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1. Validity of the Terms of the General Supply, Service and Labour Conditions

This document, General Supply, Service and Labour Conditions – hereinafter GSCs – governs the agreements between the Customer and one or more individuals or corporate entities, hereinafter the Contractor/s, which, with conclusion of the Contract (as defined below), expressly undertake to supply the goods and/or services requested.

Deviations from the provisions of this document are not permissible without the Customer's express written approval.

2. Order of Precedence

The supplies and/or services referred to in the Contract (as defined below) are governed, in accordance with the following order of precedence, by:

- Purchase Order (as defined below);
- additional terms and conditions of the Contract (as defined below), as well as the terms and specific and general conditions contained in the technical annexes;
- these GSCs;
- rules/standards of the Customer's worksite/spaces/areas.

The mandatory provisions of law shall always hold firm, as well as the provisions of the sector-specific laws applicable in each case.

3. Purchase Order

3.1. Issue

Each purchase order ("Purchase Order") must be drawn up in writing. Any verbal agreements must be considered binding only if confirmed by the Customer in writing.

The above must also apply to any Order Modifications (as defined below).

For amounts of more than € 10,000, within 5 working days from receipt of the Purchase Order, the Contractor must send the Customer a duly signed letter of acceptance; said letter must be sent by post and may be forwarded in advance by fax and/or e-mail if so indicated in the Purchase Order.

3.2. Order Modifications

The Contractor must carry out any modification or additions that may be requested by the Customer during execution of the supply and/or service (hereinafter "Order Modifications"); however, the Contractor shall always have the right to promptly express any reservations regarding the same, giving adequate reasons. If this involves an increase or decrease in the cost or changes features and/or guarantees, such difference must be the subject matter of a prior written agreement between the parties, representing a Purchase Order Rider (as defined below). Every Order Modification must be drawn up in the same form and with the same methods as the Purchase Order.

Within 10 working days after receiving the Customer's modification request, the Contractor must examine the same according to the possible consequences and must inform the Customer in writing of the results of this evaluation. In particular, the effects on the technical execution and on costs and times must be indicated.

The application of such modifications to the Contract requires the Customer's written consent.

If the Customer decides in favour of the application of such modifications, the Parties to the contract must comply with the new conditions, albeit maintaining unaltered the prices already contractually established for similar services (as contemplated by Article 30 below), unless otherwise agreed in writing by the Parties.

The Contractor may not make any changes without the Customer's prior written authorisation.

In the case of the Customer's authorisation and/or if changes are necessary in order to comply with provisions of law introduced after the date of the Purchase Order, the changes are managed as contemplated in the preceding point.

For the economic evaluation of Order Modifications, the provisions of article 30 below shall be applied (*Contractual prices and bank surety*).

4. Definitions

It is agreed that the following terms, in the contractual documents or referring to the specific aspects of the same, shall be used to respectively indicate and define:

- **Customer:** company of the RWE Group which signs the Contract;
- **Technical-Executive Contract Manager:** person employed by the Customer which is the receiver of the goods/services covered by the Contract (as defined below), and who is the contact person for any communication relating to execution of the Contract;
- **Purchase Order:** Binding proposal containing a description of the contractual and sale conditions agreed between the parties;
- **Contract:** agreement between the Parties for execution of the supply (supply contract) or service (service contract) drawn up in the form of commercial correspondence and composed of all the documents referred to in the Purchase Order;
- **Force Majeure:** any act, event or circumstances, or a combination of these that are not ascribable to the Party which invokes Force Majeure, and which said Party cannot avoid by means of normal diligence and which continuously or only for a period of time, completely or partially delays or prevents or renders impossible fulfilment of the contractual obligations by the said Party or which has a negative impact on the latter's capacity to fulfil said obligations promptly and correctly. The Parties shall not be responsible for non-fulfilment of their respective obligations deriving from Force Majeure. In the case of Force Majeure, the Party affected must send the other Party a specific communication by registered letter with return receipt forwarded in advance by fax, indicating what activities are influenced by the Force Majeure and a description of the causes of impediment. The provisions of Article 40 (*Suspension on the part of the Customer*) shall always hold firm. The above conditions always holding firm, events of Force Majeure are, for example but not only:

- explosions, fires, floods, volcanic activity, hurricanes, tornadoes, typhoons, cyclones, lightning, thunderbolts, earthquakes, landslides, land erosion, epidemics, pandemics, famine, quarantine and scientifically inexplicable events;
- embargoes, wars (whether declared or not), insurrections, rebellions, uprisings, civil conflict, acts of terrorism or sabotage;
- accidents during transport which prevent the agreed destination being reached;
- strikes, lockouts or other labour disputes of national importance, unless they are the consequence of non-fulfilment by the Party which invokes Force Majeure or a contractor of this latter involved in execution of the supply;
- confiscation, expropriation, nationalisation, seizure or other actions of appropriation or government measures.

Force Majeure does not include, for example but not only:

- any act of the Public Administration which derives directly from failure to observe laws or regulations, by the Party which invokes Force Majeure;
- the Party's financial incapacity; an increase in the price of fuel or other supplies, services or materials;
- any delay whatsoever ascribable to subcontractors;
- any mechanical fault or failure of equipment not deriving from unpredictable causes;
- any act, event or circumstance that could have been avoided, limited or overcome by the Party by the adoption of good technical practice and, in any case, with due diligence;
- any delayed delivery or non-delivery of equipment, materials, spare parts or consumables not caused by Force Majeure;
- acts, events and circumstances deriving directly from the normal wear of the Party's equipment, stocks and means of production.
- **General Chronological Schedule:** document or clause containing the succession over time of the single batches of the activity to be performed and of the main terms contemplated in relation to the subject matter of the Contract;
- **Chronological Schedule Start (CSS):** date indicating the start of the General Chronological Schedule;
- **Batch Schedule Start (BSS):** date within which the activities of each batch must begin;
- **Workshop Readiness Term (WRT):** date within which inspections/tests must be completed at the Contractor's workshop, any necessary documents must be issued, and the batch to be supplied must be ready for shipment to the Customer;
- **Delivery Term (DT):** date within which the batch to be supplied must reach its destination;
- **Assembly Start (AS):** date within which work on assembly of the batch supplied must begin at the Customer's premises;
- **Assembly Completion Term (AT):** date within which work on assembly of the batch supplied must be completed at the Customer's premises, including inspections/tests contemplated during the assembly phase;
- **Readiness Term (RT):** date (after the AT) within which the inspections/tests contemplated for ensuring that the batch supplied is ready for start-up must be completed;
- **Partial Readiness Term (PRT):** date corresponding to the RT if one or more test parameters do not allow for final complete testing but are such as to allow for part of the supplied batch to be ready for start-up;
- **Completion Term (CT):** date (after the RT, if applicable) within which inspections/tests must be completed and the object or service supplied must be fully ready and available to the Customer (e.g. the commercial functioning of a plant)
- **Partial Completion Term (PCT):** date corresponding to the CT if one or more test parameters do not allow for complete acceptance of the batch supplied but are, in any case, such as to permit use of the object or service;
- **SPS:** Supply Planning Schedule;
- **Service Entry Sheet (SES):** SAP document necessary for receipt of services and for endorsing payment to the supplier;
- **Goods Entry (GE):** SAP document necessary for receipt of material and for endorsing payment to the supplier;
- **Transport Document:** document which accompanies incoming goods;
- **Technical Specifications:** document defining the technical features of the services/goods to be supplied pursuant to the Contract;
- **Quality Plan:** document which describes the operating methods for quality, the resources and the sequences of activities to be carried out;
- **DURC:** *Documento Unico di Regolarità Contributiva* (document testifying to correct payment of welfare and national insurance contributions).



5. Chronological schedule

5.1. Execution of work in batches

The General Chronological Schedule may be divided into single batches of activities, each with different contractual terms, although the several batches will always be governed by the single contractual agreement.

The General Chronological Schedule is executive and is binding on the Contractor, which must observe all the terms indicated therein. In accepting such terms, it is understood that the Contractor has taken into account all risks connected with execution of the service.

If, due to an Order Modification, there is a difference in the amount of some batches, the related contractual terms will be suitably adapted, if necessary, in agreement between the Parties.

5.2. Extension of contractual terms

In the event of interruption of the work or a delay in execution of the same, caused by one or more of the circumstances listed below, the Contractor may request an extension of the contractual terms for a period to be agreed, normally no longer than the period of suspension deriving from such causes:

- Force Majeure;
- discretionary suspension and/or suspension of the works;
- delay of third parties in possible assembly and/or commissioning of parts that are not the subject matter of the Contract but which, however, cause a delay in the schedule;
- non-delivery on the part of the Customer of materials it owns to be assembled by the Contractor within the pre-fixed dates.

No extension will be granted unless the Contractor immediately, and in any case within and no later than 12 hours after the event, presents to the Customer a duly motivated and documented extension request in writing.

After receiving the request, the Customer shall establish, always in writing, the length of the extension, also taking into account any joint responsibility of the Contractor, this latter always maintaining the right to present its own reservations.

Such an extension, even if due to causes beyond the Contractor's control, cannot represent grounds for a request for higher remuneration on the part of the Contractor.

6. Environmental Protection and Health and Safety in the Workplace

A. The Contractor is the subject primarily responsible for the health and safety of their own workers and must observe the provisions in force as well as the Customer's rules and regulations for environmental protection and workers' health and safety.

