



General conditions of supply

between
the company **SIFA Technology Srl** based in Via
Fornaci 15, 60041 Sassoferrato (AN),
in the person of its legal representative Mr. Giancarlo Lattanzi, Tax Code and VAT No. 02066960424,
hereinafter referred to **SIFA** or the **Purchaser** and
the supplier company, described within the heading on the attached order, hereinafter
called **[SUPPLIER]**

The Parties (SIFA and the Supplier) start by saying that:

- a) **SIFA** is supplying components for filters with a high technological content and other composite materials, sold for years in Italy and abroad. So, within this activity, **SIFA** supplies to the market materials to be further processed;
- b) **[SUPPLIER]** is a supplier of RAW MATERIALS and COMMERCIAL COMPONENTS, later called "Materials" and as such is able to meet the needs of supply of **SIFA**.
[SUPPLIER] will carry out the aforementioned supply activity with its organization and proper people. He also declares that he has adequate planning, productive and organizational skills.
- c) that **SIFA** intends to regulate the conditions of the supplies of the Materials.

According to the aforementioned and previous considerations, the contracting parties, after all the preliminary assessments, have agreed to implement the following conditions.

1. Premises

The premises and annexes are an integral part of this Scripture.

2. Object

The company **[SUPPLIER]** commits itself to supply to **SIFA**, for a fee, Materials bearing the technical characteristics that **SIFA** will identify in the descriptions, specifications and / or technical drawings time to time provided to **[SUPPLIER]**.

3. Technical information and Industrial Property

3.1 Technical information

SIFA will provide **[SUPPLIER]** with all the information necessary for the realization of the supply according to their requests.

This information may include: descriptions, references to regulations, specifications, drawings, samples, models, equipment, documents and in general any other technical data in any way communicated to **[SUPPLIER]**.

3.2 Ownership of Know-how

The information referred to in the previous point falls within the technical know-how owned by **SIFA** or its customers on the design and manufacture of the products for which it is request the supply of the Materials subject of this contract.

All the information provided is therefore and remain the property of **SIFA** or its customers and they are made available to **[SUPPLIER]** for the sole purpose of supplying the Materials.

[SUPPLIER] undertakes to keep them confidential and to use them exclusively for the purpose of the execution of this Contract. It therefore undertakes not to make them available to third parties and to prevent them to be brought to the attention of third parties, forcing them to keep them with the maximum care, as set out in point 4.

4. Agreement of confidentiality and secrecy

4.1 Confidential Information

All information from **SIFA** is to be considered as confidential information (hereinafter referred to as information) provided for the duration of this Contract, and in particular those referred to in point 3, as well as information pertaining to the industrial and commercial organization of **SIFA** or its subsidiaries clients.

4.2 Obligations of secrecy

[SUPPLIER] undertakes not to disclose, publish or communicate in any way to third parties, directly or indirectly, in whole or in part, said information, or use it, exploit it or dispose of it personally or through third parties.

Furthermore, it undertakes to maintain the utmost secrecy on the information by adopting, for this purpose, all the necessary measures; and in case of unauthorized disclosure, it will be his duty to prove that he has adopted these measures.

It is the obligation of [SUPPLIER] to use such Information only for the strictly necessary purpose at the conclusion of the supply object of the present contract, and in order not to cause any damage to **SIFA** or its customers.

[SUPPLIER] also undertakes to ensure that the obligations set forth in his charge by this clause will also be respected by its members, employees, professionals, subcontractors and by how many others who, directly or indirectly, can in any case become aware of Information. If this clause is not respected, the supplier must pay **SIFA** a penalty equal to €15,000 (Fifteen thousand) as compensation. However, this penalty does not exclude the possibility for **SIFA** to retaliate later for greater damage.

4.3 Exclusions

[SUPPLIER] is exempted from the obligation of secrecy in the following cases:

- if the information received by him was already in the public domain at the time of receiving the order of supply.

5. Production Standard

5.1 Production Program

SIFA will communicate its needs to [SUPPLIER] through written orders for goods or services purchased. [SUPPLIER] undertakes to execute **SIFA** orders in terms of time, manner, quantity and quality agreed; better times or performances can be requested and agreed individually.

Orders, order confirmations, transport documents, invoices, will be exchanged between the parts in digitalized form (by e-mail, by sending non-revisable documents, or with a record file agreed between the parties).

5.2 Product quality

Materials supplied by [SUPPLIER] for **SIFA** must be supplied according to specific technic requirements indicated by **SIFA**. Any exceptions or changes requested by a party must be accepted in written form by the other.

Each supply will be accompanied by a copy of the certificate of the material.

