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APPENDIX B

HEALTH AND SAFETY

1. In its capacity as a specialist, the Supplier must fully control all operations, particularly as regards the methods and resources to be used.
2. All works rendered must be carried out with a constant care regarding the prevention of risks and the safety of the personnel of the Supplier, of any authorized subcontractors, of the Buyer, of the End Customer and of other contractors on the work site.
3. If the Order includes work on the work site of the End Customer or the Buyer:
 - 3.1 The Supplier undertakes to comply and ensure that its employees and subcontractors (if any) also comply with the employment law applicable in the country where the Supplier and its subcontractors operate, the public policy laws and regulations applicable in the country where the works are provided as well as the safety instructions specific to the work site of the End Customer or the Buyer.
 - 3.2 The Supplier undertakes to actively take part in safety coordination meetings and, when on French territory, to draw up and promptly implement prevention plans (Article R4511-1 *et seq.* of the French Employment Code) or specific health and safety plans (Article R4532-1 *et seq.* of the French Employment Code).
 - 3.3 The Supplier shall supervise persons working on the work site. It shall appoint a safety officer who will be the key contact of the Buyer's project manager.
 - 3.4 The Supplier shall ensure that its personnel and the personnel of its subcontractors (if any) duly familiarise themselves with applicable safety regulations.
 - 3.5 The Supplier shall ensure that its personnel and the personnel of its subcontractors (if any):
 - have the ability, capacity and/or authorization to hold their position and to use all of the materials, equipment and tools needed in order to deliver the Supply; the Supplier shall provide all relevant certificates at the Buyer's request;
 - have all of the personal protective equipment needed in order to execute the Order (helmet, safety footwear, glasses/goggles, harnesses, gloves, protective clothing, gas mask, etc.).
4. The Supplier must systematically report any work related accident and analyse the causes thereof (such analysis will be provided to the Buyer within 48 hours). The Supplier undertakes to promptly take the necessary corrective measures in order to avoid a repetition of the accident. In the event one of the above obligations is not fulfilled, the Buyer and/or the End Customer will be authorized to immediately take any and all appropriate measures at the Supplier's expense, without any formality in that regard.

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GENERAL TERMS AND CONDITIONS OF PURCHASE FOR EQUIPMENT SUPPLY AND ASSOCIATED SERVICES

APPENDIX C

FIGHT AGAINST CORRUPTION

The Supplier acknowledges and agrees that any payment made by the Buyer to the Supplier as part of the Order will be fully and exclusively for the payment of the Services provided by the Supplier in relation to the order.

1. The Supplier acknowledges that he is fully aware of the OECD Convention on the Fight against Corruption in International Business Transactions, signed December 17, 1997 and undertakes to refrain from acting in a manner which would constitute a violation of this Convention.
2. Particularly in accordance with the 10th principle of the United Nations Global Compact, the Buyer strictly prohibits any “bribe” and any active or passive corruption in its internal and external relations, whether in the public or private sector. The Supplier confirms its understanding and full commitment to this policy.
3. The Supplier is committed to:
 - (a) Comply with all applicable regulations (laws, decrees, regulations or other) on corruption,
 - (b) Refraining from, directly or indirectly, offer, promise, give, accept or receive any undue pecuniary or other advantage of any kind, to anyone, that would constitute a violation of the above regulations, (or implied that they will or might do any such thing at any time in the future) in any way connected with the Order,
 - (c) Ensure that any person employed by it or by its subcontractors or its suppliers, as part of the Order be informed and also complies with the provisions of this Appendix,
 - (d) Promptly report to the Buyer any request for any undue pecuniary or other advantage of any kind received by the Contractor or its subcontractors in connection with the processing of the Order.
 - (e) Promptly notify the Buyer of any breach or suspected breach of the obligations under this Appendix.

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