

CONDITIONS OF PURCHASE (for Suppliers)

Norgren Srl Unipersonale
Via Roma, 108
20051, Cassina de Pecchi (MI)

Tel: +39 02 49410696

1. GENERAL

1.1 In these conditions of purchase, the following terms have the meanings specified below (unless the context otherwise requires):

1.1.1 'CIP' means CIP as defined in the edition of the rules for the interpretation of trade terms known as "Incoterms" current as at the date of the Order;

1.1.2 'Company' means Norgren Srl;

1.1.3 'Order' means all orders made by Norgren Srl to the Supplier for the purchase of products;

1.1.4 'Products' means all products and/or services and associated

documentation to be supplied under the Order;

1.1.5 'Supplier' means any person, firm or company that receives an Order from Norgren Srl.

1.2 These conditions will apply and will be attached to all contracts entered into between the Supplier and the Company for the supply of Products (hereinafter the "Contract") and will fully replace any prior, different or conflicting agreements between the Supplier and the Company. Any different conditions or any variations thereof, reported or referred to in the Order, are expressly excluded, unless expressly accepted in writing and signed by an authorized representative of the Company.

1.3 The supply of an Order (or the beginning of such a procedure) by the Supplier, or acceptance of a down payment made by the Company for a specific Order, shall constitute formal acceptance of the Order and of these conditions by the Supplier, in the event that such acceptance has not been previously notified to the Company. In no case may a condition of sale put forward by the Supplier be applied to the Contract and no attempt to meet such a condition (and/or any breach thereof) will be deemed to constitute explicit or implicit acceptance of this condition.

1.4 In the event of a conflict between these Conditions and any other agreement specified on the order, the arrangements agreed on the order and duly accepted in writing by the Company, shall prevail.

1.5 Clause headings appear for convenience only and shall not affect the content and value of these clauses.

www.norgren.com

italy@imi-precision.com

norgrenspa@pec.it

Codice Fiscale & R.I.:
00897710158

Partita IVA: IT00699570966

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2. ELECTRONIC TRADING

2.1 All electronic orders shall be valid if all the information agreed upon between the Supplier and the Company is properly set out in the agreed format and the Order is transmitted by the Company to the Supplier by reference to the correct identification code. The Order will be deemed received when the e-mail is downloaded by the Supplier from the relevant server.

2.2 Subject to section 2.1, each valid electronic Order will be deemed accepted by the Supplier unless the latter communicates rejection of the Order by e-mail or other means of communication within twenty-four hours of receipt of the Order. Acceptance of an Order shall constitute a contract for sale and purchase to which these conditions shall apply.

3. DELIVERY

3.1 Unless otherwise agreed in writing, delivery shall be deemed to take place when the Products are unloaded from the transport vehicle, at the address specified on the Order and after delivery has been accepted by a person authorised to represent the Company, as set out in clause 4 of these Conditions.

3.2 Time of delivery must be specified on the Order and shall be of the essence of the contract for the benefit of the Company pursuant to art. 1457 of the Italian Civil Code.

3.3 The Supplier shall, at the request of the Company, provide updates on the production and delivery of the Products comprised in each Order. The Company has the right to require the Supplier to give written notice in the event that delivery is delayed. Without prejudice to any other rights, the Company is entitled to accept in writing a delivery date other than that specified on the original order. In such cases, this date shall be of the essence of the Contract pursuant to art.1457 of the Italian Civil Code.

3.4 The Company's Order identification code must be printed and clearly legible on all the products ordered and delivered in packs, as well as on all receipts and documents issued to the Company.

3.5 All products must be delivered to the address specified on the order, or, failing that, to the Company's headquarters on the date agreed in writing.

3.6 If the Products have not been delivered by the date specified on the Order or in clause 3.3, without prejudice to any other rights, the Company may:

3.6.1 terminate the contract pursuant to art. 1456 of the Italian Civile Code Civil Code;

3.6.2. reject any late delivery or performance that the Supplier attempts to make;

3.6.3 buy the products from a different supplier charging all costs and any further damage that the Company has incurred to the Supplier; and

3.6.4 claim compensation for any damage attributable to the Supplier's failure to comply with the date of delivery of the products.