In case of Non-Conformity of the products to the above established, **SIFA** will report such Non-Compliance with a specific document, and may, at your choice:

- a) Accept non-compliant products partially or totally in concession, recommending however the overcoming of the Non-Compliance from the next deliveries;
- b) Request partially or totally replacement of the products under warranty;
- c) Rework products internally or by other suppliers in cases where the replacement or rework of the supplier is not for various reasons possible or reasonable, with charges charged to [SUPPLIER].
- d) Request the reimbursement of costs and / or charges incurred for requests from the final customer as compensation for interventions due to quality defects;

- e) For each opening of N.C., **SIFA** will charge the supplier a fixed cost equal to Euro 50.00 (Fifty / 00), as partial recovery of the administrative expenses incurred for the management of the N.C. itself. In case of repeated discrepancy of the **SIFA** products, the supply order can be revoked.

[**SUPPLIER**] undertakes to implement production programs and to conform or certify its Quality System according to the ISO standard 9001 and to maintain this certification throughout the duration of the relationship with **SIFA**.

5.3 Methods and terms of delivery

Unless otherwise agreed between the parties, the delivery of the products covered by this contract, for the purpose of verification of compliance with delivery deadlines, qualitative assessment and transfer of the risk of the goods from [**SUPPLIER**] to **SIFA**, takes place according to the procedures specified in the order that **SIFA** issues towards [**SUPPLIER**] (specifications according to INCOTERMS 2000). The material must be properly packaged to avoid damage during transport.

[**SUPPLIER**] undertakes to comply with the delivery terms provided in the purchase order. The terms of delivery are essential pursuant to art. 1457 c.c.

In case of delivery delays, **SIFA** will have at its option the right to claim anyway the execution of the order or to purchase the Materials elsewhere, revoking the order of supply.

5.4 Quantity

The quantities delivered as a result of each order of delivery will be equal to those ordered.

Any tolerances on the quantity delivered compared to the ordered one can be requested by [**SUPPLIER**] to **SIFA**, which reserves the right or not to accept this proposal. **SIFA** and [**SUPPLIER**] may agree on the handling of materials owned by **SIFA** or intended for the use by **SIFA**, to be managed at the [**SUPPLIER**] site. In this case, [**SUPPLIER**] undertakes to keep the material in an appropriate environment, at its own care and under its own responsibility, and ready for collection by **SIFA**. [**SUPPLIER**] takes a record of **SIFA**'s material and / or for **SIFA** use, which must be notified to **SIFA** upon request, both for management and tax reasons.

5.5 Terms of dispute

In all cases in which it detects an infringement of what reported in the above paragraphs 5.2, 5.3, 5.4, **SIFA** undertakes to raise the related complaints to [**SUPPLIER**] in written form within 30 days from the delivery of some materials.

Only in cases of non-manifest defects the dispute of **SIFA** can take place within 30 days from the discovery and / or from the contestation of the final Customer.

6. Warranty and Responsibility

6.1 Supplier warranty

[**SUPPLIER**] guarantees that the Materials supplied:

- comply with the technical specifications and drawings communicated by **SIFA** pursuant to art. 3 of the present document;
- comply with the applicable national and international standards in force at the time of supply;
- comply with the safety regulations in force at the time of ordering and those concerning the prevention of accidents at work and environmental protection;
- do not compromise the safety of people, animals, the environment in general and / or the integrity of things.

The Materials must be considered Non-Compliant when they do not satisfy these points.

When the defects are detected by the final customer, they will give rise to compensation for damages, in addition to reimbursement of all direct costs that **SIFA** will support for the elimination of defects (by exemplifying and not exhaustive: replacement costs, possible transformation, recollauding and reshipment of non-compliant goods).

[**SUPPLIER**] guarantees that production, the use, sale and promotion in Italy and abroad of the Materials do not involve violation of third-party industrial property rights.

6.2 Indemnity

In cases where **SIFA** is sued by a third party for contractual liability or non-contractual due to the defect, nonconformity and non-reliability of the Materials supplied or in case of violation of industrial property rights of

third parties, [SUPPLIER] shall keep **SIFA** indemnity for damages that should be reimbursed as well as all costs, including expenses procedural.

6.3 Insurance coverage

To meet the above obligations [SUPPLIER] will stipulate with a primary Company Insurance policy that will cover all the responsibilities arising.

7. Economic conditions

7.1 Prices

The prices of the Materials supplied by [SUPPLIER] are shown in the purchase orders. They are all-encompassing of any other burden (packaging, testing, certificates, collection costs, etc.).

7.2 Payments

Each supply will be paid by **SIFA** as described in the purchase order sent to [SUPPLIER].

8. Protection of personal data

According to the provisions of Legislative Decree no. 196 of 30 June 2003 and subsequent amendments (code in personal data protection) the parties establish the following:

8.1 Information and processing of data

The parties mutually acknowledge that the information referred to in Legislative Decree no. 196 of 30 June 2003 and subsequent amendments. Each party provides the other with consent to the processing of data directly or indirectly, through third parties, as provided for by current legislation, with regard to the purposes necessary for the management of the contract.

8.2 Communication of personal data

The parties mutually authorize themselves to process and communicate their personal data to third parties relation to the obligations connected with the present contract.

8.3 Confidentiality of personal data

The parties mutually guarantee that the data provided as a result of this report will be treated in strict confidence, in compliance with the aforementioned regulations.



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