B. Every activity carried out at the Customer's premises must be suitably analysed in order to prevent or reduce to acceptable levels all risks for health, safety and the environment. The risk assessment document for activities falling within the field of application of Title IV of Lgs. Decree 81/08 and later amendments and additions (building or civil engineering activities) is represented in the Safety Plan referred to in Annex XV to Lgs. Decree 81/08 and later amendments and additions. The said document, and any later updates, must be delivered to the Customer before the start of the work. It must include details of the prevention and protection measures to be adopted in order to minimise risks for workers' health and safety and it must take into consideration any rules and measures communicated by the Customer. In the case of activities falling within the field of application of Title I, the Contractor must transmit a Safety Plan which:

- 1) details in a precise manner the activities carried out;
- 2) identifies the specific dangers;
- 3) assesses all the corresponding risks introduced onto the site;
- 4) indicates the prevention and protection measures implemented to minimise the risks;
- 5) identifies the safety measures adopted to manage emergency situations that could occur, including, when applicable, the methods chosen to recover injured personnel from areas not easy to reach (confined spaces, work at height, underwater activities, etc.).

C. The Contractor must comply with the regulations of the site where it operates, including the methods communicated to the same for management of emergencies; the main sources of this information are the DUVRI (*Documento generale dei rischi da interferenza e dei rischi specifici dell'ambiente di lavoro* – General Document on Interference Risks and on Specific Risks of the Work Environment) pursuant to Art. 26 of Lgs. Decree 81/08 and later amendments and additions or, alternatively, the *Safety and Coordination Plan (SCP)* pursuant to Art. 100 of Lgs. Decree 81/08 and later amendments and additions, the Environmental Management System conforming to the EMAS Regulations (for the parts applicable, if the site is registered), and the Safety Management System (if existing). In addition, the Code of Conduct and the Procurement Policy of RWE are inseparable parts of the Contract and it is understood that the Contractor has examined them and fully accepts them. Other specific rules to be observed in execution of the activities are illustrated at the opening moment of the "first reception" organised by the Customer before the start of work.

D. The Contractor must conform to the working hours and access methods in force at the Customer's worksite, and for this purpose, before starting work, the Contractor must reach agreement with the Customer on the methods for access to the site and to the canteen, if present. In particular, access to the Customer's premises and worksites on foot or in a vehicle is controlled and the instructions given for each site must be followed.

E. In respect of its own personnel, the Contractor must apply legal provisions and remuneration standards that are not inferior to those laid down by the collective labour agreement in force, and must also regularly comply with the obligations (pension, insurance and welfare contributions, etc.) promulgated by the laws, regulations and standards in force. Before entering the site, the Contractor must give the Customer a list, stamped and signed by an authorised representative, of the names of its own personnel and of any subcontractors, with indication of the qualification and the insurance positions according to law, and if requested it must also give the Customer a copy of the declaration addressed to the national insurance and pensions agencies, copy of the receipts for contributions paid, and anything else considered necessary for verification, on the part of the Customer, of the aforesaid obligations.

F. The Contractor must give the names of its own representative and of the latter's substitute, one of whom must always be present during execution of the works, also in the case of work carried out by the personnel of any subcontractor. The representative and his substitute are responsible for managing and supervising operational activities and for checking on observance of the safety rules on the part of the operating personnel. They must therefore have the suitable technical skills and any requisites that may be promulgated by the laws and regulations in force or by any specific requests on the part of the Customer. The Customer, in turn, shall identify and communicate to the Contractor the name of a contact person who, among other things, shall be responsible for supervising the activities especially in relation to compliance with the requirements on health, safety and the environment.

G. The Contractor must ensure that its own employees and those of any subcontractors exhibit, on request, their identity badges conforming to the provisions of the applicable laws and regulations, especially Art. 18, paragraph 1, letter u) and Article 21, paragraph 1, letter c) of Lgs. Decree 81/08 and later amendments and additions. The Contractor must also guarantee that its own employees and those of its subcontractors are clearly distinguishable from the other personnel present on the site by means of suitable and recognisable work clothing or any other equivalent and equally effective system.

H. The Contractor must use only personnel qualified and instructed/trained in conformity with the provisions of the laws and regulations in force; the Customer has the right to request statements or also evidence proving the training, especially in relation to activities that require specific technical qualifications. The Contractor must also be willing to allow its own personnel to participate in training/instruction courses organised by the Customer should they be necessary to guarantee full protection in relation to aspects of health, safety and the environment. Such courses will be free of charge to the Contractor's personnel.

I. The Contractor must use only personnel considered suitable for the performance of their duties; the Customer may request statements or also evidence proving their physical ability to perform the activities, observing the legislation in force on privacy.

J. The Contractor must keep the areas assigned to them clean and tidy and must comply with the regulations in force in the Customer's areas.

K. The Contractor's work activities involving emissions emanating from the job site, such as noise, dust, vibrations or odors, must be reported in advance to the Customer and authorised by the latter.

L. In the case of the use of chemical products during execution of the contracted works, the updated safety data sheet of such products must be kept near the Customer's work areas; the Customer reserves the right to request a copy before the start of work or during the execution of the same. Chemical substances must be stored in the Customer's areas in a manner which eliminates the risks associated with potential spillage into the soil or into surface or underground water courses. Prevention and protection measures against spillage during storage or handling of such substances must be implemented; liquid substances must be positioned with maximum care to prevent spillage into the sewer network: it is obligatory to know what effects the substance can have on the sewer system and on the waste water treatment system that would be affected in the case of spillage.

In the case of accidental spillage, the Contractor must immediately inform the Customer and take suitable measures to deal with the event.

As a general rule, the use of carcinogenic or mutagenic materials must be avoided. If such use is necessary, the Customer must be informed in writing before the use. The protection measures to be adopted must be agreed upon.

M. The Contractor must provide itself with all means, equipment and provisional structures necessary for execution of the activity; said equipment must conform to the standards in force in relation to the protection of health, safety, work environments and the environment in general. The Contractor may ask the Customer only for work equipment that justifiably is not available to the said Contractor because of the type and/or frequency of use in connection with the activity to be carried out. The use of equipment owned by the Customer must be authorised in advance by the Customer and the methods for granting use of the same must be agreed with the latter; everything must be formalised according to the methods promulgated by the provisions in force. In particular, if use of automated equipment is permitted, the Contractor must specify the names of the workers appointed to operate the same, specifying that they are duly trained and skilled.

N. The supply of plant, machinery and instruments in general must include instructions for assembly, use and maintenance, the EC conformity declaration testifying to conformity with the standards of reference, the EC mark and everything else promulgated by the laws and regulations in force. In the case of the absence of legislative and regulatory provisions for the supply which require EC marking and the issue of a declaration of conformity, the Contractor must declare, under its own responsibility, its compliance with the legislation in force on health and safety, and must give instructions for assembly, if pertinent and for use and maintenance.

O. The Contractor must pay maximum attention to ensure that the wastes deriving from its activities are correctly delivered to suitable treatment or disposal plants. It must ascertain that all wastes or potential spillages flow into the sewer network and to the adequate treatment plant. To this end, it must ask the Customer for the relevant information.

P. If wastes are generated during execution of the activities, and unless otherwise agreed in writing, the Contractor shall be responsible for managing such wastes in compliance with the legislation in force. Responsibility as waste producer, as promulgated by the legislation in force, lies with the Contractor. For special non-hazardous wastes and/or special hazardous wastes which, pursuant to the laws in force, are subject to registration (loading and unloading register, SISTRI waste traceability control system chronological register, forms, SISTRI handling area), the Contractor must provide, under its own responsibility and at its own expense, for treatment and disposal, showing the Customer that it has complied with all obligations deriving from the laws in force.



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The Contractor must obtain all authorisations of the environmental managers that it intends to use for the management of waste as waste producer, and must exhibit the same at the Customer's request.

The Contractor must inform the Customer if it intends to transport waste across borders.

The Customer has the right to carry out operational and documentary checks regarding the correct management of waste on the part of the Contractor.

If, pursuant to a written agreement, the Customer holds the position of waste producer, the Contractor must observe the internal procedures of the site relating to waste management, which must be illustrated directly by the Customer before the start of work. In the case of non-compliance, the Contractor must directly restore the situation of conformity. Under its own responsibility and at its own expense, and according to the instructions issued by the Customer, the Contractor must provide for the loading, transport and orderly deposit in places indicated by the Customer on the latter's own premises.

The Contractor is absolutely forbidden to abandon waste on the worksite. In the areas assigned to it, the Contractor must not mix wastes of different kinds and must identify the deposits with suitable signs. If any of the Contractor's workers abandon wastes or are negligent in the management of waste deposits, the Contractor shall restore the site to orderly and clean conditions, insofar as it is responsible, with its own means, or jointly if the Customer decides to avail itself of specialist companies to clean the area.

