

GENERAL TERMS FOR CONTRACTED WORKS AND SERVICES

ARTICLE 1 – Nature and effectiveness of general terms

- 1.1 These General terms are applicable to all purchase orders (hereinafter "**Order**") issued by LU-VE, through its duly authorised proxies, to the Contractor for the supply of works and services. These General terms form an integral and substantial part of the Order they refer to and are intended to establish the general terms and conditions that govern the performance of individual orders. The Contractor must inform LU-VE that it accepts the Order by sending a specific order confirmation (hereinafter "**Order Confirmation**").
- 1.2 The Order and the Order Confirmation form the "**Supply Contract**." Where an express Order Confirmation is not provided, the Supply Contract will be considered concluded and subject to the General Terms if the Contractor begins to carry out the works or provide the services indicated in the Order.
- 1.3 These General Supply Terms are also applicable in the event that LU-VE and the Contractor have drafted specific supply contracts in addition to the Order and Order Confirmation.
- 1.4 Contractual terms which are attached, referred to, added to or amended by the Contractor and differ from the General terms will not be considered valid unless expressly accepted in writing by LU-VE.
- 1.5 To the ends of the General terms and the relative Supply Contracts, "**LU-VE Internal Contact**" is the LU-VE company representative responsible for communicating with the different LU-VE company functions to the ends of ensuring the correct performance of the Supply Contract.

ARTICLE 2 - Supply Regulations

As according to and pursuant to articles 1655 and ff of the Italian Civil Code, and as according to article 29 paragraph 2 of Legislative Decree 276/03, to the ends of the fulfilment of the obligations detailed in the Supply Contract, the Contractor declares the following:

- a) that the business risk lies completely and exclusively with its company, including any claims made by any subcontractors;
- b) that its own organisation and management has access to autonomous capital, means, equipment and staff;
- c) that, for all activities pertaining to the performance of the Supply Contract, it will use exclusively staff who are duly insured and with social security as provided for by the relevant laws;
- d) should LU-VE become aware of an existing debt which the Contractor has not paid to its staff or to social security bodies or regarding withholding taxes related to employee income, it will have the right to immediately suspend payments due in relation to the performance of the Supply Contract, and withhold them on behalf of the party that is due the amounts until the Contractor provides proof of the payment of the due amounts;

- e) LU-VE will have the right to pay any relative amounts due to the Contractor, providing prior communication to the Contractor, where it has received a request which asserts its responsibility for the Contractor's debts as according to the afore section d) and as according to the regulations in force. Payment to the requesting party will liberate LU-VE from the obligation to make the agreed payments to the Contractor for the amount corresponding to that paid;
- f) in the event of its objection to that provided for by the afore section, delivered in writing within 5 (five) calendar days to LU-VE, LU-VE is authorised to suspend and liquidate as according to the afore section e). In this case, LU-VE's legal expenses, since summoned as jointly liable debtor by the applicant, will be borne by the Contractor.

The Parties expressly agree that the Contractor's managerial requisites, as afore-detailed at sections a), b) and c) are to be considered conditions of the Supply Contract and (as according to art. 1353 of the Italian civil code) failure to respect these premises will result in the automatic termination of the supply contract, in observance of article 1360, paragraph 2, of the Italian Civil Code.

The Parties also agree that the provisions of afore sections c) to e) will be applied even in the event of claims from Contractor staff for damages which have not been compensated by the National Insurance Institute for Workplace Accidents, which LU-VE may be jointly liable for along with the Contractor as according to regulations in force. The Client will have the right to reimbursement from the Contractor for the amount paid by virtue of the joint liability provided for by the regulations in force.

ARTICLE 3 – Contractor Obligations and Commitments

- 3.1 The Contractor must perform the works and/or services indicated in the Contract at best working standard.
- 3.2 The Parties agree that the Contractor cannot subcontract the completion of the works or services, even partially, without written authorisation from LU-VE and signing the specific form which may be requested from LU-VE. In this case, it is specifically agreed that the Contractor must include the clauses as according to 2, 4, 5, 8, 9, 10 and 16 of the General terms in the subcontracting contract. In any case, the Contractor will remain responsible towards LU-VE for the complete fulfilment of all the contractual obligations provided for in relation to completing the subcontractor's works or services.
- 3.3 The Contractor is not authorised to terminate the Supply Contract or transfer deriving credits without prior written authorisation from LU-VE.

