

GENERAL TERMS AND CONDITIONS OF PURCHASE

Definitions

In these GTC, the following terms shall have the following meanings:

- **Order:** the document sent to the Supplier by Forge Monchieri containing the supply request, including the Technical Instructions and any attached documents;
- **Contract:** the agreement concluded between Forge Monchieri and the Supplier;
- **Instructions:** the technical document attached to the Order which defines the technical and quality requirements, the identification and traceability specifications, the required documentation and any other prescription applicable to the supply;
- **Non-Conformity:** any discrepancy, anomaly or defect found in the supply of goods, raw materials, workmanship or performance, with respect to the requirements and standards defined in the Order Instructions.

Art. 1 – Scope of Application

1.1 These General Terms and Conditions of Purchase govern all supplies of raw materials, mechanical processing, services, goods and services made to Forge Monchieri, regardless of their nature, type and both on an occasional and continuous basis.

1.2 These conditions apply automatically to all Orders issued by Forge Monchieri, constituting an integral and binding part thereof without the need for specific reference. Any exceptions, exclusions or limitations with respect to these General Terms and Conditions must be expressly agreed in writing between the Parties, under penalty of ineffectiveness. Any general terms and conditions of the Supplier will not apply in relations with Forge Monchieri unless expressly accepted in writing. Also in this case, unless explicitly waived in writing, these conditions may not exclude the effectiveness of these General Conditions, but must be coordinated and integrated with them, avoiding overlaps or conflicts of interpretation.

1.3 These General Terms and Conditions do not confer any exclusive right on the Supplier, nor do they guarantee the continuity of orders by Forge Monchieri, which remains free to select its Suppliers and to terminate contractual relations as provided for in the following provisions.

Art. 2 – Conclusion of the Contract-Execution of the Order

2.1 The Contract is deemed to have been concluded when the Supplier accepts the Order issued by Forge Monchieri. Such acceptance must be made by means of a written order confirmation, which must be transmitted within eight (8) days from the date of transmission of the Order. If this deadline has elapsed without any express confirmation having been received, the Order will be deemed accepted under the conditions defined therein.

2.2 The Order is formalised through a written document setting out the operational details of the supply, including, but not limited to:

- quantity and prices of materials and mechanical processing, performance, goods and services requested;
- applicable technical specifications and instructions and any required chemical analyses, as defined in the Instructions attached and/or referred to by the Order;
- date and destination of delivery, terms of return, packaging and method of payment of the price.

2.3 The supply must be carried out in full compliance with the provisions of the Order and the technical documents delivered to the Supplier. Any derogation from what is established therein will be valid only if expressly agreed with Forge Monchieri and formalized in writing.

2.4. The Supplier undertakes to make available, upon simple request of Forge Monchieri, all the production and control technical sheets that may be applicable. Forge Monchieri shall have the right of access to the Supplier's facilities and any subcontractors involved in the Order, as well as to all applicable registrations, in order to verify the conformity of the supply with contractual, design and quality requirements; likewise, the

end customer and the competent authorities may access it with the consent of Forge Monchieri. These checks do not exempt the Supplier from the responsibility of delivering compliant products on time and on time, nor do they relieve it in the event of subsequent non-conformity.

The Supplier also undertakes to inform Forge Monchieri in writing of any significant changes that may impact the products and/or processes officially qualified by Forge Monchieri; in this case, the Supplier must obtain and wait for the prior authorization of Forge Monchieri before proceeding with the implementation of such changes and the subsequent shipment.

2.5 If the Supplier uses subcontractors for the execution of the Order, it is required to request the prior authorisation of Forge Monchieri; the Supplier is responsible for transferring to its subcontractors and/or subcontractors all the obligations, requirements and standards set out in these General Conditions of Purchase, the Order and the purchase documents, applying appropriate controls to ensure that these requirements are met.