- Q. In the case of the supply of chemical products or other hazardous products, information on the product – especially the safety sheet – must be sent to the Customer together with the delivery. For such substances, as they are or contained in preparations, the Contractor must comply with all the obligations concerning application of the provisions contained in Regulation (EC) no. 1907/2006 (REACH) and of any other specific rules. The classification, labelling, packaging and safety data sheet of such substances must conform to the standards contemplated by Regulation (EC) no. 1272/2008 (CLP) and later related standards. The supplier of the substance must immediately communicate any updating of the safety sheets.
- In the case of substances that do not require a safety data sheet, the Supplier must, in any case, provide a data sheet containing the registration number of the substances and, if the substance is subject to authorisation, specifications of any authorisations issued or refused, details of any tax registration, and any pertinent information to allow for the identification and application of appropriate risk management measures. The legislation in force regarding transport, loading, unloading and transfer of goods or hazardous substances must also be observed.
- R. If the Contractor, in the progress of the work, encounters any situations that could cause possible risks for the workers or harm to the environment, it must immediately inform the Customer. This holds firm also in relation to activities of other contractors if the risk can cause effects on the activities/services referred to in the Contract.
- S. The Contractor must provide for the periodic review of activities relating to the health and safety of its own personnel, in respect of the standards required, supplying evidence of such activity at the Customer's request.
- T. The Contractor must communicate as quickly as possible any incident in the areas of the plant that involve its own personnel or that of its subcontractors (both in the case of an accident and in the case of a near accident, i.e. if there are no consequences for persons or property). In the case of injury, including those that occur during the journey to or from the worksite (so-called commuting accidents), the communication must be in writing and must contain details of the dynamics of the event. The Contractor must also be ready to participate in meetings to analyse such accidents held primarily to identify root causes, corrective action or improvements in order to avoid the repetition of such types of accidents.
- The communication of accidents does not relieve the Contractor in any way of the obligation to report the same to the authorised bodies according to the methods promulgated by the laws in force.
- In the case of harm or the threat of harm to the environment, the Contractor must immediately inform the Customer and provide for the procedures relating to environmental impact as contemplated by Part VI of Lgs. Decree 152/06 and later amendments and additions.
- U. The Customer reserves the right to carry out inspections, during the works, on observance of the rules promulgated by the legislation in force, the Customer's standards and the agreements previously stipulated with the Contractor regarding the environmental protection and workers' health and safety. Such inspections can be carried out also without notice and, in the case of obvious breach, may lead to interruption of activities or the removal (temporary or permanent) of personnel. The results of such inspections are used by the Customer in the Contract assessment stages and are reported in the qualification updates.
- In any case, if situations of clear breach of the provisions on health and safety in the workplace and on environmental protection are found during inspection or supervisory works, the Customer has the right to interrupt activities immediately. Such events can represent grounds for legitimate rescission of the Contract on the part of the Customer.
- V. The Customer may request the removal and replacement of the Contractor's personnel (or its subcontractor's personnel) for justified reasons, which must be communicated to the Contractor (especially in the case of clear breach of laws on environmental protection and health and safety in the workplace, non-observance of the requisites of qualification, training and physical suitability of personnel). The Contractor undertakes to make this replacement without any change in the contractual terms (e.g. completion of works, additional costs, etc.).
- W. The Contractor undertakes to indemnify the Customer in the case of damages or expenses (including legal costs) resulting from breach of the laws and/or regulations in force ascribable to the Contractor or to the latter's subcontractors.
- X. If the Contractor avails itself of foreign workers, it must at least ensure that: 1) the Worksite Manager and his substitute speak Italian correctly and are able to communicate with all other employees; 2) the Worksite Manager or his substitute is always present during the execution of the works; 3) all workers can understand emergency messages and are able to communicate an emergency (in Italian or in English) to the emergency manager (e.g. in the case of injury to the Worksite Manager or their substitute).
- Y. Due to the related risks, the use of angle grinders is regulated by specific internal procedures and standards. As regards the organisational and operational measures, their use is restricted to personnel who have been previously trained and informed about the risks associated with such equipment and the preventative and protective measures to be taken. When working with such equipment, which must always be gripped with two hands using the additional handle; you should also wear protective goggles and a face shield to protect against projected material, clothing that completely protects the arms and legs, ear protection (if the noise is above 85 dBA) and protective gloves. Given the nature of the equipment, electric grinders must be equipped with the following safety devices: 1) an "anti-kick-back" electronic shutdown system (disc jamming is detected in the initial stages and causes the tool to turn off rapidly if the disc is jammed. The purpose is to avoid uncontrollable kickbacks); 2) an additional handle with vibration-damping features; 3) a brake system connected to the start button: when the start button is released, the disc is stopped within 3 seconds; 4) disc protection: adjustable and lockable disc protection; 5) "operator" control: a press-and-hold start button that turns off the tool when released (cannot be locked in the ON position). The use of pneumatic grinders should be reduced to a minimum and only in certain conditions (such as where the risk assessment requires the use of such equipment because its use involves less risk than an electric tool); the choice should be shared with the RWE contact person.
- Z. The Contractor declares that it ensures full compliance with immigration laws in accordance with Legislative Decree No 109 of 16 July 2012.
- AA The Contractor undertakes to deliver a duly filled out and signed substitute declaration related to the Joint Liability of the Client pursuant to Articles 46 and 47 of Presidential Decree No 445/2000, referred to in Agenzia delle Entrate (Italian Inland Revenue) circular No 40/E of 08/10/2012 made by the Contractor itself.

7. Subcontracting

The Contractor may not subcontract to third parties all or part of the activities covered by the Contract without the Customer's prior written authorisation which the latter may grant at its unquestionable discretion in each case, on the Contractor's motivated written request.

Together with and in support of the said request, the Contractor must transmit to the Customer all declarations and/or documentation contemplated by the legislation in force, and anything else that may subsequently be requested by the Customer.

The list of possible subcontractors – and of activities to be subcontracted – must be drawn up by the Contractor at the moment of presentation of the offer. Any later additions must be motivated by the occurrence of events and/or circumstances that could not have been predicted in the offer phase.

In presenting the list of subcontractors and, more in general, in executing the contractual work, the Contractor must fulfil and satisfy all the obligations, charges and conditions contemplated by Art. 118 of Lgs. Decree 163/2006, which is understood as completely transcribed here.

Payment of work done by subcontractors is the exclusive responsibility of the Contractor, who hereby undertakes to relieve of liability and indemnify the Customer for any claim whatsoever that may be made against the latter by subcontractors for remuneration for works subcontracted.

In any case it remains understood that, in relation to the subcontracted activities, the Contractor remains solely liable towards the Customer and the latter's sole contact. Therefore, in establishing and maintaining subcontract agreements, the Contractor must impose on subcontractors the same obligations that the Contractor undertakes towards the Customer and must guarantee correct fulfilment of such obligations as well as, in general, observance by its subcontractors of all applicable provisions of the laws and regulations in force.

In particular, among other things, the Contractor must guarantee that its possible subcontractors fulfil the provisions of law regarding the personnel management, especially obligations on safety, welfare and insurance, and that they can exhibit, if requested, copies of all statements or other documentation deemed necessary.

The Contractor undertakes to deliver a duly filled out and signed substitute declaration related to the Joint Liability of the Client pursuant to Articles 46 and 47 of Presidential Decree No 445/2000, referred to in Agenzia delle Entrate (Italian Inland Revenue) circular No 40/E of 08/10/2012 made by its sub-contractors, if any.

The Contractor hereby undertakes to relieve of liability and entirely indemnify the Customer for any possible prejudicial consequence due to acts or claims on the part of subcontractors and requests for compensation for damages put forward by third parties consequent to the execution of the contracted and/or subcontracted works. For this purpose, the stipulation of third party liability insurance policies referred to in Article 17 (*Insurance*) must also include cover for the liability borne, for any reason, by the insured Contractor for damages caused to third parties by subcontractors or their employees.

The above always holding firm, if the Customer finds that a subcontractor has not fulfilled its obligations, the Contractor, when requested, must immediately adopt suitable measures to guarantee fulfilment of the contractual obligations and, if necessary, must rescind the subcontract, at the same time guaranteeing continuation of the activities and execution of the contractual works.

Under no circumstances may the Contractor impose on its subcontractors exclusive agreements that prevent the latter from concluding contracts with the companies of the Customer's group for other works, supplies or services.

Non-observance of the provisions of this article shall be considered a grave breach on the part of the Contractor, and grounds for rescission of the Contract on the part of the Customer pursuant to Art. 1456 of the civil code, without affecting the latter's right to claim compensation for any damages.

8. Transfer

The Contractor may not transfer the Contract, even only partially, or any right or obligation deriving from the same, without the Customer's prior written consent.

The Customer shall have the right to transfer to third parties the Contract or part of the same, or any rights or obligations deriving from the same, including receivables, without being obliged to obtain the Contractor's prior consent.

9. Limits on liability

Except in the case of express exceptions specified in the Contract, the Parties are not liable to each other for lack of earnings or for indirect, consequential damages (such as, for example, the cost of replacing energy, financial charges, damages deriving from contracts between the Customer and third parties), loss of profit, loss of product or loss of contracts sustained by the other Party.
In any case, such liability of the Parties shall not exceed the amount of the price agreed between the Parties for the execution of the supply and/or service, as contemplated by the relevant Contract, except in the case of grave negligence or malicious intent as contemplated by Art. 1229 of the Civil Code.

10. Execution in breach

If the Contractor does not provide for execution of all or part of the Contract, even after assignment on the part of the Customer of a peremptory term proportionate to the urgency of the order, the Customer shall have the right to proceed directly to provide for execution using, for that purpose, its own organisation or that of third parties, with all costs charged exclusively to the Contractor.

11. EU regulations against terrorism

For reasons of anti-terrorism, European Council Regulations n° 881/2002 and n° 2580/2001 introduced a ban on the direct and/or indirect exchange of money or economic resources with certain individuals, legal entities, groups or organisations: the said ban applies directly to every member state of the European Community. The Contractor undertakes to observe the said ban and to check that it is observed by its own business partners and operators.