ARTICLE 4 – Performance of activities and respect of applicable regulations

- 4.1 The Contractor must fulfil the obligations detailed in the Supply Contract exactly, as according to articles 1218 and 1453 of the Italian Civil Code and thus must perform the same in good faith (article 1375 of the Italian Civil Code), with the diligence required by the nature of the services and observing the criteria of correctness as according to articles 1176 and 1175 of the Italian Civil Code respectively, The Supply Contract must be performed with equipment which complies with the law and using a sufficient amount of professionally adequate staff.

4.2 The Contractor must carefully observe all regulations applicable to the works/services provided in the performance of the Supply Contract, and in particular, but without prejudice to general aspects, the regulations referred to hereinafter in this article 4, as far as applicable considering the nature of the services detailed in this Supply Contract.

4.2.1 Respect of legal provisions indicated in Legislative Decree 152/06

The Contractor must completely respect the legal obligations in force regarding the environment, as governed by Legislative Decree n° 152 of 3/4/2006, as minimum requisite for drafting and maintaining the supply contract. LU-VE reserves the right to ask the supplier, at any time, for any objective proof of this respect, for example, waste identification forms and/or copies of environmental authorisations for transporters and waste disposal companies. The Contractor must also respect LU-VE internal procedures in relation to the environment and correct management or environmental aspects (waste, noise, emissions, etc).

4.2.2 Respect of EC Regulation CE 1907/06 provisions

In performing its activities, if Contractor must make use of, and thus bring to the LU-VE site, products or substances which are included in the field of application of EC regulations as according to EC Regulation n° 1907/06 (REACH Regulation), it must respect all the provisions of the said regulation and supply LU-VE with evidence.

The Contractor must also respect all the requirements provided for by Regulation 1907/06 (REACH Regulation) as regards recording, respecting restrictions and authorisations for chemical substances used and/or provided as such or contained in the articles and inform LU-VE in good time if a substance supplied to the same LU-VE as such or contained in the articles provided has been classified as SVHC (Substance of Very High Concern) and included in annex 14 of the REACH Regulation (subject to authorisation).

4.2.3 Respect of Packaging Directive 2004/12/EC and Annex E in Part 4 of Legislative Decree 152/06

To the ends of respecting the obligations and objectives of recovering and recycling as defined in the afore documents, the Contractor, in choosing and using packaging material, must:

- Favour the use of packaging materials and/or products obtained from recycled packaging waste;
- Favour the use of packaging materials and/or products with a reduced environmental impact, not containing, for example, carcinogenic substances which may be emitted in the decommissioning/incineration phase and/or characterised by chemical/physical requisites which are certified by trademarks or certificates (biodegradability, recyclability, low weight/surface ratio, etc.)
- Favour the use of packaging which is "designed for assembling" so as to favour the recovery and recycling of different elements in the decommissioning of the packaging itself.

TECNAIR LV S.p.A.

21040 UBOLDO VA - ITALY
Via Caduti della Liberazione, 53
Tel. 02.9699111 – Fax. 02.96781570
www.tecnairlv.it – info.tecnairlv@luvegroup.com

Capitale Sociale € 200.000 i.v. R.E.A. Varese N.110254
C.F. e iscrizione Registro imprese Busto Arsizio 00836990150
Partita IVA IT00690390125
Società soggetta a direzione e coordinamento di LU-VE S.p.A.

4.2.4 Logistics

Should the Order/Supply Contract regard the supply of logistics services, the Contractor, applying the provisions of Legislative Decree 286/05, must:

- a) Perform its activities in conformity with that provided for in Legislative Decree 286/05, using, in particular, for road transportation, companies established in Italy, enrolled in the National Register of Transporters, or companies not established in Italy, but, however, holding the qualification for international road transport and road cabotage in Italy;
- b) Receive and keep statements, from its vectors, in reference to the work of the respective drivers, regarding the observance of collective and individual work contracts, regulations on social security and welfare, and that regarding road transport of third-party goods, as well as losses, damages or faults in relation to the transported goods;
- c) Monitor the completion of goods road transportation services, that the vectors respect the legislative and regulatory provisions set to protect safe road circulation and social security, and counter the violation of these provisions.

