



SMI S.p.A.

Registered Head Office: Via Monte Grappa, 7 - 24121 BERGAMO - ITALY
Administrative Head Office: Via Carlo Ceresa, 10 - 24015 SAN GIOVANNI BIANCO (BG) - ITALY
Tel. +39 0345 40111 - Fax. +39 0345 40209 - www.smigroup.it

General Conditions of Supply (G. C. S.)

1. EFFECTIVENESS

These General Conditions of Supply shall apply to any order, unless expressly waived and accepted in writing by the Parties.

2. AGREEMENTS

2.1 Any verbal agreement, declaration or commitment made by SMI agents and staff before, simultaneously or after the subscription of these G.C.S. are not in any way binding for SMI unless confirmed in writing by the latter.

2.2 Any authorization issued by SMI to use the supplier portal, after the delivery of the log-in password, entails the obligation for the Supplier to use it.

2.3 Any drawing supplied by SMI for the realization of the commissioned goods shall be provided in PDF format; seeing other formats will also be allowed, if required (i.e. step or dwg), but PDF shall be the only format to be taken into account for the purpose of supply.

2.4 The return of the order, stamped and subscribed by the Supplier within five (5) days from the reception represents the standard form of acceptance, valid and effective for SMI. Furthermore, this procedure implies the full acceptance of the G.C.S., unless otherwise agreed by the Parties.

3. CONFLICTING PROVISIONS

In the case of conflicts between the general conditions of the contractual documentation of the Supplier and these G.C.S., the latter shall prevail. Any exception to this provision shall be expressly approved in writing by SMI.

4. PRICE VARIATION

The prices established by the Supplier, once accepted by SMI, shall not vary, unless otherwise agreed in writing by the Parties.

5. DELIVERY

5.1 Products shall be delivered by the Supplier through the procedures of return described in the order, as provided for in Incoterms 2010 ICC Paris.

5.2 Products shall be strictly delivered within the date mentioned in the order, unless otherwise agreed in writing by the Parties. In case the delivery is not carried out by the Supplier within the date mentioned in the order confirmation, the Supplier shall bear the transport costs and all other expenses related to it. In any case SMI reserves the right to quantify and claim compensation for

damages suffered.

5.3 Products shall be packed with recyclable materials only and properly in order to avoid damages during the handling and transport, in compliance with the document "Supply specifications".

5.4 In case of use of non- recyclable material, disposal costs shall be charged to the Supplier.

5.5 The packaging cost shall be included in the contract supply, additional charges on the invoice will not be accepted.

5.6 SMI item code, the Supplier item code and the order number, as indicated in the document "Supply specifications", shall be mentioned in the shipping documents and invoices.

6. PARTIAL EXECUTION

The partial execution of the supply is not possible, unless agreed in writing.

7. DOCUMENTS AND CERTIFICATIONS

7.1 Together with the supply, the Supplier shall undertake to send to SMI the certifications concerning the raw material used, the compliance with technical rules as well as all documents and information needed to export the products, such as the declaration of the custom codes, the declaration of origin, the certificate of origin and the "dual use" component declaration.

7.2 The Supplier shall declare to have subscribed an insurance policy for the product-civil responsibility and an insurance policy for the Guarantee of Supply.

7.3 The Supplier shall follow the rules concerning the security and health of the workplace in which the supplied products are manufactured.

7.4 The Supplier shall undertake to provide SMI with a copy of the technical and safety data sheet of the supplied product.

7.5 The Supplier is responsible for obtaining, paying and maintaining in force the licenses, authorizations, permits and approbations by any authority, needed to manage his own business activity and shall be compliant with all laws and rules in force in the countries in which he operates.

8. CLAIMS FOR FAULTY GOODS

Claims for recognizable or evident faults shall be notified in writing to the Supplier within three (3) months of the delivery, unless a different longer period is indicated in the guarantee certificate.



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9. GUARANTEE

9.1 The Supplier shall declare and ensure that products were manufactured in full accordance with national and international norms governing the materials used and their great quality.

9.2 The Supplier guarantees, for two (2) years from the delivery, that:

- delivered goods are free from lien or any other personal or real guarantee;
- products are compliant with the applicable specifications; products do not have any manufacturing/operating faults and/or deficiencies.

9.3 In addition to the terms of guaranteeing, SMI reserves the right to charge the processing cost of EUR 100,00 for every non-compliance detected.

9.4 In case the provision of the previous subparagraph is violated, SMI shall be entitled to ask for the termination of the contract or the total elimination of the faults at the Supplier's expenses.

In this regard, in the terms indicated by SMI, the Supplier shall, according to what is expressly required by SMI:

- replace non-compliant products with compliant ones at his own expense during the same day or within 24 hours of receiving the notification and ensuring new terms of guaranteeing starting from the date in which the products are replaced;
- send a technician able to intervene and remove non-compliances;
- authorize SMI to intervene directly with his own staff at the Supplier's expenses, without changing the conditions and terms of guaranteeing.

For non-compliant material, all costs incurred by SMI for handling and solving non-compliances will be charged to the Supplier.

10. RESERVATION OF TITLE

The property of the products shall be acquired by SMI upon delivery, unless otherwise agreed in writing by the Parties.

11. PAYMENTS

11.1 The prices and the related terms of payment shall be specified in the order subscribed by SMI.

11.2 Invoices issued by the Supplier shall mention SMI item code, the Supplier item code and the order number and be sent to SMI by e-mail in electronic or paper format to the address of SMI Administration Head Office, unless otherwise agreed in writing by the Parties.

11.3 Payments expiring on 31.12 and 31.08 shall be postponed by 10 days

12. CONFIDENTIALITY

12.1 For the entire duration of this contract, the Parties shall treat sensitive information obtained with the maximum degree of confidentiality and only in so far as this is necessary to carry out the activities covered by this contract

12.2 If agreed in writing by the Parties, the publication, the sale and the exposure of SMI Customer's pictures or products shall be prohibited for the Supplier.

13. WITHDRAWAL

SMI reserves the right to freely withdraw from the contract in any time and for any reason, upon written notification to the Supplier by AR registered mail. The withdrawal shall take effect thirty (30) days after the reception of the notification.

14. FORCE MAJEURE

In case of force majeure, the party unable to perform the contract shall immediately notify the other and describe the causes and effects produced.

Force majeure events shall be defined as all those unpredictable events beyond the control of the Parties, such as earthquake, lightning, flood, war, riot etc.

The parties shall meet as soon as possible in order to agree on any necessary or appropriate changes of the Contract enabling to tackle the consequences of the Force Majeure Event, on the understanding that the Party finding itself in such situation shall not be considered responsible for any breach not attributable to him.

In case the parties are not able to reach an agreement about the Contract modifications within 45 days of the Force Majeure Event, i.e. whether this event lasts more than 45 days, each Party will be authorized to immediately withdraw from the Contract upon written notification to the other party.

15. PLACE OF JURISDICTION

For any controversy arising from Supply relationships regulating these general conditions or in any case with the same commissions, the legal authority of Bergamo shall be the sole competent and any other competing or alternative court shall be excluded.

16. APPLIED LAW

This contract supply, as well as single agreements signed in the same context, are ruled by the Italian law (art. 1470 et seq.) and in the alternative by the provisions included in the United Nation Convention



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concerning contracts for the international sale of goods
signed in Vienna on 11.04.1980, ratified with L.
11.12.1985 n. 765.

17. SMI ETHICAL CODE

SMI has adopted an Ethical Code that is available online at www.smigroup.it, whose principles inspire SMI's conduct of his own business activity management. Under the Italian law (Legislative Decree 231/01 and subsequent amendments and additions), furthermore, SMI has adopted the "Organization, Management and Control Model", aiming at ensuring the compliance with the principles laid down in the "Ethical Code". SMI wants to collaborate and do business with Suppliers whose conduct is compliant with the principles laid down in SMI ethical code. The Supplier shall acknowledge that SMI actively promotes a safe, eco-friendly, socially and environmentally aware workplace, by implementing a quality, environment and security management system.

For acceptance:

(Place)(Date)(Stamp)(Legally binding signature)

The Parties, pursuant to the art. 1341 and 1342 of the Civil Code, shall declare to have carefully read and expressly accepted the following provisions: 4 (price variation), 7 (documents and certifications), 9 (guarantee), 10 (reservation of title), 13 (withdrawal), 15 (place of jurisdiction), 16 (applied law).

(Place)(Date)(Stamp)(Legally binding signature)