12. Warehouse storage

The Customer reserves the right to delay shipment of all or part of the supply. In such a case, the Contractor undertakes to withhold the supply at its own premises or care of third parties according to its own procedures and to conserve the supply until shipment has been approved, and to provide adequate insurance cover for all risks relating to the storage. The related remuneration must be agreed in advance in writing between the Parties.

The above always holding firm, the Customer reserves the right to transfer the supply or part of the same, at any moment, to its own warehouses or those of third parties according to its own needs and/or schedules, after the Contractor has checked the suitability of such warehouses for the storage. For this purpose the Customer must inform the Contractor of the name of the company engaged to provide for storage and the technical features of the warehouse: the supply must be conserved also in this case according to the procedures arranged by the Contractor (and transmitted via the Customer). The positive result of the inspection carried out by the Contractor on the correspondence of the warehouses to its own storage procedure is equivalent to its approval of the warehouses in question which, once the supply has been delivered to the Customer's premises and/or worksites, cannot be followed by any request for compensation in relation to any damages or deterioration suffered by the supply in the period of storage at the aforesaid warehouses.

13. Shipment

- A. The Contractor must choose the best means of transport for the Customer, unless this latter expressly issues specific transport instructions. Deliveries must be packaged in a manner that prevents any type of damage due to the transport. The details of the Purchase Order (Purchase Order number, Purchase Order date, place of delivery, name of recipient – when applicable – and quantity/type of material), accompanied by the shipment address, must be declared on the transport document. Deliveries must take place during working hours (the Customer's working hours) from Monday to Friday, excluding Saturdays and holidays; the recipient must be given advance notice of at least 7 day . Unless otherwise agreed between the Parties, the Contractor may not deliver in any other manner.
- B. If the Contractor is responsible for transport, or in the case of wrong delivery ascribable to the Contractor, the latter shall provide for payment of any expenses caused by such wrong deliveries.
- C. The Contractor is authorised to make partial deliveries only with the Customer's prior written consent.
- D. The signing of the Transport Document does not imply acknowledgement of the conformity of the goods delivered to the Contractual specifications.
- E. In the case of differences in weight and/or quantity, the weight and/or quantity indicated by the Customer on the Transport Document shall prevail, except in the case of any documentation produced by the Contractor which proves correct calculation of the weight/quantity by means of commonly used methods.
- F. Before dispatching the supply, the Contractor must carry out an inspection in order to ascertain the absence of damage, the presence of the contemplated documentation (including storage instructions) and the correspondence of the supply to the said documentation. In any case, the Customer reserves the right to request the Contractor to carry out inspections/tests in order to check that the conservation and transport activities, from the workshop inspections/tests until arrival at the worksite, have not damaged the supply.

14. Transport

- A. The Contractor is responsible for the packaging, the preparation for transport, the loading and the transport of the materials from its own warehouses and/or workshops to the Customer's premises and/or worksites and vice versa.
- B. The Contractor must take into account the most advanced techniques, the nature of the materials, the predictable transport risks and temporary exposure to weather conditions.
- C. The Contractor must provide adequate insurance to cover all risks relating to transport, including deterioration and/or loss of the goods transported.
- D. In the case of shipments not entrusted to standard couriers, the name of the courier chosen by the Contractor must be immediately communicated to the Customer. In the case of exceptional shipments and if the courier is not included in the list of exceptional shipping agents qualified by the Customer, and if the courier does not have ISO 9001:2008 quality certification if requested, the Customer reserves the right to carry out verification and supervision activities on the planning and execution of the transportation through acquisition of information from the Contractor and the courier itself, without this limiting the Contractor's responsibility.
- E. On the basis of the information obtained, the Customer reserves the right to refuse the courier chosen by the Contractor.
- F. The construction of and/or modifications to structural works, buildings or anything else concerning the communication paths and accesses to the Customer's plant and/or worksite, as far as the area served by the worksite lifting equipment, will normally be carried out under the responsibility of and at the expense of the Customer itself.

15. Delivery

The supply must be completed observing the terms established in the Purchase Order. If, for proven reasons of Force Majeure immediately communicated to the Customer, and in any case before the deadline, the Contractor cannot comply with the delivery terms, the Customer has the right to allow an extension of the original terms or to cancel the Purchase Order, without having to pay any indemnity. For supplies of relevant size or weight, deliveries in advance of the contractual term, or partial deliveries, are not permitted unless previously authorised by the Customer.

For supplies to be subjected to inspection/testing, the Contractor must communicate in writing the starting date of the inspections/tests with at least 15 days advance notice: any implications relating to observance of the contractual terms, including the application of possible penalties, shall be the exclusive responsibility of the Contractor. In the case of unsuccessful inspections/tests, the starting date of the inspections/tests which is valid for contractual purposes must be considered as that obtained by adding to the starting date of the unsuccessful inspections/tests the time between the start of the unsuccessful inspections/tests and the new starting date (which must be communicated as indicated above). The goods must be shipped within 15 days from the date of the successful inspections/tests.

16. Good faith in execution

The Contractor must comply with the obligations of good faith in executing the supply or service pursuant to Arts. 1375 and following of the Civil Code.

The products must function perfectly and correctly and be usable according to the contractual conditions with no limits whatsoever, also in interaction with other products: in particular, they must not cause any type of functional weakening or operational disturbance or interruption.

In this regard, without affecting the express provisions of the Contract, the Contractor undertakes:

- to ensure that the activities are carried out under the best conditions in order to safeguard the Customer's needs;
- to also carry out, within reasonable limits, performances that are not strictly included in the subject matter of the Contract, but which are necessary for the relationship of collaboration;
- to work with suitable flexibility for the optimal fulfilment of the Customer's interests in compliance with the Contract and to immediately inform the Customer of any circumstances of which the Contractor gains knowledge and which are relevant for execution of the Contract.

Any modifications to comply with provisions of law, regulations or other government deeds, or consequent to acts on the part of civil or military authorities or prescriptions of the National Broadcasting Network Provider or any other authority with power, pursuant to law, to interfere with the Customer's production programmes and which involve a modification of costs and/or contractual terms, must be considered as Order Modifications.

17. Insurance

With no prejudice whatsoever to the responsibilities of the Contractor, the latter must stipulate insurance policies with leading companies against all damages to persons and property, also the Contractor's own property, valid for the entire duration of the contract and until complete expiry of any further terms of guarantee or prescription or renewal.

The legally required insurance policies, which must specifically contain a clause of renunciation on the part of the insurance company of the right to compensation from the Customer, must be exhibited before the start of the activities. In any case, the Contractor is obliged to reimburse the Customer for any amounts in excess of those paid by the insurance company, or to pay the full amount if no indemnity is paid by the insurance company.

The Contractor must present a copy of the insurance policies to the Customer.

18. Claims for defects and warranty

The Contractor must deliver/supply to the Customer the perfectly manufactured supply or the services according to the highest quality standards, all in full observance of the prescriptions indicated in the Contract, in the Technical Specifications and in any other written instructions/indications issued by the Customer, and the applicable provisions of law and regulations (including those relating to the sale of products in the EU and, when applicable, outside the EU).

If the goods supplied and/or the service rendered have defects and/or non-conformities and/or irregularities in respect of the contractual provisions, the Customer shall have full grounds to file any claim contemplated by law and may obtain, at its own discretion, either the rescission of the Contract, a reduction in the price, elimination of the defect, delivery of an identical supply free of defects, or a repetition of the service, if possible. The methods for such remedies shall be established according to the Customer's needs, including operational needs.

The Customer must report to the Contractor any flaws, defects and non-conformities within and no later than 60 working days from discovery of the same on penalty of lapse of relative rights, except in the case of defects that can be discovered only after specific investigations and analyses which require a longer time to complete

Unless otherwise decided by the Customer pursuant to the above-indicated rights, the Contractor, without delay and in any case within 15 days from the Customer's report (unless a shorter term is indicated by the Customer together with adequate justification), must remedy, under its own responsibility and at its own expense, such defects and/or non-conformities and/or irregularities and/or damage and/or deterioration reported by the Customer, providing for any action necessary to re-establish the situation existing before the event (e.g. dismantling/assembly, temporary substitution hire, withdrawal and disposal, etc.) or for correct execution of the Contract (e.g. replacement/repair of the object, etc.). Moreover, if the remedy adopted implies the modification or adaptation or replacement of the defective article supplied with another of a different type and/or nature, any spare parts and/or components necessary with the same functions and technical characteristics must be paid for by the Contractor. If this is not possible, the Contractor must inform the Customer to allow for a possible different agreement. The Contract shall not be deemed fulfilled by the Contractor until the Customer's final acceptance (or partial acceptance in the case of the supply of a batch) of the supply or services of the Contract.

Any contractually established terms to be observed by the Customer shall be understood as extended for a period of time equal to that between communication of the complaint on the part of the Customer and application of the remedy. In this regard, it must be noted that in the case of a defect report, every other right remaining unprejudiced, the Customer shall have the right to suspend payment of the remuneration due until the defect has been remedied.

In the case of non-fulfilment on the part of the Contractor of the above provisions for remedying flaws, defects and non-conformities, the Customer shall have the right to return the supply and to charge the related expenses to the Contractor itself, which latter shall also be obliged to indemnify all damages sustained by the Customer.