4.2.5 Respect of regulations on health and safety in the workplace

- a) The Contractor, before beginning the works, must perform, where necessary, considering the type of work and the Contract duration, on the request of the LU-VE internal contact and in collaboration with the same, a further study of the place where the activities detailed in the Supply Contract will be performed, in order to check the general and specific terms included and connected to the activities detailed in the Supply contract, and report and/or confirm the general and specific prevention measures to be adopted.
- b) LU-VE will provide the Contractor with the risk policy, along with prevention and emergency measures. The Contractor must cooperate and coordinate with LU-VE staff in the implementation of prevention and protection measures against risks in the workplace, including any operational interferences between the parties and third parties, and respect, in the minimum details, all the obligations provided by the regulations in force on safety, health in the workplace, fire prevention and the environment, and ensure they are respected by its employees and those of subcontractors. As according to the regulations in force, these must include not only the legal standards and regulations but also all the good practice standards set by the relevant bodies (I.S.O. – C.E.N. – C.E.N.E.L.E.C U.N.I. – etc.)
- c) The Contractor must observe and ensure its employees and the subcontractor's employees observe the legal provisions on the prevention of workplace accidents and implement all the measures and cautionary actions necessary for guaranteeing the safety of its employees, LU-VE staff and those of third parties.

- d) The Contractor must prevent all behaviour (whether intentional or through omission) adopted by the company and/or its employees and/or those of subcontractors, which violates state and/or regional legal provisions, local government body regulations, provisions issued by LU-VE for its own sites or offices, on safety, health in the workplace, and the environment, without prejudice, in any case, to compensation for any damages to LU-VE.
- e) The Contractor must equip its staff and/or subcontractor staff with a specific photo ID card containing the worker's general details and those of the employer, and ensure that the ID card is worn by its staff and/or subcontractor staff during the performance of the Order/Supply Contract. This obligation is also valid for freelance workers who perform their work directly.
- f) The Contractor must contact the LU-VE internal contact in good time in the event of an accident.

4.3 The works/services detailed in the Supply Contract must be performed within the agreed times which must be compatible with LU-VE needs.

4.4 In any case, LU-VE will have the right to remove any staff employed by or subcontracted by the Contractor who fail to observe the internal site regulations and/or are not welcome, at its own discretion. The Contractor must immediately replace those who have been removed from the site for said reasons without complaint.

4.5 The Parties agree that the Contractor is contractually responsible for behaviour through omission, as according to article 2087 of the Italian Civil Code implemented by its employees, and it is responsible for intentional or involuntary actions of its employees as according to article 2049 of the Italian civil code, without prejudice to the more general case of Contractor liability as according to article 2043 of the Italian civil code.

ARTICLE 5 – Contractor fulfilments regarding wages, contributions and taxes

5.1 With reference to its employees, the Contractor must respect all legal regulations regarding labour, social security, accident prevention, workplace safety, and taxes which are currently in force and which come into force in the future, supplying the Client with the following at least 5 (five) days before the works commence:

- a) Self-certification as according to article 47 Presidential Decree 445/2000, intended to confirm the Contractor's possession of requisites of technical and professional suitability, as according art. 26 Legislative Decree 81/08;
- b) The Contractor's Certificate of Enrolment at the Chamber of Commerce, Industry and Crafts;
- c) Copy of insurance policy for damages for works performed by the Contractor, where required;
- d) Copy of DURC (document certifying regular retribution payments), dated no more than 3 months before the commencement of the works;
- e) Contractor staff list of those employed to perform the contracted services, indicating the tax identification n° of each employee and date of hiring (UNILAV);

- f) Risk assessment as according to article 28, Legislative Decree 81/08, for the contracted activities reported in the Supply Contract with description of the safety measures implemented (Operational Safety Plan);
- g) Evidence of not being subject to suspension or prohibitory measures as according to article 14 Legislative Decree 81/08 due to failure to respect legal provisions regarding illegal workers, or for repeated violations of the law on safety in the workplace.