Art. 3 – Price-payments and prohibition of assignment of the contract and/or credit-offsets

3.1 The price of delivery is invariable and corresponds to that stated in the Order. It fully includes all the components of the supply identified and specified in the Order itself, including, but not limited to:

- the costs of raw materials, processing, performance, goods and services;
- shipments, customs charges, duties and any applicable taxes or duties;
- packaging, handling and logistics management;
- the execution of tests and controls necessary to ensure the conformity of the supply;
- the production of certifications and technical documentation required by the Order and the applicable technical specifications.

3.2 The Supplier expressly waives the application of Article 1467 of the Italian Civil Code.

3.3 Payments will be made on the due dates and in the manner indicated in the Order. However, payment will remain subject to verification of the Conformity of the supply, as well as to the complete receipt of all the documentation indicated in the Order.

3.4 The Supplier may not assign the Contract or the credit deriving from it to third parties without the prior and explicit written authorisation of Forge Monchieri. Any assignment of the credit made without such authorization will be considered ineffective against Forge Monchieri.

3.5 Forge Monchieri reserves the right to offset the payment of the price against any sums due by the Supplier for any reason. In this case, Forge Monchieri will notify the Supplier in advance of its intention to proceed with the offsetting by means of a specific written notification, specifying the amount and the relevant details.

Art. 4 – Delivery-delays and right to reschedule delivery

4.1 The delivery terms indicated in the Order are mandatory. Delivery must take place at the point of return specified in the Order itself; the delivery will not be considered correctly carried out in the absence of the transmission of all the documents expressly specified in the Order.

4.2 The Supplier is required to periodically communicate the progress of the Orders to the contact person indicated in the Order itself, indicating the expected delivery date and any changes with respect to the terms initially agreed.

4.3 If the Supplier expects that it will not be able to deliver within the time limit indicated in the Order, it shall immediately send written notice to Forge Monchieri, indicating the reason and, if possible, the time at which delivery can be expected.

4.4 Without prejudice to the provisions of articles 4.6 (rescheduling of delivery), 6 (Suspension), 9 (Withdrawal for just cause), 10 (Termination of the Contract) and 11 (Force Majeure), if the Supplier delays the delivery with respect to the date established in the Order, Forge Monchieri will be entitled to the application of a penalty for delay. The penalty will be calculated at 0.5% of the total amount of the Order for each week, or part thereof, of delay, up to a maximum of 5% of the total amount of the Order. In the event that the Supplier makes a delay in delivery that lasts for more than 4 weeks with respect to the agreed date, Forge Monchieri may revoke all or part of the order to which the delay refers.

Pursuant to art. 3.4, Forge Monchieri shall have the right to offset the amounts due as a penalty against any sums still due to the Supplier. Forge Monchieri will notify the Supplier in advance of its intention to proceed with the offsetting by means of a specific written notification, specifying the amount and the relevant details.

4.5 This is without prejudice to the right of Forge Monchieri to obtain compensation for any greater damages exceeding the amount due as a penalty.

4.6 Forge Monchieri reserves the right to modify the terms of delivery by written request sent to the Supplier. The Parties will actively collaborate in the management of the rescheduling request, adopting the most suitable operational solutions.

Art. 5 - Changes to the Order

5.1 Forge Monchieri reserves the right to request changes to the Order. The Supplier must provide written acknowledgment to the request within eight (8) days of its transmission. If this deadline has elapsed without any express confirmation having been received, the modification to the Order shall be deemed to have been automatically accepted under the conditions defined therein.

5.2 The Parties undertake to actively cooperate to ensure the proper review and execution of the requested changes.

Art. 6 – Suspension of the Order by Forge Monchieri

6.1 Forge Monchieri has the right to suspend, in whole or in part, the execution of the Order, before or during the execution phases, upon written notice to the Supplier. Following the request for suspension, the Supplier will be required to:

- a) immediately interrupt the activity to the extent and from the date specified in the notice of suspension;
- b) not to place further orders or subcontracts, except as strictly necessary to complete any parts of the supply not subject to suspension;
- c) take all necessary measures to protect, preserve and preserve the materials, products already completed or in the process of processing, avoiding deterioration or loss.

