



GENERAL PURCHASE CONDITIONS COMEC-BINDER S.r.l.

1. Object of the contract

The supply of materials, semi-finished materials and finished products to COMEC-BINDER S.r.l. (hereinafter referred to as "COMEC" for the sake of brevity) is regulated by these "General purchase conditions", unless expressly indicated in writing.

These conditions do not obligate COMEC to send orders to the Supplier or imply a commitment in any way.

Orders made by COMEC and completed according to Art. 3 below are considered to always include these general purchase conditions.

2. Completion of the order

Each individual purchase order sent from COMEC to the Supplier shall be considered as accepted by the latter in all effects, according to the conditions indicated, once 8 (eight) days have passed from the time it was sent via fax, regular mail or email if there is no explicit refusal and/or modification made by the Supplier of the conditions specified therein.

3. Documentation accompanying the order

COMEC shall provide, in consideration of the merchandise to be purchased, any documentation, drawing or technical specifications needed for the correct execution of said order.

COMEC, however, reserves the right to modify the documentation sent due to technical or construction needs within the appropriate time frame to complete the order.

The documentation is subject to confidentiality as set forth in Art. 14 below.

4. Cancellation and suspension of the order

If, for any reason that can be attributed to the Supplier, the provision does not occur within the time frames and methods described in the order and/or differs from what is set forth in the documentation accompanying the contract, COMEC reserves the right to refuse delivery of the merchandise and to cancel the order, in whole or in part.

Whenever expressly requested by COMEC in writing, the Supplier will suspend the execution of the order for the period indicated in the communication itself; in this case, it being understood that an allowance or compensation could be forwarded from the Supplier to COMEC and the delivery times set forth in the order will therefore be extended, for the same period of time as the execution is suspended.

5. Product conformity

The technical characteristics required by COMEC in the order (or in the accompanying documentation) for the merchandise supplied are fundamental qualities for the merchandise itself in accordance with Art. 1497 of the Italian Civil Code;

The Supplier may not make any changes (in relation to the technical specifications indicated) to the merchandise in the order without prior written authorization from COMEC.

If provided for in the order, the merchandise in the order will be tested according to Art. 12 below. In any case, the completed testing does not involve unconditional acceptance of the merchandise by COMEC; it reserves the right to verify at the source, upon receipt or upon use that the product purchased meets the requirements specified in the order, thus reporting any defects, as an exception to the terms set forth in Art. 1495 of the Italian Civil Code

In the event the merchandise is found to be not in compliance with the order, except as provided for in Art. 13 below, COMEC reserves the right, for reasons of urgency, to proceed independently with making the merchandise compliant (repairs), charging any expenses to the Supplier.

6. Delivery terms

The delivery terms agreed upon and reported in the order are fundamental and mandatory. These terms will be effective as of the date the order was sent or from the date the order was confirmed, with the terms set forth in previous Art. 2. also relevant for these purposes.

The stamp on the transport document by the COMEC warehouses will be proof of delivery.

The merchandise must be complete, possibly inspected with related documentation issued.

The delivery must be completed in a single lot; no partial or split deliveries are allowed if not authorized in writing by COMEC.

If the documentation is not yet available upon order confirmation, or there are any subsequent modification requests that contain elements that could change the agreed upon delivery terms, they will be redefined in writing by the parties.

7. Penalty clause

In the case of delivery delay, a penalty of 2.5% of the amount of the order will be applied for every week delayed.

Whenever the delay is over 3 (three) weeks, COMEC has the right to cancel the contract immediately, via written communication, without prejudice to the company's right to request further damages.

In any event, failure to deliver within the required time frame causes the suspension of payment and also entitles COMEC to suspend payment of other deliveries to be considered connected.

COMEC may withhold the penalties provided for above from the Supplier's credit, making subsequent compensation.

8. Delivery method

The delivery of the merchandise is to be done according to the INCOTERMS rules indicated in the order and in the specified location. The applicable INCOTERMS shall be the most recent revision.