5.2 The Contractor must cooperate with the Client to implement the prevention and protection measures against workplace risks which affect the work activities detailed in the Supply Contract, including interference risks in relation to the works performed by different companies involved in performing the works or the works performed by the Client at the production unit or the relevant site.

To this regard, the Contractor must provide the Client with the information requested by the same, in a correct, complete and not misleading way, based on which the Client will provide for the DUVRI (risk from interference assessment report) in compliance with art. 26, Legislative Decree 81/08. The Contractor must inform the Client in good time as regards any change to the information and/or documents provided to the Client to the ends of this article 5.1, in order to allow the latter to keep the DUVRI adequately updated, where necessary. Under penalty of nullity, the Parties must also draft the report containing information on the costs of the measures adopted to eliminate or, where not possible, reduce the workplace health and safety risks deriving from interference from the works to a minimum.

5.3 In any case, the Contractor must, from now on, hold the Client harmless and indemnify it from any liability, claim, right, compensation or action asserted against the same Client in relation to the wages, contributions, insurance and taxes of the workers used for the performance of this Supply Contract. The Contractor will reimburse the Client all amounts that the latter may have to pay as a consequence, in addition to the legal rate from the date of the payment made by the Client up to that of the payment of the same.

5.4 Should, for the performance of the contracted works, the Contractor and the Client agree on the use of plants, equipment and/or machinery belonging to the Client, the Contractor must complete the relevant form that LU-VE will provide and deliver it to the latter as according to article 5.1.

ARTICLE 6 – Supply contract progress verification

The Parties agree that LU-VE, represented by the LU-VE Internal Contact or another company figure indicated at the time, will have the right to check the progress of the works to verify that the execution of the works or services are proceeding in complete respect of accident prevention standards as according to Legislative Decree 81/08 and as amended, at best working standard, and according to the terms set in the Supply Contract.

In the event of a reprimand from LU-VE regarding failure to provide adequate prevention in terms of safety, the Contractor must immediately implement all the measures necessary according to the law and any LU-VE indications. In the event of noncompliance of the works/service, without prejudice to the application of article 14.1, LU-VE may set a deadline for the Contractor within which it must take action to realign with contractual obligations.

ARTICLE 7 – Acceptance of contracted works/services

The Parties agree that the Client, on Order/Supply Contract completion, has the right to verify and test the completed work, before definitively accepting it, as according to article 1655 of the Italian civil code.

The Parties agree that the Contractor will provide the Client with the conditions for the aforesaid check and test.

Acceptance is represented exclusively by the Client's issuing of the written approval. No form of automatic acceptance is accepted. The approval of the works is issued subsequent to the completion of the works or activities.

The Parties agree expressly that any partial approval of works contracted in the Supply Contract will not entail any obligation to give final approval of the works. The Client is free to object completely or partially in order to obtain the correct completion of the works, despite partial approvals received during the course of the works.

ARTICLE 8 – Confidentiality

LU-VE and the Contractor must both keep all the technical, commercial or any sort of information (hereinafter "**Information**"), provided by the other party for the fulfilment of the obligations reported in the Supply Contract or which should come to their knowledge during its performance, strictly private and confidential and abstain from using it unless necessary for the performance of the Supply Contract.

LU-VE and the Contractor must ensure that this obligation is observed and respected by all its employees, representatives, collaborators and third parties which it uses for the performance of the Contract.

The aforesaid does not regard technical information that is in the public domain or whose disclosure is required by legal provisions or on the orders of public authorities.

ARTICLE 9 – Intellectual property

Partial or final results and realisations of the activities performed by the Contractor in relation to the Supply Contract will come under the exclusive ownership of LU-VE, along with all the pertaining or deriving rights, with no limitations as regards time and place.

Specifically, should the Supply Contract lead to product and/or process inventions which are susceptible to coverage by patent or, in any case, are to be used industrially, LU-VE will hold all rights, including that of holding the patent in Italy and abroad, and completely or partially transferring the rights reserved to LU-VE as regards the said products/processes to third parties.