6.2 Once the Buyer has received written notice of the release of the Order, the Supplier shall immediately reschedule the order and promptly notify the Buyer of the new delivery date, ensuring that the resumption of execution takes place without undue delay.

6.3 This is without prejudice to the right of Forge Monchieri to take any further measures necessary to ensure the continuity of its business, including the possibility of entrusting third parties with the execution of the suspended part of the supply, if an agreement on the resumption is not reached within the required terms.

Art. 7 – Conformity and Guarantee

7.1 The Supplier guarantees that the raw materials delivered, the processes performed and the services commissioned comply with the technical specifications agreed with Forge Monchieri and defined in the Instructions.

7.2 If, during the incoming control of the material, or during tests and inspections or during its processing phases or at any other subsequent time, Forge Monchieri finds Non-Conformities attributable to the Supplier, the latter will be immediately informed, within fourteen (14) days of its discovery, by means of a written notification of the opening of a Non-Conformity, which will contain a clear description of the defect found.

7.3 In identifying and managing Non-Conformities, the Parties shall refer exclusively to the Instructions. In particular, the range of acceptability of the product, the processes performed and/or the services commissioned to the supplier is that defined in the Instructions.

7.4 Upon receipt of the Non-Conformity report, the Parties shall initiate a technical cross-examination for its timely overcoming, and the Supplier shall, at its own expense, remedy the defect without undue delay, ensuring that repair or replacement operations do not unnecessarily interfere with Forge Monchieri's production activity.

7.5 If the Supplier fails to comply with the remedies provided for in Article 7.4, Forge Monchieri will order to immediately remedy the Non-Conformity, assigning a reasonable deadline, which may not be less than seven

days, for its execution. After this period has elapsed, Forge Monchieri shall have the right to take all necessary measures to ensure the conformity of the supply, including repair, replacement and/or purchase from third parties, with all related costs charged to the Supplier. This is without prejudice to the right of Forge Monchieri to compensation for any further damages deriving from the non-compliance.

7.6 In the event that the Non-Conformity has not been successfully resolved and in accordance with the applicable standards and specifications, Forge Monchieri may terminate the Contract by written notice to the Supplier, with the right to compensation for any loss, including consequential and indirect losses.

7.7 In the event that, pursuant to the preceding paragraphs, the Supplier remedies the Non-Conformity, it shall ensure that the repair and/or replacement is in full compliance with the applicable standards and specifications and shall remain liable for any further Non-Conformities that may arise.

Art. 8 – Supplier's Liability

8.1 The Supplier shall be liable for any loss or damage, of any nature, arising out of, in connection with or otherwise resulting from the Order. This liability is not limited to product liability, but also extends to any liability connected, deriving from or in any way connected with the violation of applicable intellectual and industrial property regulations, which the Supplier guarantees to comply with in relation to the supply made for Forge Monchieri, as well as the violation of the requirements provided for by art. 13 ensuring compliance with applicable domestic and international regulations, and with the ethical, environmental and social standards required by Forge Monchieri.

8.2 The Supplier shall also be required to fully compensate for any damage to persons or property that may be caused by access to the premises or sites of Forge Monchieri, as well as to the places of destination of the goods or work to be carried out, regardless of whether or not such goods or sites are owned by Forge Monchieri. In the event of access to Forge Monchieri's sites for the execution of the requested supply/service, the Supplier must coordinate in advance with Forge Monchieri to ensure compliance with the provisions in force on safety at work and to comply with the obligations set out in the Risk Assessment Document (DVR).

8.3 In relation to the liability assumed pursuant to the preceding paragraphs, the Supplier indemnifies and holds Forge Monchieri harmless from any claim, request for compensation or action brought by third parties, including those relating to product damage, intellectual and industrial property infringements, damage to persons or property deriving from access to Forge Monchieri's websites or to the places of destination of the supply, as well as any potential and/or actual negative impact on human rights and the environment, in violation of the commitments undertaken pursuant to art. 11, and from any other liability related to the execution of the Order.

