

General Conditions of Purchase of goods and services

Dear Supplier,

Garmet Srl has always been committed to improving the quality of the service provided to its Customers, also through the excellence of the goods and services it purchases.

In this perspective, the Company's Suppliers represent, as an integral part of the process chain, a key element for the success of business strategies.

In order to consolidate the collaboration between Garmet Srl and its Suppliers, we share with You these "General Conditions of Purchase of goods and services" (hereinafter "**the Conditions**"), as regulation of the supplies that you will make to our Company. They are duly reported through an explicit reference formula in the purchase order issued by Garmet Srl to the Supplier and apply to all contracts or agreements (in any form and at any time stipulated) for the goods and services purchased by our Company.

To this end, the General Conditions of Purchase of goods and services are an integral and substantial part of the purchase order presented by our Company, without the need for an express reference to them or a specific agreement to that effect. In any case, they are considered expressly accepted with the signature of the purchase order by the Supplier.

1. Purchase order

The purchase order issued by our Company is valid if drawn up in writing and acquires binding legal effect upon receipt of the written acceptance from the Supplier, which must be received within 2 (two) days from the date of receipt of the purchase order. The execution of the purchase order is considered in any case acceptance of these General Conditions of Purchase of goods and services. The estimates are binding for the Supplier and don't involve remuneration.

2. Prices, invoicing and transport documents

The prices indicated in the purchase order are fixed and not subject to review. Unless otherwise indicated in the order, the prices refer to the goods delivered and include packaging (where necessary), transport, insurance and any other accessory charges related to the execution of the order.

If sold "carriage forward", the goods must be transported at the "cheapest rate"; any higher costs are borne by the Supplier. Invoices and transport documents must be sent to the address shown on the order and must indicate:

- a) number and date of the purchase order;
- b) description and quantity of the goods supplied;
- c) number and date of the transport document;
- d) detailed price.

Where the invoices sent by the Supplier to our Company are different from the above indications, they must be reissued in compliance with the latter. It is understood that the payment terms will start only from the issuance of the new regular invoice by the Supplier.

3. Terms of delivery

The delivery terms indicated in the purchase order are peremptory and essential. Delivery time, as indicated in the purchase order, means the date of arrival at the place of destination of the goods, as attested by the transport document (which shows the date, time and signature). The delivery time indicated in the order can be changed only by written agreement.

Any early deliveries will not be allowed, unless it isn't agreed in advance and, in any case, will not entitle to any benefit for the Supplier. Unless otherwise indicated in the order, in case of delay in delivery, a penalty equal to 1% (one percent) of the total price of the supply for each week of delay will be applied automatically, without any prior notice from our Company, except for greater damage, provided that the delay isn't attributable to our Company.

In case of delay of the delivery of the goods with respect to the term established in the purchase order, our Company will have, alternatively, the right to discharge the contract for breach of the Supplier, to be considered in any case serious, and to request damages.

4. Shipping

The Supplier must supply the goods with an appropriate packaging and in compliance with current legislation on waste, including hazardous ones, which is suitable for guaranteeing the delivery of the goods in perfect condition at the place of destination. The packaging will not be returned to the Supplier, unless otherwise agreed in writing between the Parties. The risks and shipping costs are borne by the Supplier up to the place of destination, including any additional charges, which may be required, for compliance with the delivery deadline.

5. Transfer of ownership and transfer of risk

Unless otherwise provided in the purchase order, the transfer of ownership and the transfer of risk take place when the goods are made available to our Company at the place of destination. Each retention of title clause, inserted by the Supplier in its General Conditions of Sale, is considered as not being affixed.

6. Acceptance

The delivery and the transfer of ownership don't determine the acceptance of the goods by our Company; therefore, any acceptance of the aforementioned expressed at the time of delivery is always understood as "acceptance with reservation".

The acceptance of the goods is subject to the positive outcome of the inspection and / or control carried out directly by our Company or by third parties in charge, without any form and / or term constraint, in order to verify that the goods are in conformity in terms of quantity, quality and type with as provided in the purchase order.

The weighing, measurement or counting carried out at the arrival of the goods at the place of destination are binding for the Parties.

7. Warranty

The term of the Supplier's warranty is 12 (twelve) months from the delivery of the goods at the place of destination and the term for the claim of any defects, apparent or hidden, is 30 (thirty) days from the discovery, without prejudice to the application of a longer period established by the same Supplier.

For the entire duration of the warranty, the Supplier guarantees that the goods are in conformity with the quantity, quality and type with the order, free of defects in design, material, manufacturing, operation or any other defects, suitable for their use and in compliance with current legislation pro - tempore.

Even if not indicated in the purchase order, the Supplier guarantees that the goods supplied are complete with all the parts necessary for their full use, safety devices, certificates of conformity and any other documentation required by current legislation, including that in the field of hygiene, safety at work and environmental protection. In particular, the goods must be equipped with the EU markings and the required certification and documentation. The Supplier guarantees and undertakes to indemnify our Company from any damage that may be suffered and from any claim or action of third parties resulting from non-compliance with the above provisions. The Supplier also undertakes to supply the goods ordered according to the most recent "state of the art", in application of the most current rules in force at the time of issuing the purchase order or intervened during the execution of the order. The acceptance of the goods by our Company, referred to in the previous art. 6, doesn't exempt the Supplier from the warranty on the goods supplied, nor does it imply a renunciation by our Company to assert its rights.

8. Non – compliant or defective goods

Where the goods delivered by the Supplier are affected by conformity defects, they must be immediately collected and replaced by the Supplier, at his own risk and expense, at the same place of destination. It is without prejudice to the right of our Company to request, at its discretion, also alternatively, the reduction of the price, or to declare the contract discharged, even partially, and to request damages (including those for the possible replacement of goods, including storage and shipping costs, the higher price and any other charge). In any case, our Company will refuse any supplies of goods containing radioactive waste, ascertained also following the passage through the metal detector present in the place of destination. Any costs of storage and return of the goods to the Supplier will be borne by the latter.

9. Payments

The payment is made in the terms and conditions indicated in the purchase order, following receipt and control of the goods; therefore, any conditions or terms of payment indicated on the invoice, other than those indicated in the purchase order, will not be considered valid. Our Company will offset its debts towards the Supplier with the credits, expired or not, including future ones, that the Company has towards the Supplier up to the amount of the relative invoices.

10. Changes and cancellations

If requested in writing by our Company, the Supplier undertakes to promptly modify the characteristics of the goods ordered and not yet delivered.

The Supplier will promptly inform our Company of any changes in price and / or timing, in order to make the necessary changes required; the aforementioned changes will be agreed in writing between the Parties.

No delivery of goods that are different or non-compliant in quantity, quality and type with what was ordered will be accepted, except by written agreement between the Parties.

Our Company reserves the right to cancel the order, without paying to the Supplier any penalty or any damages, if the factual situation in which our Company was induced to carry out the order is subject to changes.

11. Industrial property rights and confidentiality

All projects, data, systems, operating procedures, figures, drawings and other information that, regardless of their nature and origin, have been communicated by our Company to the Supplier or that he has learned from the observation or use of the same, belong to the exclusive property of our Company.

They must be treated as strictly confidential, they can be used by the Supplier only for the purpose of executing the order and must therefore be returned to our Company, without keeping a copy.

The Supplier warrants that the use of the goods supplied doesn't violate patents or other industrial property rights of third parties and undertakes to indemnify our Company from any requests or actions of third parties and to compensate for any consequent damage, loss or prejudice suffered by our Company.

12. Processing of personal data

With the acceptance of the purchase order, the Supplier expressly declares to have read and, therefore, to be aware of the privacy policy relating to the processing of personal data pursuant to Legislative Decree no. 196/2003, as amended by Legislative Decree no. 101/2018, available on the website of our Company at www.garmet.it

13. Applicable law – Jurisdiction

These General Conditions of Purchase and purchase contracts are subject to Italian law. For any dispute relating to the General Conditions of Purchase and purchase contracts, the Court of Milan is exclusively competent.

14. Acceptance of the General Conditions of Purchase

All the Conditions contained herein (and published on the website of our Company: www.garmet.it) are understood to be known and accepted. They prevail over any non-compliant clause possibly prepared by the Supplier in its General Conditions of Sale. Other conditions, other than those contained herein, must be agreed in writing with our Company.