3.7 All the terms mentioned in these General Conditions, the Contract and the Order shall be interpreted as defined in the edition of the rules for the interpretation of trade terms known as "Incoterms" current as at the date of the Order. Unless otherwise agreed in writing, all Products coming from a foreign Country outside of Italy shall be delivered carriage and insurance paid (CIP) to the address specified on the order or, failing that, to the Company's headquarters.

3.8 If the Products are purchased in a foreign country outside of Italy, the Supplier shall obtain all the necessary documentation for the exportation of products to Italy, including all the necessary licenses and permits, and shall be responsible for any delay or penalty paid due to any missing or irregular licenses and permits.

3.9 The Supplier agrees to provide the Company with all the documents required to determine the country of origin of the Products in order to identify their EC/EEA or AFTA certification and any exemptions of customs duties.

3.10 In case of fire, explosion, terrorist attack, accident or any other cause that may prevent the use of the Products or their delivery, the Company has the right to suspend or delay payment until the end of the causes that prevent the use and/or delivery of the Products.

4. ACCEPTANCE

4.1 Acceptance of the Products shall be effective upon written notice by the Company to the Supplier. Any acceptance of a shipping receipt or equivalent document by the Company shall not constitute acceptance of the Products. The Company reserves the right to return any products to the Supplier until they have been inspected.

4.2. Without prejudice to any other rights referred to in Clause 14.1, if the Products delivered by the Supplier do not conform to the Contract for any reason, the Company has the right to:

4.2.1 return all or part of the non-conforming Products within a reasonable period of time from the inspection regardless of the fact that the Company has already paid for the products; and

4.2.2 buy Products other than the non-conforming products from another supplier so far as circumstances permit.

5. RISK AND TITLE

5.1 Without prejudice to the right of return of the Products as stated above, title to the Products shall pass to the Company when:

5.1.1 the products have been delivered to the Company (whether they have been accepted or not as per clause 4); or

5.1.2 the Company has paid the full amount or a deposit.

5.2 The risk of loss, deterioration and/or damage of the products shall pass to the Company upon delivery to the premises specified on the order.

5.3 If title has passed to the Company prior to delivery pursuant to section 5.1, the Supplier shall possess the products as fiduciary agent and bailee until delivery and shall store the Products separately from goods owned by third parties or its own goods, and shall ensure that they are protected and fully insured on an all risks basis and clearly identifiable as belonging to the Company.

5.4 The Supplier shall bear all costs for the transportation, unloading and insurance of the Products to their full value against any risk, loss or damage which the Supplier might incur before the end of the delivery.

6. PRICE AND PAYMENT

6.1 Unless otherwise agreed in writing, the price for the Products shall be as indicated in the latest version of the Supplier's price list provided to the Company prior to the date of the Order.

6.2 Unless otherwise indicated on the order, prices are deemed to be fixed and inclusive of all taxes and shipping costs which cannot be charged to the Company at a later date.

6.3 The Company agrees that each invoice issued by the Supplier will be paid before the end of the second month following the month of the invoice. The Supplier shall send the invoice only after the delivery of all the Products listed on the order. Time for payment shall not be of the essence of the contract.

6.4. Unless otherwise agreed in writing, prices shall be paid in Euro or, if the Euro ceases to exist, orders will be paid in the currency that will replace it.

6.5 The payment of a deposit or the full price of an Order to the Supplier shall not constitute acceptance (even implicitly) of the Supplier's performance of its obligations under this contract or any other contract between the parties.

6.6 Subject to clause 6.8, in the event of non-payment by the Company, the Supplier shall be entitled to request that legal interest rates are charged to the Company only with a formal notice of default and excluding, as of now, the possibility to charge the default interest rates under art. 5 of Legislative Decree no. 231/2002. The Supplier is not entitled to suspend delivery of the Products in the event of non-payment.

6.7 The packages and containers delivered by the Supplier can be returned at the Company's discretion and the related costs will be borne by the Supplier.

6.8 The Company reserves the right to withhold any amount due to the Supplier against any amount due by the Supplier to the Company, as well as to withhold the price or part of the price of the Products comprised in an Order for any reason. If the Company withholds or deducts a sum from the amounts due to the Supplier from time to time, for justified reasons, such conduct shall not be held in breach of these conditions.