Unless otherwise agreed and specified on the Purchase Order or in the annexes, the Contractor must provide a warranty of 24 months from the DT in the case of supply and from the CT in the case of supply and installation. In the case of delay on the CT for reasons not ascribable to the Contractor, the warranty shall expire 18 months from the positive outcome of the workshop testing or, in the absence of such testing, from the moment at which the supply is ready for shipment.

The parts replaced are also warranted for the same period of time, while for the remaining parts the period of suspension of the service will extend the warranty term by the same amount of time.

Execution of final testing in the presence of the Customer's test personnel does not exonerate the Contractor from the warranty obligations.

19. Transfer of risk

With regard to the supply of goods and/or services, the risk is transferred to the Customer at the moment of delivery and acceptance of the goods on the part of this latter at its own premises and/or with the formal acceptance of the services.

The risk is understood as continuing to be borne by the Contractor, however, even after delivery in the case of the loss or deterioration of the goods due to an action or omission on the part of the Contractor. In such a case, the Customer has the right to refuse to pay the price, to obtain elimination of the flaw, or to obtain a reduction in price, in addition to obtaining compensation for damages.

20. Usage rights

The Contractor's commitments in relation to the warranty, pursuant to Article 18 above, always holding firm (*Claims for defects and warranty*), the Customer may use the goods supplied by the Contractor, without any limitation whatsoever within the group of companies to which it belongs, exercising every related right.

The Contractor declares and warrants that no right of any third party, especially of its own subcontractors, is in conflict, now or in the future, with the above provision and that, in any case, it shall relieve of liability and indemnify the Customer in the case of any claims and/or demands of third parties.

The Contractor also declares and warrants that no third party's industrial or copyright has been breached consequent to the delivery and/or use of the supply and/or the services and/or the work carried out and that, in any case, it shall relieve of liability and indemnify the Customer in the case of any claims and/or demands of third parties.

Repair works may be carried out by the Customer or by third parties authorised by the latter, even in the case of industrial property rights held by the Contractor.

21. Personal data processing

21.1 If and to the extent personal data is provided in connection with the Agreement the Parties shall process such personal data only in accordance with the applicable requirements stipulated by the data protection laws, including but not limited to the General Data Protection Regulation (GDPR) and/or if applicable any other national data protection requirements applicable to the processing under this Agreement.

21.2 Personal Data in the sense of Art. 4 No. 1 GDPR means any information relating to an identified or identifiable natural person ('data subject'). An identifiable natural person in the sense of Art. 4 No. 1 GDPR is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. Processing in the sense of Art. 4 No. 2 GDPR means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

21.3 If in connection with this Agreement the Contractor processes personal data according to Art. 28 GDPR, the Parties are obliged to enter into a controller-processor-agreement (data protection agreement) in accordance with the requirements set forth in Art. 28 sections 3 and 4 GDPR.

22. Confidentiality

A. The Contractor, aware that failure to comply shall be the cause of grave damages, undertakes:

- to treat all data, information and/or documents of which it gains knowledge during the course of the relationship with the Customer, as absolutely confidential and to allow access to such data, information and/or documentation only to subjects who must necessarily have knowledge of the same to guarantee the precise and prompt execution of the Contract;
- to ensure that the subjects who are allowed access to the data, information and/or documents referred to above, sign confidentiality agreements, the Contractor always remaining fully responsible for the conduct of the persons who are given access to the data, documents and/or information;
- to use the data, information and/or documents, regardless of how knowledge of the same has been gained, exclusively for compliance with the contractual obligations, every other use remaining excluded. Merely for reasons of exemplification, the following information on the Customer's business, must be treated as confidential:
 - customers' addresses and profiles;
 - suppliers' names;
 - information on outgoing customers;
 - information on potential new customers;
 - financial information and data;
 - information and data on projects under development and on existing plants or plants under construction;
- to conserve the aforesaid data, information and/or documents with maximum care and with all precautions suitable to ensure observance of maximum confidentiality;
- to return to the Customer all documents that may have been delivered, and their duplicates, taking care to destroy all reprocessed documents bearing the data and information contained in, or understandable from, the documents returned.

The Contractor shall be bound by the above commitments also after the termination of the contractual relationship.

B. It remains understood that all information supplied by the customer and any related copies shall remain the exclusive property of the Customer, even if produced by the Contractor.

C. The breach of the above commitments may be grounds for rescission of the Contract pursuant to art. 1456 of the civil code, the Customer always maintaining all further rights to compensation for any damages sustained.

23. Jurisdiction

The Parties establish that any dispute that may arise connected to the Contract shall fall under the exclusive jurisdiction of the Court of Rome.

24. Language of the Contract and applicable law

The Contract must be drawn up in Italian and, in any case, is governed by Italian law.

Even if the Contractor's registered head office is abroad, the Contract shall nevertheless remain subject to Italian law and to the provisions on conflicts of laws. In such a case, the commercial terms must comply with the respective Incoterms currently in force of the International Chamber of Commerce of Paris.

25. Communications

Any communications, forwarding of documents, observations or requests addressed to the Contractor by the Customer may be sent to the Contractor's registered head office and/or other chosen domicile, as resulting from the contractual documents, or via the direct delivery to its legal representative. The Contractor must inform the Customer, by registered letter, of any change to the head office; otherwise the communication addressed to the available address shall be understood as regularly delivered.

The Contractor must in turn forward any communications, documents, observations or requests in writing to the subjects expressly indicated on the Purchase Order.

26. Conservative clause

If any single provision of the Contract, including the present CGF, is agreed as partially or totally null, annulable or invalid, the remaining provisions and the Contract as a whole shall remain valid and binding. The Parties shall in good faith negotiate and agree on the amendments to the Contract in order to substitute the null, annulable or otherwise invalid provisions with valid provisions that reflect the closest possible meaning to that originally contemplated.

This article also applies in the case of any shortcomings in this Contract.

27. Withdrawal and rescission

27.1. Unilateral withdrawal

A. The Customer has the right to withdraw from the Contract at any time pursuant to art. 1671 of the civil code, with communication to the Supplier by registered letter with return receipt. The withdrawal shall take effect from the 15th day after receipt of the said communication.

B. The Customer shall decide which services, if any, must be completed and which interrupted within the said term, and must:

- pay the Contractor for the works carried out up to that moment and reimburse it for all the other regularly documented expenses reasonably sustained by the Contractor in execution of the Contract;
- indemnify the Contractor for the obligations reasonably assumed and regularly documented towards its Suppliers in relation to equipment, components and services;
- indemnify the Contractor for the expenses regularly documented and reasonably incurred consequent to the withdrawal (e.g. protecting and making the constructed works safe, dismantling the worksite, for personnel and equipment, and any other activities expressly requested by the Customer in writing, etc.).

The amounts must be calculated with respect to the withdrawal date and by common accord between the Parties. By way of exception to the provisions of art. 1671 of the civil code, the Customer shall not be obliged to indemnify the Contractor for loss of earnings.

C. The Contractor, in turn, must:

- transfer to the Customer materials, components, works, documents in both hardcopy and electronic format, and everything else produced or acquired consequent to the activities carried out until the withdrawal date;
- transfer to the Customer, if expressly requested in writing, some or all of the contracts in force at the withdrawal date and stipulated with any sub-contractors and/or suppliers for equipment, components and services, undertaking the related commitments in this regard;
- leave the works in a state of adequate protection and safety in compliance with the provisions of law, the Technical Specifications and the rules of good practice.

In the case of withdrawal on the part of the Customer, the Contractor shall not be obliged to provide the Customer with any guarantee for the works or components except those of batches or parts that have already been accepted by the Customer.

D. Without affecting the possibility for the Parties to agree otherwise, the Customer may also withdraw from the contract with immediate effect if the other Party is subject to one or more of the following circumstances:

- insolvency, liquidation, suspension of payments or any court-ordered or amicably arranged insolvency procedure as contemplated by the provisions of bankruptcy legislation or similar laws, the provisions of art. 72, paragraph 6, of Royal Decree n° 267 of 16th March 1942 (the Bankruptcy Law) always holding firm;
- the sale of the company or business unit dedicated to the fulfilment of the contract or connected to the same.

27.2. Rescission

In the case of default on the part of the Contractor of even only one of the obligations undertaken pursuant to the Contract, extending beyond the term fixed by the Customer for fulfilment subsequent to written ad-hoc warning and, in any case, of not less than 15 days, the Customer has the right to declare the rescission of the Contract, keeping the guarantee deposit, if contemplated and not yet returned, or of applying an equivalent penalty, and of proceeding with enforcement, the Customer's right to compensation for any greater damages always holding firm.

In the case of rescission and if the works are completed by the Contractor, the Contractor shall bear all greater costs that the Customer may have to incur with respect to those deriving from application of the Contract.

In particular, the requirement of the written warning always holding firm, the Customer has the right to declare rescission of the Contract when:

- there is a delay of more than 60 days in respect of the contractually established date for job completion (CT);
- the Customer has reasonable evidence, during execution of the works contemplated by the Contract, that the Contractor will not be able to reach the CT within the contractually established date and the situation indicated in the preceding point is about to occur. In this case, at the Customer's written request, the Contractor must:
 - quantify the maximum amount of the delay;
 - present, within 3 days from the date of the Customer's written request, a *Recovery Plan* which contemplates everything necessary (action plans, etc.) to bring the maximum delay in respect of the contractually established CT date, to less than 60 days.