The contractual products must be packaged, by and at the Supplier's expense, according to the methods specified in the order or, if none are specified, according to common usage in the industry.

In any event, the Supplier shall be responsible for any damage and/or loss of merchandise after delivery when it is due to insufficient or defective packaging.

Every shipment must be accompanied by a transport document. The COMEC order number must be indicated on this document as well as the indication of the COMEC code. If the merchandise is already tested, the accompanying documentation must also highlight that testing took place. If the above is not followed, the delivery of the contracted products could also be refused by COMEC.

9. Price

The price agreed upon for the delivery reported in the order, must be considered fixed, with the exclusion of any revision.

Prices are understood to be for merchandise delivered packaged and delivered free to destination. Therefore, unless otherwise established, the costs for packaging and transport of the merchandise itself is entirely at the Supplier's expense.

Notification of the unit prices of the merchandise, where missing in the order, must be communicated to COMEC before delivery of the merchandise.

10. Billing and payments

Payments will be made according to the terms and methods specified in the individual order, only under the condition that the delivery of the order was done within the agreed upon time frame and that the merchandise has no defect or deformity (and perhaps was tested according to Art. 12 below).

Pro rata payments, in the event of split deliveries, will be made according to the terms and methods indicated in the order, as of the partial delivery.

Except as otherwise established in the order, payment shall be done through Bank Transfer, end of month invoice, with value date on the 5th day of the subsequent month.

For the determination of the payment date, the day the date the merchandise was received shall be used. In the event of partial deliveries, the date the entire delivery was completed shall be used. For merchandise delivered earlier than the date on the order, the payment date shall be the one set forth on the order itself.

Under no circumstances, shall default interest be charged to COMEC.

The acceptance of drafts is excluded unless previously authorized by COMEC. Any costs/charges for Cash Orders shall be at the Supplier's expense. In the event of incorrect emissions or returns of Cash Orders that aren't attributable to COMEC, all subsequent costs shall also be at the Supplier's expense.

The invoice must be sent to the COMEC supplier accounting department, to the email address comec@comec.it including the Supplier's bank account.

Payment of the invoices does not mean the proper execution of the order is recognized. It is understood that payments to the Supplier shall be suspended whenever COMEC, in turn, is subject to a suspension of payments from its own customers for reasons that can be attributed to the Supplier.

Whenever, for exceptional reasons, not dependent upon its own will, COMEC is required to delay the pick up of the material, the supplier will grant COMEC a postponement of delivery of the material up to a period of three months, storing the material free of charge during that time.

11. Inspections and tests

The Supplier, with advance notice of at least 5 (five) days, shall allow COMEC employees to have access to its plants in order to perform appropriate checks during the various phases of execution of the tasks involved in the individual orders. The Supplier shall also make sure that access is also allowed to plants of any third parties involved in fulfilling the order.

COMEC shall keep secret any information considered confidential that it becomes aware of during these checks.

The testing of the merchandise, if agreed upon in the order, must be done by and at the expense of the Supplier by the date the communication that the merchandise is ready is sent from the Supplier to COMEC via email. Whenever this testing must take place in areas other than the supplier's establishment, this testing must take place within 30 (thirty) days of the date of delivery, unless otherwise agreed upon in the order.

The testing is done at the Supplier's premises - if not otherwise established by the parties - through a verification of the proper execution of the order through acknowledgement of the technical and functional characteristics in the specifications sent from COMEC to the Supplier. A testing report shall be prepared and signed once testing has been completed.

A successful test is a prerequisite for the payment time limit. If the test is not successful, the payment terms will thus remained suspended until the problem has been resolved.

Whenever testing is not successful, COMEC will prepare the appropriate objection in the test report with the indication:

- a) of the order that is the subject of the objection;
- b) of the defects and/or constructive and/or functional deficiencies found;
- c) of the unit affected by the defect and/or deficiency.

Any further costs that COMEC incurs in bringing the merchandise into compliance shall be charged to the Supplier, if following a dispute made during the course of testing the Supplier does not address them or, more generally, following testing of the merchandise itself with a negative result.

12. Warranties

The Supplier guarantees the full compliance of the merchandise with the order and accompanying documentation, with specific reference to the technical specifications communicated by COMEC, as well as compliance with all current Italian and EU standards, with particular regard to product safety - relieving COMEC of any burden or damages if not fulfilled - and the standards of the destination country of the COMEC product which the merchandise shall be part of, when this latter warranty requirement is set forth by COMEC.

If the merchandise is imported into countries that are not part of the EU, the Supplier also guarantees to have fulfilled all connected obligations whether customs, administrative or other.

Whenever not preceded by specific testing, the acceptance of the merchandise delivered to COMEC does not constitute recognition of its compliance in relation to the order nor in reference to any apparent defects. Therefore, COMEC is not required to unpack the products upon acceptance. The merchandise received by COMEC is understood, therefore, to be accepted subject to verification of the quantity, quality and terms of delivery, which can also be contested subsequent to the terms set forth in Art. 1495 of the Italian Civil Code. Merchandise received and found to not comply with the order and/or to be faulty, if not immediately refused, shall be kept available for the Supplier and communicated to the latter in a timely manner.

The order warranty for faults and defects not found during any testing, and for good operation has a duration of 12 (twelve) months starting from the date the final system to which the sub-delivery is bound is started up.

The Supplier, within the above mentioned warranty, is alternatively required, upon COMEC'S request and choice, to:

- a) pick up and repair or substitute the defective, unsuitable or faulty merchandise. All pick up, repair or replacement costs are entirely at the Supplier's expense;
- b) provide a price reduction for the order proportional to the defect and the damage.

If the Supplier does not eliminate any defects in a timely manner, COMEC shall have the right to resolve the contract or to have third parties complete the work it deems necessary, charging the related amount to the Supplier, without prejudice, however, to compensation of any damages.

13. Confidentiality

COMEC holds industrial property rights to any documentation, drawing or technical specifications that it communicates to the Supplier for the correct execution of the related order. All information contained in said documentation or that can be obtained by the aforementioned drawings and technical specifications are to be considered confidential.

The Supplier must therefore maintain absolute confidentiality of the information considered to be confidential according to the previous paragraph, also restricting the communication of this confidential information to its employees, consultants and associates to the measures strictly necessary to complete the order. It remains understood that the Supplier will be responsible and will answer to COMEC, possibly jointly with the responsible subjects, for any and all violations of this confidentiality obligation.

This confidential information obligation will remain valid until said information has become general knowledge among the operators in the sector. When one or more elements making up the confidential information becomes known, the present confidentiality obligation will however remain in force for those elements that are yet unknown. This confidentiality agreement can, therefore, also remain in force after completion of the order and/or cancellation of any contractual relationship between COMEC and the Supplier.

Upon expiration, cancellation or termination of the contractual relationship, the Supplier must return to COMEC, immediately and without keeping any copies, any document, drawing or other material that contains confidential information and make sure that this immediate return is also done by all of its employees, consultants and associates.

14. Force Majeure

In any case of force majeure that the parties are not able to foresee by ordinary diligence, they may request the suspension and resumption of execution of the contract with a different time frame to be set by common agreement.

In the cases referred to in the previous paragraph, the delivery terms shall be extended for a period corresponding to the suspension.

The parties who find it impossible to perform their services due to force majeure must communicate, within 3 (three) days of the causes, the date in which they occurred and the date in which they will cease to have an effect.

In any case, whenever the causes of force majeure last for more than *30 (thirty) days*, the contract shall be considered terminated by law.

15. Unassignability of Credit

The credits deriving from this contract may not be assigned and the Supplier shall answer for any damages to COMEC due to violation of this article.

16. Unassignability of the Contract

The Supplier is expressly forbidden from assigning this contract and to entrusting, even partially, the execution of the order to third parties if not expressly authorized in writing by COMEC.

17. Governing Laws and Jurisdiction

This agreement is subject to Italian law. For any disputes, the Treviso Court has exclusive jurisdiction.