7. CHANGES

7.1 The Company has the right to change the amount of products and their delivery time by giving written notice to the Supplier and these changes shall be binding on the Supplier. Any further changes to the contract must be agreed in writing between the Company and the Supplier. The Supplier shall immediately notify the Company if any changes to Contract conditions may delay the delivery date or affect the Supplier's ability to meet its obligations, including with regard to price. The Company is entitled to accept these changes and those concerning price and delivery time provided that the Supplier notifies the Company in writing within 2 working days of the order change request.

8. INTELLECTUAL PROPERTY

8.1 The Supplier agrees to indemnify and hold the Company harmless against any claims for infringement of intellectual property rights, of any patent, design, trademark, copyright, and in general all intellectual property related to the use or sale of the Products, as well as any claims for direct, indirect or consequential loss (including but not limited to losses, lawsuits, damages, costs and expenses, as well as legal fees) made against the Company or paid by the Company.

9 EQUIPMENT, MATERIALS, INTELLECTUAL PROPERTY, PROPERTY

9.1 The Supplier acknowledges and agrees that:

9.1.1 the intellectual property of all documents provided by the Company to the Supplier in connection with these Conditions (including plans, drawings and specifications); and

9.1.2 the tools and equipment supplied by the Company to the Supplier or used by the Company for the performance of the contractual obligations under these Conditions; and

9.1.3 any material delivered to the Supplier by the Company for the performance of the contractual obligations under these Conditions shall remain the exclusive property of the Company and the Supplier shall not claim any rights or make any financial claims on the intellectual property rights or the equipment and material used for the performance of the contractual obligations under these Conditions.

9.2 The risk of loss, deterioration or damage to the equipment or material shall pass to the Supplier upon delivery by the Company.

9.3 The Supplier shall ensure that the materials and equipment owned by the Company will be kept in good condition, used with reasonable diligence, repaired as necessary, kept in a good state of preservation subject to normal wear and tear, and used only for the purposes stated in the Contract.

9.4 If the Company believes that the equipment delivered to the Supplier needs repair, it shall submit a request to the Supplier for it to provide such repairs at its own expense. If, following a request made under this clause, the Supplier fails to carry out the repair within a period of fifteen days of the request, the Company can make (or ask a third party to make) the repairs deemed necessary and charge the costs to the Supplier.

9.5. On termination of the contract (howsoever and whenever caused) the Company may require the Supplier to immediately return its equipment and/or material. If the Supplier fails to do so, the Company shall be entitled to enter upon the Supplier's premises or any third party's premises and recover its equipment and material charging the costs to the Supplier. The Supplier hereby declares that it shall make no claim or complaint in respect of the exercise of the right set out in this clause.

9.6 On termination of the contract (howsoever and whenever caused) any residual material must be returned immediately to the company in accordance with the instructions provided and any material damaged due to negligence and wilful misconduct by the Supplier's employees shall be replaced by the Supplier at its own expense.

9.7 The Supplier is expressly forbidden to pledge or in any way charge by way of security for any indebtedness the material and equipment owned by the Company.

9.8 The Company is the owner of all intellectual property rights and copyright, of all documents, drawings, specifications, instructions, plans, etc delivered to the Supplier as well as those prepared and/or made by the Supplier to meet its obligations under these Conditions.

9.9 Any information that can be deduced from the documents referred to in section 9.8 above, or otherwise provided to the Supplier and associated with the Contract, shall be treated by the Supplier as confidential and shall not be disseminated or disclosed to third parties without the Company's written consent.

9.10 The Supplier undertakes to obtain and provide any deed of transfer or any other document requested by the Company for the property rights and any other right under section 9.8 to be granted to the latter.

9.11 Each drawing, plan, book of instructions or similar documentation delivered by the Supplier and not included in clause 9.8 may be used freely by the Company for purposes related to its own production or the production and work of third parties.

10. SAFETY AND ENVIRONMENT

10.1 The Supplier guarantees that throughout the design, manufacture, supply and installation of the Products (or the performance of services, if this is the Product concerned) and the provision of the relevant information, it will undertake to ensure that the Company will be able to comply with the obligations imposed by all applicable health, safety and environmental laws

and any other relevant rules, laws and regulations applicable to the products, and that the products will be supplied with all the safety guards, devices, product data sheets, risk assessment details and identification marks needed to meet all applicable legal requirements.