From the moment of a communication of withdrawal or rescission, the Contractor must give reasonable assistance as requested by the Customer in writing, and for a remuneration agreed in advance between the Parties, so that the activities can continue without interruption and to facilitate the transfer to the Customer or to the subject designated by the Customer.

28. Contractor's obligations and responsibilities

A. The Contractor undertakes to fulfil the Contract in a perfect manner, adopting the most suitable skills, means and techniques for that purpose.

B. The Contractor must use only raw materials of excellent quality, conforming to the Technical Specifications and subjected to controls.

C. The Contractor must immediately communicate any irregularity in the execution of the activities, also regarding matters that are not of its exclusive competence but which can nevertheless influence the Contractor's activities. The Contractor must also immediately request the forwarding of any instructions and/or documents and/or drawings or and additions to those already received if the Contractor deems them necessary for the correct execution of its activities, so that under no circumstances may the Customer be held responsible for their absence.

D. The Contractor must keep and take maximum care of all the instruments, machinery and equipment used for the execution of the Contract or, in any case, necessary for the correct execution of the performance due. Even if the Contractor decides to keep said instruments, machinery and equipment on premises available, also exclusively, to the Customer, the Customer shall not be held responsible for their deterioration, loss or theft and the Contractor shall relieve of liability and indemnify the Customer for any claim whatsoever, also from third parties.

E. The Contractor accepts the most complete and absolute responsibility for accidents and damage of any kind caused directly or indirectly by the Contractor or its employees, also to third parties, entirely relieving the Customer of any burden and/or liability whatsoever, even of an indirect nature. The same holds firm for accidents and damages sustained by the Contractor or its employees unless directly caused by an action carried out by the Customer.

F. In the execution of the service and under its own exclusive responsibility, the Contractor must comply with all provisions of laws and must observe the regulations, standards and prescriptions of the competent Authorities regarding the planning, construction, control and testing of machinery and/or the works that represent the service and regarding labour contracts, welfare, health and safety in the workplace, treatment, use and disposal of waste, and in general everything connected with execution of the supply/service.

G. The Contractor shall be held responsible for any delay, default, flaw and/or low quality as well as any inconvenience and/or illegality concerning the quality and presentation of the goods, that is found in any form whatsoever and/or that can be discovered by institutional supervisory and control bodies.

H. The above always holding firm, the Contractor shall not answer for deterioration and degradation of goods occurring after delivery to the Customer except in the case of:

- factors that cannot be discovered by the analyses contemplated by the Customer;
- breach of legislation, other than EU legislation, that may be in force in particular countries to which the goods are destined, if the contents are not reported in the Contract or in specific written instructions issued by the Customer.

I. The responsibilities pursuant to the preceding point always holding firm, the Contractor shall indemnify the Customer for any expense, burden or damage that it may sustain or suffer as a consequence of delays, default, flaws and/or low quality as well as inconveniences, irregularities and/or illegalities, including those relating to raw materials and/or packaging materials, for which the Contractor is responsible pursuant to the Contract.

29. Anti-Mafia declaration, Chamber of Commerce registration and DURC (statement of correct fulfilment of welfare contribution obligations)

Within the duration of the Contract, the Contractor is required to file an Anti-Mafia declaration (that it is not subject to any preventive measures pursuant to Article 67 referred to in Book I, Title I, Chapter II of Legislative Decree No 159 of 6 September 2011).

Within the duration of the Contract, for companies required to register with the Chamber of Commerce, if the validity of the Chamber of Commerce registration expires after the signing of the Contract, the Contractor undertakes to provide the Contract Manager with a suitable renewal.

Similarly, for companies that are obliged to forward a DURC (statement of correct fulfilment of welfare contribution obligations), if its validity expires after the signing of the contract, the Contractor must provide the Contract Manager with a suitable renewal.

30. Contractual prices and bank surety

30.1. Contractual prices

A. The subject matter of the works/service contract, including any Order Modifications, shall be entirely remunerated on the basis of the prices established in the Contract: the Contractor acknowledges that said remuneration is all-inclusive.

B. The prices:

- are understood as fixed and invariable;
- refer to single goods or services, which may also be complementary, completed in every part and executed in a perfect manner, according to the prescriptions and methods indicated in the Contract and consistent with the destined purpose;
- cover all costs and charges deriving from the Contract, except those explicitly established as bearing on the Customer;

- cover the Contractor's profit, complete expenses, obligations, burdens and risks inherent in execution of the supply and/or service within the contractual terms and according to the prescriptions;
- C. In consideration of the fact that the contractual prices are all-inclusive, no reservations may be expressed regarding the no -inclusive nature of any single price, regardless of the grounds for any such reservation.
- D. The Contractor, under its own responsibility and at its own expense, must provide the labour, materials, worksite systems and provisional works and everything in general contemplated in the Contract and necessary for execution of the Contract (until the CT of the last batch), for dismantling of the worksites and for observance of the contractual provisions.
- E. The Contractor has no right to any remuneration in the case of any modifications in respect of its initial forecasts, whether qualitative or quantitative, to systems and/or provisional works and must also be provided with suitable spare machinery, equipment and systems and with all necessary spare parts, for which the said Contractor must guarantee routine and non-routine maintenance.
- F. By accepting the Purchase Order, the Contractor recognises that its remuneration covers any charge whatsoever relating to the payment of any salaries, bonuses, indemnities, reimbursements and contributions that were not foreseen or which, in any case, exceed the amounts established in the collective labour agreements, having fully considered the effective labour cost also on the basis of the environmental conditions and including charges deriving from applicable provisions of law or regulations in force at any moment.

30.2. Economic evaluation of Order Modifications

During execution of the Contract, the Customer has the right to request goods or services not contemplated in the Contract, providing the value does not exceed 25% of the total amount of the Contract. The economic evaluation of Order Modifications shall be determined on the basis of the requests put forward by the Customer and the related offer presented by the Contractor, which must be drawn up in the same form and with the same methods as those of the execution phase, taking into account all the contractual provisions and in accordance with the contractual prices or, if this is not possible, on the basis of the labour, hire and material costs in force at the date of the Contract.

The Contractor's offer must be accompanied by technical and economic documents which allow the Customer to evaluate the variations in the entity of the service and of the related costs resulting from the Order Modifications. Said documents must be similar, especially as regards degree of detail, to those drafted by the Contractor for the original offer. In the event of failure to reach an agreement, the Contractor shall be obliged to provide for the performance in any case, without prejudice to its right to immediately present its own reservations regarding the same, accompanied by adequate explanations. In such a case the new prices fixed by the Customer shall be entered in the accounts.

30.3. Bank surety

If expressly established in the Contract, the Contractor must provide, in favour of the Customer, a guarantee in the form of a bank surety issued by a leading bank and with the text agreed on with the Customer, which can be cashed in on first demand and for the full amount specified in the Contract.

The purpose of the said surety is to guarantee the Contractor's precise fulfilment of all contractual obligations assumed and compensation for damages caused to the Customer by any breach of those obligations.

The Customer has the right to avail itself of the said surety.

The release of the surety shall be authorised by the Customer on conclusion of execution of the service and/or supply and/or at the end of any different period if such is specified in the Contract and on closure of the contractual agreement, after the Contractor has fulfilled all contractual obligations.

31. Accounting

31.1. Accounting of remuneration according to quantity

In the accounts, quantities are calculated on the basis of the units of measure indicated for the contractual price items and according to the contractual provisions relative to said measures.

31.2. Accounting of remuneration for complete jobs or batches

Prices fixed for complete jobs or batches are entered in the accounts in percentage amounts as specified in the Purchase Order, at the fixed dates and after checking, generally jointly, on the progress of the said jobs or batches.

31.3. Accounting of lump sum remuneration

Lump sum prices are entered in the accounts in percentage amounts as specified in the Contract, at the fixed dates and after checking, generally jointly, on the progress of the jobs or batches concerned.

If the size or quality of such jobs or batches is lower than prescribed, the lump sum price shall be proportionately reduced; however if the size or quality is higher, the contractually established lump sum price shall be paid.

31.4. Accounting on completion of job or batch

Remuneration for supplies and/or services calculated on completion is paid on the basis of the contractual prices applied at the time of the effective use of the labour, machinery, equipment and means and according to the quantities of materials actually used.

Furthermore, if expressly contemplated in the Purchase Order and without this involving any extension of the contractual terms the Customer may request the Contractor to give an estimate in advance during the on-site execution of certain complementary works, paying for the same on the basis of the data resulting on completion of the same.

32. Acceptance of the works

32.1. Provisional acceptance (if contemplated)

On the completion of every single batch of the activity and on the positive result of inspections/tests carried out in the Contractor's presence on the established date, in any case no later than 60 days from the DT, the Customer must draw up a provisional Acceptance report which must be signed by the Contractor.

32.2. Final acceptance

Within and no later than 90 days from the date of the last provisional acceptance report, after having carried out further inspections/tests for final acceptance, the Customer must draw up a final acceptance report, signed by the Contractor. This acceptance does not exonerate the Contractor from the responsibilities pursuant to the Contract and the legislation in force.

33. Final statement and payment of final balance

Within 30 days from the signing of the final acceptance report of the activities on the part of the Contractor, the Customer must:

- calculate in the accounting register the amount of the final balance to be paid on the basis of the last updating of the accounting register and the credits/deductions to be introduced in the accounts by effect of the results of the acceptance;
- issue the statement of the final balance with the release of any sureties (if contemplated) net of any amounts payable by the Contractor to the Customer on any grounds whatsoever;
- release any sums withheld, if contractually contemplated.