LU-VE's product commissioning or licence granting consequent to studies and suggestions which the Contractor provides to LU-VE, or deriving from the results of the Order/Supply Contract, realised directly or indirectly, will not give the Contractor the right to any payment beyond that agreed in the Order/Supply Contract.

It is expressly agreed that the Contractor will guarantee that any activity and/or documentation of the Contractor's liability based on the Order/Supply Contract will not violate, under any grounds, the rights of third parties, including intellectual or industrial property rights, expressly indemnifying LU-VE from any economic loss, damage or consequence (including legal and court expenses) that may be claimed by any third parties, regarding, directly or indirectly, the different activities and/or the documentation which come under the Contractor's responsibilities based on the Supply Contract.

ARTICLE 10 – Insurance

Should LU-VE expressly request as much, the Contractor must draft and keep an insurance policy, with congruous limits, which covers all the obligations and responsibilities set out in the Supply Contract to be borne by the Contractor for a reasonable duration.

Should LU-VE request as much, the Contractor must also insure, at its own expense, for all possible risks that may result in the total or partial destruction, damaging and removal of equipment and materials under its ownership, or of any object under its ownership and of relevance to the owners, employees or third parties that access LU-VE's structures or properties during the completion of the contracted works/services, agreeing to exclude LU-VE from any responsibility.

The Contractor must provide copies of all the insurance policies if requested by the LU-VE Internal Contact, along with authenticated copies of the receipts for premium payments issued by the insurance company(ies).

ARTICLE 11 – Contractor Responsibilities

The Parties expressly agree that the Contractor is responsible for any damages suffered on any grounds by the same Contractor, its employees and/or subcontractors during the performance of the Supply Contract.

ARTICLE 12 – Guarantee

The Parties expressly agree that the Contractor must guarantee the works against noncompliance and faults.

Specifically, all the material supplied and/or works/services provided will be guaranteed against all fabrication, assembly and realisation defects and faults for the duration of 24 (twenty-four) months, or a longer duration if provided for by the law or specific agreements, from the date of the Client's approval. In the event of noncompliance and/or faults, LU-VE, on the LU-VE internal contact's indication, will have the right to request the exact fulfilment of the Contractor obligations set out in the relative Order/Supply Contract as according to articles 1453 and 1460 of the Italian Civil Code.

The noncompliance and fault report as according to articles 1667 and 1668 of the Italian Civil Code will be delivered by LU-VE, on the LU-VE internal contact's indication, to the Contractor within the terms set out by law, requesting their elimination in good time, or a proportional decrease in the payment due, without prejudice to any further compensation for any damages suffered by LU-VE.

In any case, during the period of the guarantee, the Contractor must replace any faulty materials and repair any poorly-completed interventions in good time and at no cost.

In any case, the application of the provisions as according to article 14 remains valid.

ARTICLE 13 – Price

The Parties agree that LU-VE will pay the Contractor the price of the works and/or services at the rate and with the means provided for by the Supply Contract. The Contractor must bear, and include in the total price of the contracted works and/or services reported in the Supply Contract, all costs connected with all preparations or fulfilments necessary to complete the works and/or the services at best working standard.

The price set out in the Supply Contract may not be increased. Any amendment, even if requested by LU-VE staff, will be ineffective unless agreed in writing beforehand with the LU-VE Purchases Office.

ARTICLE 14 – Termination

14.1 LU-VE will have the right to terminate the Supply Contract if the Contractor does not fulfil the obligations deriving from said contract and has not remedied this breach within 15 (fifteen) days of receiving the warning to fulfil delivered in writing as according to article 1454 of the Italian civil code.

14.2 In addition to that provided for by article 14.1, LU-VE will also have the right to legally terminate the Supply Contract without warning, as according to and pursuant to article 1456 of the Italian civil code, simply by writing to the Contractor, in the event of one of the following breaches or circumstances:

- a) failure to meet requirements as according to article 2 section b) and c);
- b) violation of the principles set out in article 2 section a);
- c) violation of obligations regarding confidentiality provided for in article 8;
- d) failure to observe Code of Ethics, as governed by article 16

e) violation of obligation to deliver documentation as according to article 5.1.

14.3 The Parties agree, as of now, as according to article 1372 of the Italian civil code, that the Supply Contract will automatically terminate by mutual consent in the event that the Contractor is affected by the following events:

- a) dissolution, liquidation or any other fact indicating business termination;
- b) any insolvency procedures (bankruptcy, extraordinary administration, creditors' arrangements, etc).

14.4 In any case involving contract termination, LU-VE will have the right to request damage compensation from the Contractor.

ARTICLE 15 – Force Majeure

The Parties agree that the Contractor must inform LU-VE in writing and in good time of the occurrence and termination of force majeure as according to articles 1256 ff of the Italian Civil Code which do not allow for the fulfilment of obligations set out in the contract due to supervening impossibility and must also implement all measures towards limiting the effects.

The force majeure must, however, be proven by the Contractor.

The Parties expressly agree that the following must not be considered force majeure, due to the Contractor's lack of responsibility: supplier delays or breaches, strikes or production suspension restricted to the Contractor's company and/or its suppliers and/or subcontractors.

ARTICLE 16 – Code of Ethics

The Contractor declares to be aware of the provisions as according to Legislative Decree 231/01 and as amended, and to have examined and accepted in its entirety LU-VE's Code of Ethics published on its website www.luve.it (in the section The Group/Code of Ethics) and must acknowledge any updates published on the site.

In the performance of its services, the Contractor must behave in compliance with Legislative Decree 231/01 and the LU-VE Code of Ethics to avoid exposing LU-VE to the risk of being applied the sanctions provided for, and to inform its partners, employees and collaborators participating in the performance of the Contract and ensure they behave accordingly. The Contractor must also immediately inform LU-VE in the event of circumstances effectively or even potentially affecting the Code of Ethics, or the occurrence of events which amount to breaching the standards of Legislative Decree 231/01. Breaching even one of the obligations indicated in the LU-VE Code of Ethics is a serious breach of contract with all legal consequences entailed and will give LU-VE the right to terminate the Supply Contract and all relations with the Contractor with immediate effect as according to and pursuant to article 1456 of the Italian civil code, without prejudice to LU-VE's right to request compensation for any damages suffered.

ARTICLE 17 - Tolerance

Should one of the Parties tolerate the behaviour of the other Party which violates the provisions contained in the Supply Contract, this will not result in the waiving of the rights deriving from the violated provisions or the right to implement the correct fulfilment of all the terms and conditions here provided for.

ARTICLE 18 – Partial invalidity

The invalidity or ineffectiveness of one of the agreements contained in the General terms and/or Supply Contract will not prejudice the validity and effectiveness of the other agreements, without prejudice to the right to terminate the Contract as according to article 1419 of the Italian civil code.

ARTICLE 19 – Court of Jurisdiction

Any disputes that may arise regarding the General Terms and the Supply Contract, their interpretation, execution or breach will come under the exclusive jurisdiction of the Court of Varese, without prejudice to LU-VE's right to summon the Contractor to any other alternative court with jurisdiction based on procedure law.

ARTICLE 20 – Privacy

The Parties authorise each other to process, store and/ communicate their personal data to third parties as according to the regulations in force regarding Privacy in relation to the fulfilment of this document. The signing of this document certifies the consent to the processing of personal data necessary for the execution of all operations pertaining to the execution of the provisions contained in this document and to the communication of all personal data to third parties in any form. If verifications are required which result in certain sensitive data becoming known, the consent will specifically regard the processing of these data too. Any consent given by signing this document is given also in the interests of third parties which may, as a consequence to the above, become data controllers to the ends of data processing to ends which are similar, complementary or instrumental to those indicated.

Read, agreed to, and confirmed in its entirety, and signed in acceptance on (date)_____

LU-VE S.p.A.

The Contractor

As according to and pursuant to articles 1341 and 1342 of the Italian Civil Code, we expressly approve the following articles: articles 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 19 and 20.

The Contractor