10.2 The Supplier guarantees that all products supplied to the Company with all instructions, information and warnings, will be designed, produced and manufactured in such a way as not to be defective.

10.3 If at any time the Supplier becomes aware of unanticipated events or facts that may in some way affect the safe operation of the products supplied or to be supplied, the Supplier shall immediately notify the Company in writing and in any case within two days from the time it became aware of the above.

10.4 In the event that, in connection with the Contract, the Supplier or its subcontractors should enter upon any land or premises occupied by the Company, the Supplier shall indemnify the Company and hold it harmless against all direct, indirect or consequential loss (including but not limited to loss of profits, loss of business, depletion and loss of goodwill and the like), losses, claims, damages, costs and expenses (including all legal fees and other professional fees) paid by the Company as a result of or in connection with any loss, damage or injury to persons or property of any kind arising from any negligent acts or omissions by the Supplier or its subcontractors.

11. ASSIGNMENT AND SUBCONTRACTING

11.1 The Supplier is expressly forbidden to assign or subcontract this contract without the prior written permission of the Company.

11.2 The Company shall be entitled to assign or transfer all or part of the rights arising from this contract to third parties, without giving prior notice to the Supplier.

12. DEVELOPMENT, TESTS AND INSPECTIONS

12.1 The Supplier shall test and inspect the Products according to its regular procedures and carry out any other additional tests required by the Company.

12.2 The Company's representatives have the right to monitor and inspect the Products and to attend the tests carried out at the Supplier's or the subcontractor's premises and the Supplier shall give reasonable notice to allow for the participation of the Company.

12.3 The successful inspection or acceptance of the products by or on behalf of the Company shall not relieve the Supplier from any obligation assumed under this Contract.

13 INFORMATION

13.1 The Supplier shall not release any details about the contract or any correspondence relating thereto nor use the Company's name for advertising without the prior written consent of the Company.

14. SUPPLIER'S WARRANTY

14.1 The Supplier warrants that for a period of 24 months from the date on which the Company begins to use the Products, or for a period of thirty-six months from the date of delivery, the Products:

14.1.1 will comply with all the specifications, drawings and/or other details delivered by the Supplier or adopted by the Company and will not be different in form and substance from the samples provided to the Company prior to the Supply of the products in the pre-contractual stage;

14.1.2 will be new and sufficient for their intended purposes or for any purpose that the Company has expressly communicated to the Supplier as well as any other purpose that the Supplier is or should reasonably be aware of;

14.1.3 will be of good quality in terms of materials, design and manufacture, and free from any defect, in accordance with the best industry practices and standards;

14.1.4 will meet the technical and performance requirements adopted by the Company; and

14.1.5 will comply with the regulations applicable to this type of product in Italy and in Europe.

14.2 The Supplier shall indemnify and hold the Company harmless against all direct, indirect or consequential loss (including but not limited to loss of profits, loss of business, depletion and loss of goodwill and the like), losses, claims, damages, costs and expenses (including all legal fees and other professional fees) paid by the Company due to the Supplier's failure to meet its obligations under these Conditions, including sections 4.4, 5.4, 9, 10.2 and 14.1 above.

14.3 The Supplier guarantees its competence and the accuracy of all statements, instructions and explanations provided to the Company (or its agents or employees) with regard to the products, prior to the date of the Order.

14.4 None of the clauses included in these Conditions or in the Contract shall place any restrictions on the exercise of the rights granted to the Company by the Italian law and the European Community.

14.5 Even if the Company has accepted the products or any part thereof and/or title of the Products has passed to the Company, the Supplier's breach of any express or implied deadline, or its breach of warranties or conditions that must be satisfied, shall be grounds for rejecting the Product and for terminating the contract due to default. Without prejudice to the Company's rights to terminate the contract pursuant to art. 1456 of the Italian Civil Code or its other rights set out in these conditions, if the Company believes that the products do not comply with the warranty under clause

14.5.1 the Company shall notify the Supplier in writing of any Defective Products;

14.5.2 the Supplier shall immediately repair or replace all defective products at its own expense;

14.5.3 the Supplier shall, at the request of the Company, reimburse the latter for all the costs and expenses incurred by the Company to remove, reinstall the Products, halt production, or any other actions related to the repair or replacement of the Products pursuant to section 14; and

14.5.4 the Products repaired or replaced will themselves be warranted pursuant to section 14 (subject to section 14.5.2 for a period of 12 months from the last date on which the products were delivered, reinstalled or passed the testing) and acceptance by the Company of the repair or replacement does not preclude the Company from rejecting the repair or replacement of the Products and/or terminating the contract.

14.6 The Supplier declares to extend to the Company any warranties or similar rights it has been granted by third parties that have manufactured or supplied the Products or any part thereof.

14.7 The Supplier shall provide all services, assistance and support whenever required by the Company or by the Company's Insurers in order to

set out and deal with any action or proceeding related to the Order or the Supplier's performance with regard to an Order.

14.8 The Supplier undertakes to conclude an insurance policy that will cover all cases of contractual and non-contractual liability (including third-party liability) arising from this contract for which the Supplier may be held liable to the Company, in an amount of not less than 5 million euro or such other amount that will be notified in writing each time by the Company to the Supplier and which the Company deems appropriate.

15. UNILATERAL WITHDRAWAL

15.1 The Parties expressly acknowledge that the Company shall be entitled to terminate the contract pursuant to art. 1671 of the Italian Civil Code by giving written notice to the Supplier. The Parties expressly acknowledge that no compensation for contract termination is due to the Supplier.

15.2 If the Company exercises the right of withdrawal provided under section 15.1 above, the termination will not affect Orders that have already been executed by the Supplier and Orders that have already been placed by the Company.

16. EXPRESS TERMINATION CLAUSE

16.1 Without prejudice to any other rights, the Company reserves the right to terminate this contract pursuant to art. 1456 of the Italian Civile Code in the following cases:

16.1.1 if the Supplier is subject to bankruptcy or insolvency proceedings under the Italian law;

16.1.2 if the Supplier is in liquidation;

16.1.3 if one or more of the assets owned by the Supplier are pledged or subject to equivalent measures;

16.1.4 if the Supplier is no longer able to pay its debts and is insolvent;

16.1.5 if the Company becomes aware that any of the events set forth in the above sections has occurred (or is likely to occur) to the Supplier or an entity related to the Supplier;

16.1.6 if the Supplier's financial position is such that the Supplier is unable to ensure the performance of its obligations under the Contract;

16.1.7 if the Supplier engages in conduct that violates this contract or a different contract with the Company.

17. LEGISLATION IN FORCE AND COMPETENT COURT

17.1 The Parties expressly acknowledge that this Contract shall be exclusively governed by and construed in accordance with Italian Law.

17.2 Any disputes arising from this Contract and in any way connected with its validity, effectiveness, interpretation, performance cancellation and termination, as well as the obligations arising therefrom, shall be submitted to the exclusive jurisdiction of the Court of Monza.

18. MISCELLANEOUS

18.1 No delay or failure by the Company to exercise any of the rights provided for in the Contract and these General Conditions shall constitute a waiver thereof, nor shall any waiver of any breach of contract by the Supplier constitute a waiver of the breach or any subsequent breach.

18.2 The Company reserves the right to set off against the price of the Products provided by the Supplier any amounts owed by the Supplier for any reason whatsoever including damages or any dispute arising against the Supplier.

18.3 The invalidity of one or more clauses in these Conditions will not affect the validity of the contract as a whole.

Place and Date _____

(Norgren Srl)

(The Supplier)

Pursuant to and for the purposes of art. 1341 and 1342 of the Italian Civil Code, Code, the Client declares that it specifically assents to the following agreements:

2. ELECTRONIC TRADING; 3. DELIVERY; 4. ACCEPTANCE; 5. RISK AND TITLE; 6. PRICE AND PAYMENT; 7. CHANGES; 9. EQUIPMENT, MATERIALS, INTELLECTUAL PROPERTY, PROPERTY; 10. SAFETY AND ENVIRONMENT; 11. ASSIGNMENT AND SUBCONTRACTING; 12. DEVELOPMENT, TESTS AND INSPECTIONS; 13. INFORMATION; 14. SUPPLIER'S WARRANTY; 15. UNILATERAL TERMINATION; 16. EXPRESS TERMINATION CLAUSE; 17. LEGISLATION IN FORCE AND COMPETENT COURT; 18. MISCELLANEOUS.

Place and Date _____

(Norgren Srl)

(The Supplier)