If the Contractor has signed the last update of the accounting register or the acceptance report with reservations, the Customer must provide for the transactions of the payment of the final balance after resolving such reservations; however, within 30 days, even if said reservations have not been resolved, the Customer must release the sureties and sums withheld as guarantees and must provide for payment of any sums still due.

34. Taxes and duties

All taxes, excise, duties and similar charges bearing on the subject matter of the Contract shall be borne by the Contractor, except those which by law are charged to the Customer.

35. Quality system

The Contractor must hold ISO 9001:2008 certification and must exhibit the relevant certificate validated by the last Audit if compliance with contractual prescriptions must be ensured in one or more of the following phases: design, manufacture, construction, installation and commissioning.

If requested by the Customer, the Contractor must make available the documentation on implementation of the Quality System adopted, especially regarding the procedures, management review, registrations, non-conformities and related provisions adopted for improvement or any other document and/or information that the Customer may deem opportune. The Contractor must also allow the Customer to carry out verifications directly at its own head office on Quality System operating implementation methods, giving all necessary assistance.

36. Planning

36.1. Planning entrusted to the Contractor

If requested, the planning of the subject matter of the Purchase Order and/or of any variants requested by the Customer must be carried out by the Contractor on the basis of the drawings and/or other documents supplied by the Customer and normally attached to the Technical Specifications. In the case of supplies of greater complexity, such documents must be indicated in a specific list attached to the Purchase Order.

36.2. Planning development carried out by the Contractor

A. The planning entrusted to the Contractor must include the drafting and updating of the SPS and development of the drawings for the purposes of and in compliance with the prescriptions of the Technical Specifications and the Purchase Order, and they must be compatible with the Customer's IT system and prepared with maximum care, prudence and diligence.

Therefore, the Contractor expressly undertakes to draw up the project after acquiring (also by inquiries, surveys and inspections/tests of any entity and nature) adequate information on the area and/or the parts of the plant concerned by the works, in order to guarantee observance of all the requisites of stability, safety and functioning requested by the works, in full conformity with the intended purpose.

The Contractor must also take action in order to obtain from the Customer all the data necessary for the development of the project: for this purpose, the Customer may allow for the temporary presence of the Contractor's technical personnel at its own offices and/or plant for the time necessary to acquire such data.

B. The drawing thus developed must be sent to the Customer in the quantities indicated in the SPS, signed by the Contractor and by the planner, suitably in advance of the date indicated in the SPS for the final edition.



- C. Any agreed variations to the supply must be reported by the Contractor on all the drawings concerned. The latter must be re-issued to complete the supply, in an as-built edition, in compliance with the provisions of this article and within the timing communicated by the Customer.
- D. The Contractor must send the Customer a progressively updated SPS, accompanied by an indication of the new edition and the drawings of the respective transmissions.
- E. Drawings not contemplated in the SPS will not be accepted by the Customer.
- F. The Contractor must immediately return to the Customer the general construction plans of the supply, the detailed projects and every other diagram, figures and/or information that allow the Customer to carry out further works connected to the supply itself, as well as the drawings necessary for the controls on the part of the customer during the assembly phase.
- G. All project drawings are the property of the Customer, which has the right to use them for any purpose whatsoever without the Contractor having the right to claim any additional remuneration.

37. **Planning approval on the part of the Customer**

37.1. *Approval of the SPS*

The SPS drawn up by the Contractor must be submitted to the Customer for the latter's approval within 45 days from the Purchase Order date of issue. Within 30 days from receipt, or within the different term agreed between the Parties, the Customer shall communicate to the Contractor its approval and/or the possible corrections and/or modifications for which the Contractor must provide.

Approval of the SPS and of the various updates does not involve any decrease in the Contractor's responsibility for all the contractual commitments (especially those deriving from the preliminary drawings supplied by the Customer, whose indications shall prevail over those on the SPS drafted by the Contractor, except for any corrections and/or modifications approved by the Customer).

37.2. *Approval of the drawings*

Unless otherwise agreed, at least two copies of the drawings for which the SPS requires approval must be sent to the Customer. Within 30 days from receipt, or within the different term agreed between the Parties, the Customer shall communicate to the Contractor its approval (or it shall return an approved copy of the drawings) and/or the possible corrections and/or modifications to be made.

If the said term passes in vain, the Contractor must send the Customer a written reminder; if no reply is then received within the next 15 days, the drawings shall be understood as approved.

The Customer is obliged to accept all modifications requested: if the entity of the modifications requires re-forwarding of the drawings, this must normally take place within 30 days from the receipt of any corrections and/or modifications to be made.

The drawings, once approved, are final, prevailing and cannot be modified without the Customer's explicit written authorisation.

The Customer's approval, consisting of verification of the drawings, shall not prevent the Customer from introducing any later Order Modifications pursuant to article 3 (*Purchase Order*). Furthermore, falling within the sphere of article 1662 of the civil code, it does not modify or reduce the Contractor's responsibility, nor does it imply any assumption of responsibility on the part of the Customer.

37.3. *Filing of the drawings*

The Contractor, at its own head office and at the worksite, must keep a collection of the technical documents relating to the workshop manufacturing of the supply and the worksite activities (project drawings, certificates, etc.), to allow for the parts of the plant and or corresponding activities to be quickly found and identified.

Access to the documentation must be granted to the Customer at any moment.

37.4. *Final documentation*

In the case of the issue of preliminary instruction manuals, the Contractor must send the Customer the final edition within two months of the RT date, and in any case before the CT.

Before the CT, the Contractor must also supply:

- the as-built documentation in duplicate copy and the original on IT support;
- the Technical Specifications, certificates of the materials and/or their chemical composition, mechanical features, heat treatments, inspections and destructive and non-destructive tests, in duplicate copy;
- the specifications relating to functioning tests, prescriptions for final testing of the machinery and for customised equipment and everything necessary for start-up, maintenance and safety, in duplicate copy.

In the case of instruction manuals issued by the suppliers, the purpose of which is to guarantee the overall organic and complete information on the equipment and machinery supplied pursuant to the Purchase Order by means of general and specific instruction and maintenance rules (possible accompanied by drawings and diagrams), the Contractor must send the Customer the final edition 2 months before the RT date.

38. **Manufacturing in the workshop**

38.1. *General manufacturing plans and schedules*

Before starting workshop manufacturing, the Contractor must prepare the *General Manufacturing Plan and Schedule*. This must include a list of customised manufacturing phases and controls, and inspections and tests necessary, on the one hand, for verification of correspondence of the supply to the requested features and, on the other hand, for the possible approval of the supply on the part of the competent official Italian bodies.

For supplies which involve mass production or production according to catalogue, the *General Manufacturing Plan and Schedule* will coincide with the *Production and Control Plan* (generally on a statistical basis), adopted in standardised form by the Contractor.

The said *Plan* must be made available to the Customer before the start of the workshop manufacture to allow the latter to identify the parts and manufacturing phases on which it intends to carry out checks.

The Contractor must constantly update the *Plan* and send it to the Customer 30 days before the activity that has been updated.

The Customer's knowledge of the *Plan* and the checks carried out on the related activities do not exclude the Contractor's charges and obligations, nor decrease the latter's responsibility, falling within the scope of article 1662 of the civil code.

38.2. *Manufacturing and relative inspections/tests*

The Contractor must carry out the workshop manufacturing and all the inspections/tests contemplated in the *Plan* under its own exclusive responsibility.

If contemplated in the SPS or in the Quality Plan, the inspections/tests must be carried out according to suitable written procedure drawn up by the Contractor and approved by the Customer before execution.

In the cases and within the limits contemplated by the Purchase Order, the Contractor must use a suitable system to identify the parts of the supply and the correspondence with the inspection/test results.

Any non-conformity to contractual requisites and the prescriptions contained in the documents approved by the Customer must be managed according to article 3 (*Purchase Order*).

38.3. *Preparation in the workshop*

The Contractor must inform the Customer when the supply is ready at the workshop, according to the sequences of the SPS of every single batch or part batch, i.e. when the single batches or parts of batches are ready for shipment, the inspections/tests having already been carried out.

The shipment of the parts of the supply relative to every single batch must take place in respect of the contractual terms, after final inspection with positive result carried out by the Contractor and on explicit authorisation on the part of the Customer.

38.4. *Inspections*

The Customer, pursuant to art. 1662 of the civil code, has the right to check on correct compliance on the part of the Contractor of all the contractual provisions and those issued by the Customer, as well as the correct and prompt execution on the part of the Contractor of all activities necessary for manufacture in the workshop. The Customer's personnel authorised to that purpose must therefore have the possibility of access to the workshop at any moment, to examine the internal specifications and to obtain information on the work cycles.

The Contractor must inform the Customer of the start of manufacturing activities at least 5 working days in advance in the case of activities in Italy, and at least 10 days in advance in the case of activities abroad, unless otherwise indicated in the Contract.

The absence of objections on the part of the Customer relating to the workshop control activities shall not exonerate the Contractor from its obligations and responsibilities for the correct execution of the contract and compliance with contractual clauses, laws, regulations and standards in force, nor shall the Customer's presence be considered a cause of interference in the execution of the activities.

39. **Worksite activities**

39.1. *The day book – Statistical data*

The execution of the works must be recorded in the Day Book by the Customer and must be signed by the Contractor at the frequency established by the Customer (in general whenever requested by the Customer), the Contractor's right to make relative observations always holding firm. The Customer shall deliver the Contractor a copy signed by the customer's representatives.