8.4 The Supplier is responsible for the acts, omissions and defaults of its subcontractors and subcontractors, ensuring that they comply with the obligations set out in this Article 8. The Supplier undertakes to obtain from the subcontractors a similar assumption of responsibility and indemnification towards Forge Monchieri, extending to them the same obligations of compensation and indemnity. Any violations by subcontractors will be directly attributable to the Supplier, who will be liable as for its own breach of contract.

8.5 The Supplier is responsible for the forgings delivered to it by Forge Monchieri on a tolling basis for as long as these parts are in its disposal. In relation to these pieces, the supplier has all the duties inherent in the custody of other people's property, as provided for by Article 1768 of the Civil Code.

Art. 9 – Termination for just cause

Forge Monchieri reserves the right to withdraw from the contract at any time, for just cause, by written communication sent by PEC or registered mail with return receipt. In this case, the Supplier will only be entitled to payment for the services already performed and correctly fulfilled up to the date of withdrawal.

Art. 10 – Termination of the Contract

Each Party may terminate this contract with immediate effect, by notifying the other party by registered letter with return receipt or certified email, in the following cases:

- a) in the presence of an essential breach of one of the substantive obligations provided for in this contract of such seriousness as not to allow the continuation of the relationship in a climate of mutual trust. It is understood that any failure to exercise this right cannot in any way be interpreted as a waiver of its exercise.
- b) when one of the parties is subject to bankruptcy, composition or any insolvency procedure.

Art. 11 - Force majeure

11.1 *Force Majeure* means the occurrence of an event or circumstance which prevents or hinders a party in the performance of one or more of its contractual obligations, if and to the extent that such party demonstrates:

- a) whereas such an impediment is beyond its reasonable control; and
- b) which could not reasonably have been foreseen at the time of conclusion of the contract; and
- c) that the effects of the impediment could not reasonably have been avoided or overcome by the party concerned.

11.2 In the absence of evidence to the contrary, the following events affecting a party shall be presumed to meet the conditions set out in paragraph 1 of this clause: (i) war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilization; (ii) civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy; (iii) currency and trade restrictions, embargoes, sanctions; (iv) act of authority, whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalization; (v) plague, epidemic, natural catastrophe, or extreme natural event; (vi) explosion, fire, destruction of equipment, prolonged disruption of transport, telecommunications, information system or energy; (vii) general labour disturbances such as boycott, strike and lockout, slowdown, occupation of factories and premises.

11.3 In the event of Force Majeure, the Party suffering the consequences ("the Defaulting Party") shall notify the other Party without delay of the occurrence of such event and its impact on the ability to perform its contractual obligations.

11.4 The Party successfully invoking this Clause is relieved of its obligation to perform its contractual obligations and any liability for damages or any other contractual remedy for breach of contract (except for payment obligations), provided that the said obligations will be performed as soon as possible once the Force Majeure event has ceased.

11.5 If the duration of the force majeure event exceeds 180 days, the fulfilling party may terminate the contract without incurring any penalty, limiting itself to compensating for the work in progress and the finished components.

Art. 12 – Confidentiality

12.1 The Supplier undertakes to consider confidential, and therefore not to disclose, all drawings, documents, data, photographs, specifications and information made available to the same by Forge Monchieri.

The Supplier also undertakes to use all the aforementioned documents exclusively for the purpose of obtaining the object of the order, and therefore not to use them for other purposes or to transfer them.

The Supplier may disclose the aforementioned documents only after the relevant written authorization from Forge Monchieri.

The obligation of confidentiality binds the Supplier and any Subcontractors for the duration of the order and also thereafter.

The Supplier is responsible to Forge Monchieri for this obligation to be fulfilled by any Subcontractors.

Forge Monchieri undertakes to ensure that its personnel, for any reason sent to the headquarters of the Supplier and/or its subcontractors, respect the confidentiality of information and documents classified as "confidential" and use them only for the permitted purposes and according to the needs connected with the execution of the Supply.

12.2 The obligation of confidentiality is binding on the Parties and any Subcontractors.

Art. 13 - Compliance and Ethical Obligations

13.1 Forge Monchieri has adopted its own Organization, Management and Control Model pursuant to Legislative Decree 231/2001, a Code of Ethics and a Code of Conduct for Suppliers, which define the fundamental principles to which the Company, its partners, and stakeholders must adhere. These documents are an integral part of these General Terms and Conditions and are available for consultation on the Forge Monchieri(www.monchieri.it) website. The Supplier ensures that its staff are aware of its contribution to product/service compliance, product safety and the importance of ethical behaviour.

13.2 With particular attention to environmental regulations and the protection of human rights, the Supplier undertakes to actively cooperate with Forge Monchieri so that the supply of goods, raw materials, processes and services is carried out in compliance with OECD standards and the most recent European Directives on sustainability, social responsibility and supply chain protection, also undertaking not to produce or deliver counterfeit or suspected documents, certificates, parts, materials or products. The Supplier will also be responsible for identifying and managing any potential or actual negative impacts on human rights and the environment, both within its own business, in that of its subsidiaries, and, if related to the value chain, towards its business partners.

13.3 The Supplier expressly agrees that Forge Monchieri may carry out inspections and verifications if there are suspicions or evidence of a possible breach of the obligations set out in this article. Audits may include access to production sites, requests for documentation and analysis of company practices.

13.4 The Supplier is required to read the Organisational Model, the Code of Ethics and the Supplier Code of Conduct, understand and agree with its principles, and ensure that it is not in situations of conflict of interest with Forge Monchieri, either directly or through its directors, employees or collaborators in various capacities. The Supplier undertakes to promptly report to Forge Monchieri any situation of potential or actual conflict of interest that may arise during the execution of the contract. If the Supplier uses a Subcontractor, it will be directly responsible to Forge Monchieri for obtaining a similar declaration from the Subcontractor, as well as the commitment to immediately report any situations of conflict of interest involving the Subcontractor, its directors, employees or collaborators in various capacities.

Art. 14 - Applicable law

The Contract shall be subject to Italian law, without the application of the provisions of the 1980 Vienna Convention relating to Contracts for the International Sale. For anything not specifically governed by these Conditions, the provisions of the law in force shall apply.

Art. 15 - Mediation clause and Exclusive Forum pursuant to art. 28 c.p.c.

15.1 The Parties shall submit all disputes arising from or connected to this contract – including those relating to its interpretation, validity, effectiveness, execution and termination – to mediation in accordance with the provisions of the Civil and Commercial Mediation Regulations of the Conciliation Chamber of the Brescia Bar Association, which the Parties expressly declare to be aware of and accept in full. The Parties undertake to resort to mediation before commencing any judicial proceedings.

15.2 If the dispute has not been resolved within 90 days from the filing of the mediation request, the Court of Brescia will have exclusive jurisdiction for any dispute pursuant to Article 28 of the Code of Civil Procedure, with the exclusion of any other Court that may have jurisdiction; therefore, any other territorial jurisdiction is expressly waived.

Art. 16 - Order of prevalence

The order of prevalence will be as follows:

1. The Order and the documents expressly referred to therein, with particular reference to the Instructions;
2. These General Terms and Conditions of Purchase, including the related annexes and documents referred to therein.

Date.....

The Supplier

Pursuant to and for the purposes of art. 1341 et seq. of the Civil Code, the following articles are expressly approved: 1 (Scope of Application), 3 (Price-payments and prohibition of assignment of the contract and/or credit-compensation), 4 (Delivery-delays and right to reschedule delivery), 6 (Suspension of the Order by Forge Monchieri), 7 (Conformity and Warranty), 8 (Supplier's Liability), 9 (Withdrawal for just cause), 10 (Termination of the Contract), 14 (Applicable law) and 15 (Mediation clause and Exclusive Forum pursuant to Article 28 of the Code of Civil Procedure)

Date.....

The Supplier