The Customer has the right to record all the statistical data relative to worksite labour, materials and equipment deemed necessary for its own surveys, studies and conclusions on the general trend of the works/services.

If requested, the Contractor must deliver the Customer a daily report on the progressive advancement of the activities, together with the list of personnel present on the worksite and their qualifications.

The Contractor must also keep on the worksite a complete and updated collection of documents relating to the works carried out and personnel used, in order to facilitate and accelerate every inspection and control operation on the part of the Customer.

39.2. *Worksite activity plans and schedules*

- A. General Assembly Plans and Schedules



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Before the start of the worksite activities, the Contractor must draw up the *General Assembly Plan and Schedule*, in which all the activities contemplated by the Contractor for the execution of the various work batches within the contractual terms must be listed, with indication of the detailed Chronological Schedules and the methods to be used, the arrival times of the components and the times required for preparation of the worksite systems/provisional works (when contemplated). The inspections, checks and tests necessary for ensuring correspondence of the works to the features requested, also by the competent official Italian bodies for the approval of the works, must also be listed.

The Plan must be sent to the Customer at least 20 days before the start of the worksite activities, to allow for identification of the criteria to be adopted for the supervisory activity, and an update must be sent 5 days before the start of each activity, without this modifying or reducing the Contractor's responsibility or implying any assumption of responsibility on the part of the Customer.

B. Functional Testing Plans and Schedules

With reference to point A) above, the Contractor must draw up the *Functional testing plans and schedules*, together with the instructions and procedures as indicated in article 36 (*Planning*), and must send them to the Customer at least 20 days before the start of the tests.

C. Assembly and preparation for first start-up

The Contractor must carry out, under its own exclusive responsibility, the on-site assembly and functional checks as specified in the Purchase Order. In the assembly period, all the tests contemplated in the Functional Testing Plans and Schedules, referred to in the preceding paragraph B), must be carried out according to the written procedures, if any, specified in the SPS, drawn up by the Contractor and approved by the Customer.

The Contractor must check that the works which involve assembly correspond to the project and to the instructions issued by the Customer. In the case of non-correspondence, the liability shall lie directly and exclusively with the Contractor. The Contractor is responsible, from the AS to the CT, for good conservation of the machinery and/or equipment referred to in the Purchase Order, according to the procedures approved by the Customer.

On completion of the assembly works, an AT report must be drawn up and signed by the parties.

The Contractor must carry out the functional checks necessary for preparing the contracted works for the first start-up: If the result is positive, an RT report must be drawn up and signed by the parties.

D. Functional tests and preparation for commercial operations

After the RT, the Contractor must carry out the tests contemplated by the *Functional Testing Plans and Schedules* on the date established by the Contract, in accordance with possible written procedures drawn up by the Contractor and approved by the Customer, instructing the Customer's personnel when necessary: If the result is positive, the CT report must be drawn up and signed by the parties.

E. Checks/Tests

No later than 18 months after the CT, at the Customer's request and unless otherwise contemplated in the Purchase Order, the checks/tests of the guaranteed performances must be carried out, according to the methods indicated in the Purchase Order.

On conclusion of the checks/tests or, if the testing cannot take place for reasons beyond the Contractor's control, on conclusion of the period of 18 months from the CT, the contracted performance must be definitively accepted by the Customer, the guarantee provisions pursuant to article 18 (*Claims for defects and guarantee*) always holding firm.

The Customer has the right to refuse any parts of the subject matter of the Purchase Order if deemed unsuitable, reserving the right to accept them as they are, in particular cases as its own discretion, always maintaining the right to claim compensation for any further damages that it may sustain, however.

F. Worksite dismantling

On completion of the worksite activities, the Contractor must provide for dismantling the worksite according to a schedule previously agreed on with the Customer, including demolition of provisional works, transport and disposal of waste materials, and restoration of anything temporarily demolished and/or dismantled for execution of the works: the areas used must be left cleared and well arranged in a manner that avoids damage to property or persons.

In the event of delay, the Contractor shall be responsible for any damages and/or costs.

40. Suspensions on the part of the Customer

The Customer can, at any moment and for any reason, impose temporary suspensions of part or all of the activities of the Contract by registered letter with return receipt.

The suspension takes effect from the date of receipt of the registered letter and, from that date, the Contractor must ensure that all activities cease in relation to the part indicated, leaving intact the assets of the worksite and providing, at the Customer's expense, for conservation and maintenance of works, materials and components.

If and when the Customer requests resumption of the works, by registered letter with return receipt, the Contractor undertakes to ensure that the works will be resumed, according to the principles of good faith in contractual execution, as soon as possible, within and no later than 2 weeks from the date of receipt of the relevant request.

The resumption of works must be certified by a report signed by the Parties, the date of which shall bear witness to the determination of the duration of the suspension.

The CT date shall be automatically understood as deferred by a period of time equal to at least the duration of the suspension.

For the purposes of this article, the following 2 types of suspension exist:

40.1. Discretionary suspensions

These are suspensions of part or all of the activities of the Contract decided at the Customer's discretion.

In the case of discretionary suspension of the works, the Contractor has the right to reimbursement of the expenses reasonably sustained, justified and documented, strictly connected with the suspension. It remains understood that the Contractor must do everything necessary to limit and reduce its own costs during the period of suspension, keeping the Customer constantly informed on such costs. The period of discretionary suspension cannot exceed an accumulated term of 6 months.

40.2. Suspensions for fortuitous events or force majeure

These are suspensions of part or all of the activities of the Contract due to events beyond anyone's control. Suspensions in the case of fortuitous events or force majeure cannot exceed an accumulated term of 6 months.

If such suspension extends to an accumulative term of more than 6 months, each of the Parties can rescind the Contract and, in such a case, the Contractor shall have the right to compensation pursuant to the *Unilateral Withdrawal* paragraph of article 27 (*Withdrawal and Rescission*). Alternatively, at the Customer's written request, the Parties may open negotiations to define in good faith new contractual conditions, in respect of both timing and remuneration. In the absence of a request on the part of the Customer, or in the absence of an agreement within 30 days from expiry of the aforesaid 6 months, the Parties can withdraw from the Contract, the obligations consequent to work and/or services already performed always holding firm.

In the case of suspensions for force majeure, no specific remuneration shall be paid to the Contractor for the first 6 months of the suspension.

41. Associations of companies

If the Purchase Order is entrusted to a temporary joint venture or to a specifically formed consortium, the Contractor must identify the representatives of the companies involved who are endowed with the necessary powers to commit the Contractor towards the Customer and ensure correct execution of the Contract.

The Contractor must send the Customer an organisational document containing description of:

- the duties, positions and technical responsibilities of each member company, with specific reference to technical coordination between the companies and representation in relations with the Customer;
- the organisational chart for the job;
- the methods for managing and auditing the internal and external interfaces.

42. Lgs. Decree n° 231 of 8th June 2001

With reference to the provisions of Legislative Decree n° 231 of 8th June 2001 (hereinafter "Decree 231/01") on the administrative liability of corporate entities, with later amendments and additions, the Contractor declares:

- that it is familiar with the provisions of law regarding the administrative liability of companies and, in particular, with the provisions of Decree 231/01;
- that it is familiar with the contents and the principles of the "Code of Ethics" and of the "Organisational Model" as adopted by the Customer and with the purposes pursued by such contents and principles.

The Contractor, as far as its own corporate organisation is concerned, warrants that, in the execution of the activities contemplated by the Contract, those who represent the company, the board of directors and the management, and those who in fact manage and control the company, as well as those in any case subject to the direction or supervision of the former, shall not behave or carry out any act or omission that can give rise to any situation leading to liability as contemplated by Decree 231/01.

It remains understood that violation of the above declarations and guarantees shall represent grave breach and that the Customer shall have the right to terminate the Contract pursuant to art. 1456 of Italian civil code with responsibility for the same bearing on the Contractor, which latter shall be obliged to relieve of all liability and indemnify the Customer for all losses, damages, expenses, responsibilities and claims that may ensue from the aforesaid breach.

In any case, the Contractor, in the execution of its activity on behalf of the Customers, may not directly or indirectly offer or promise money or any other gain to public officials or those engaged to perform a public service or, in any case, to subjects who work in any way for the Public Administration, with the intention of influencing a deed or a decision relating to their office.

The Contractor must immediately inform the Customer if it is directly or indirectly requested by a representative, employee, collaborator or consultant of the Customer to adopt behaviour that could lead to breach of the Code of Ethics/Organisational Model adopted by the Customer or, more in general, behaviour that could lead to any of the criminal offences contemplated by Decree 231/01.

43. Specific approval as contemplated by arts. 1341 and following of the civil code

The Contractor declares that it has read all the clauses of these GSCs and, as contemplated by arts. 1341 and following of the civil code, specifically approves the following articles: 6 (Environmental Protection and Health and Safety in the Workplace); 7 (Subcontracting); 8 (Transfer); 15 (Delivery); 17 (Insurance); 18 (Claims for defects and warranty); 22 (Confidentiality); 23 (Jurisdiction); 27 (Withdrawal and rescission); 28 (Contractor's obligations and liabilities), 30 (Contractual prices and bank surety); 34 (Taxes and duties); 40 (Suspensions on the part of the Customer) and 42 (Lgs. Decree n° 231 of 8th June 2001).

Place and date:

Stamp and signature for acceptance: