

GENERAL PURCHASE TERMS AND CONDITIONS

1 ORDERS

- 1.1 The terms and conditions established herein form an integral and substantive part, legally binding, of every purchase order of materials, machinery, goods and services of every kind (hereinafter the "Goods" and the "Order") issued by Dropsa S.P.A. Every possible exception to these general conditions will only be effective if agreed in writing. The acceptance of the Order or the start of the implementation by the SUPPLIER constitutes express waiver by the SUPPLIER of their own sales terms and conditions, both general and special, as well as express acceptance of the terms and conditions established herein.
- 1.2 The agreement is validly concluded between Dropsa S.p.A. and the SUPPLIER only when the ORDER is returned to Dropsa S.P.A. duly signed by the SUPPLIER or by sending the ORDER CONFIRMATION. The confirmation must be received by the fifth day following the date of receipt of the Order, as provided by art. 1326 of the Italian Civil Code at the address acquisti@dropsa.com
- 1.3 The PARTIES mutually acknowledge that any document received from e-mail address referable to the SUPPLIER must be considered as signed by an executive officer authorised to represent the SUPPLIER in the specific case. The expectations of the preceding paragraphs also apply to the GENERAL TERMS AND CONDITIONS and the CONTRACTUAL DOCUMENTS in general.
- 1.4 If the ORDER or the ORDER CONFIRMATION is not returned signed, no payment will be made.
- 1.5 Should the SUPPLIER implement the ORDER without their prior written acceptance, provided Dropsa S.P.A. does not intend to make use of the preceding paragraph 1.2, the relationship will be governed exclusively by these general terms and conditions and by the ORDER.
- 1.6 Any document signed or issued by Dropsa S.P.A. during negotiation (such as, purely as example and not limited to: Requests for Proposal (R.F.P.), Negotiation Minutes, etc.) do not bind Dropsa S.P.A. to issue an order and/or to conclude a contract, nor does it entitle the SUPPLIER to any indemnity/compensation for the failure to issue/conclude the order/contract.
- 1.7 Any modification of the ORDER is not effective if it is not formalised in compliance with the methods agreed in this article.

2 PRICE

- 2.1 Unless indicated otherwise in the ORDER, as express waiver of articles 1467 and 1664 of the Italian Civil Code, the price of the ORDER must be considered fix and invariable, not subject to revision, since the ORDER has an aleatory nature at the will of the PARTIES.
- 2.2 The price indicated in the ORDER excludes all tax charges (e.g.: VAT, corporate and personal income tax, etc.) charged the SUPPLIER and/or their staff by Italian and/or foreign authorities as a result of their implementation of the ORDER.
- 2.3 The SUPPLIER assumes full responsibility for their technical and economic assessments which led to the definition of the price/fee, which they considered appropriate, stating that they are fully satisfied with the information made available and, in any case, used for the creation of the price/fee.
- 2.4 In any case, expenses that are undocumented and/or not authorised in writing by Dropsa S.P.A. are not recognised.
- 2.5 Unless agreed otherwise in writing in the ORDER, the prices/fees are considered to be in EURO.

3 TERMS AND CONDITIONS OF PAYMENT

- 3.1 Payment may only be carried out upon presentation of all the documents requested by the ORDER and these general terms and conditions and in accordance with the methods provided therein.
- 3.2 In the event of early deliveries not agreed in writing, the payment will be made from the delivery date indicated in the ORDER.
- 3.3 Any payment made by Dropsa S.P.A. cannot be considered as acceptance/acknowledgement of the execution of the SUPPLY up to standard.
- 3.4 Dropsa S.P.A. has the right to suspend the payments in the following cases:
- the SUPPLIER did not deliver all the documentation requested in the ORDER;

- the SUPPLIER did not provide proof of having complied with the legal requirements and the collective labour agreements relative to compensation, tax obligations, social and welfare insurance, and of having concluded for their employees/associates/officers suitable insurance policies, also as coverage of occupational accidents;
- the SUPPLIER, in the event of notification of non-fulfilments, did not provide proof of having paid their employees/associates/offices/contractors/suppliers the receivables due them relative to the execution of the ORDER;
- Dropsa S.P.A. has experienced a suspension of the payments by the FINAL CLIENT for cause attributable to the SUPPLIER. In this case, the SUPPLIER is not entitled to suspend the execution of the SUPPLY, or to request indemnities or damages of any kind from Dropsa S.P.A.

3.5 Pursuant to and in accordance with art. 1252 of the Italian Civil Code, Dropsa S.P.A. is authorised to compensate the amounts due by the SUPPLIER to Dropsa S.P.A. for the penalties accrued, as well as for the damages caused by non-fulfilments of the SUPPLIER, with any sums due them, for any reason.

4 INVOICING

- 4.1 In accordance with current legislation, the SUPPLIER will send electronic invoices making them out to:

DropsA S.P.A Socio Unico
Via Besana, 5 – 20122 – Milan
VAT and Tax Code 03384750158
Telephone 02.25079407
Recipient Code A4707H7
PEC DropsA@pcert.postecert.it

- 4.2 In addition, the SUPPLIER will send a computer copy (courtesy invoice) to the address contabilita@dropsa.com
- 4.3 Unless agreed otherwise in the ORDER, invoicing will be done upon delivery of the SUPPLY, in conformity with the provisions of the preceding article.
- 4.4 The invoices must include the number or reference of the order and the operating bank of the SUPPLIER, the quantity and description of the Goods, the date and reference of the shipment document and itemised price and must also include the necessary supporting documentation.
- 4.5 Unless agreed otherwise in the ORDER, the invoice must not be subject to VAT since it refers to a non-taxable supply based on Art. 8/C, Presidential Decree 633/1972, and Art. 42, Decree Law 331/1993, as per annual declaration of intent communicated to the SUPPLIER.
- 4.6 The SUPPLIER, in particular, undertakes to respect the fiscal rules in force in the Country where the SITE is located if the supply should include services to be provided in that location. Should Dropsa S.P.A. be required to pay to Italian/foreign authorities in advance tax charges in the location of the SUPPLIER, the relative amounts will be repaid / withheld from the price of the order.
- 4.7 The SUPPLIER is forbidden to transfer the receivables resulting from the ORDER, except by prior written authorisation of DROPSA S.P.A. Should DROPSA S.P.A. receive:
- a writ of seizure relative to third parties, naming the SUPPLIER as execution debtor;
 - a communication of transfer of the receivable either directly by the SUPPLIER or by a bank institute or similar organisation attributable to him, regarding actual or presumed receivables, claimed against DROPSA S.P.A.
- DROPSA S.P.A. has the right to charge the SUPPLIER a penalty of Euro 50.00 for every communication of transfer and Euro 150.00 for every writ of seizure received by DROPSA S.P.A., without prejudice to the right of compensation of possible greater damages.
- 4.8 In the event of suspensions of the ORDER and/or postponements of delivery, any changes to the invoicing, to the payment terms and the terms of delivery must be specifically authorised in writing by DROPSA S.P.A.
- 4.9 Invoices that do not comply with the aforementioned conditions will be considered invalid and will therefore be returned to the SUPPLIER.

5 SPARES PARTS

- 5.1 The SUPPLIER must make sure that the spare parts of the goods of the SUPPLY are available to DROPSA S.P.A. for a period of 5 (five) years from the date of delivery of the SUPPLY.
- 5.2 Should the original spare parts no longer be available on the market, the SUPPLIER will be responsible for finding equivalent ones.
- 5.3 Lastly, the SUPPLIER undertakes, for a period of five years from the delivery of the SUPPLY, to report the possible receipt of requests for spare parts pertaining to the SUPPLY made by the FINAL CLIENT.

6 DELIVERY

- 6.1 Unless specified otherwise in the ORDER, the delivery terms are CPT DropsA SpA in accordance with INCOTERMS 2010.
- 6.2 The delivery dates must be considered binding in the best interests of DROPSA S.P.A., such that any delays will entitle DROPSA S.P.A. to apply a penalty as described in the following art. 10 to the SUPPLIER.
- 6.3 Any early delivery must be authorised by DROPSA S.P.A. in writing.
- 6.4 Any quantities in excess may be rejected even if falling within the normal tolerances.
- 6.5 The SUPPLIER undertakes to diligently protect and safeguard the SUPPLY under the actual delivery, adopting all the measures necessary to avoid their deterioration, damage, loss or removal.
- 6.6 The SUPPLIER undertakes to conclude before the execution of the ORDER every other customary insurance, including civil liability coverage towards third parties and product liability, with adequate caps for the scope of the OBJECT. At the request of DROPSA S.P.A., the SUPPLIER will deliver to DROPSA S.P.A. a copy of the policies concluded. In the event of failure to conclude coverage or insufficient coverage, DROPSA S.P.A. has the right (but is in no way required) to substitute the SUPPLIER at the expense of the SUPPLIER. The SUPPLIER must, in any case, hold DROPSA S.P.A. harmless for any damage they could suffer, or be required to compensate, as a result of the non-fulfilment of the SUPPLIER.

7 EXPEDITING AND DELIVERY PROCEDURES

- 7.1 At least 15 days before the delivery date and in any case as a result of every request, the SUPPLIER will send confirmation of the delivery date to the address acquisti@dropsa.com. Any change in the delivery date must be promptly communicated to the same address.
- 7.2 the delivery of the merchandise must be done from Monday to Thursday from 8:30 a.m. to 12:00 p.m. and from 1:30 p.m. to 4:15 p.m. at the DropsA warehouse located in via Grandi, 17 - 20090 - Vimodrone
- 7.3 As soon as the SUPPLIER is ready to make the delivery, they must send via email to the address logistica@dropsa.com a "Notice of merchandise ready" which includes:

- ORDER number;
 - indication of whether it is a partial or final delivery;
 - type and number of packages (wooden crate, pallet, loose part, bundle, etc.);
 - size of every package (in cm);
 - gross weight of every package (in kg. unless indicated otherwise);
 - address if the delivery location, date and time.
- 7.4 The goods transported must always include the transport documents which must include the details of the ORDER and the bar codes received from the SUPPLIER at the same time with the ORDER.

If the bar codes are missing, DROPSA S.P.A. has the right to charge the SUPPLIER a penalty of Euro 100.00 for management costs or, in exceptional cases, to refuse the merchandise.

8 PACKAGING

- 8.1 The packaging of all the SUPPLY, accessories and documentation included, is included in the price and must be carried out by the SUPPLIER, who must take all the precautions necessary to avoid damage during the handling, storage as well as moves by lorry and/or container (fastening included).
- 8.2 Unless specified otherwise in the ORDER, the wooden packaging (pallets included) must comply with international standard ISPM-15 of the FAO (Brand IIPC/FAO and possibly phytosanitary certificate) and have a maximum size of 800x1200 and a height of 1000 mm.
- 8.3 Every package delivery in a box cannot weigh more than 10 kg.

- 8.4 The hardware must be delivered in bags measuring a maximum of 70 mm. Every bag must indicate the number of pieces included therein and the weight.
- 8.5 The SUPPLIER must promptly repair and/or replace, at his expense, any non-compliant packages, as well as the goods that may be damaged as a result of the inadequate protection and/or fastening.
- 8.6 The SUPPLIER must mark the hazardous goods with the international danger symbols and indicate the name of the material in Italian. The transport or other documents must include the declaration of danger and the name of the material in Italian. The merchandise must be accompanied by information in Italian for emergency interventions in the form of written instructions, labels or markings. The SUPPLIER must comply with the European Regulations and the local laws regarding packaging, labelling, transport and disposal of hazardous goods.

9 CERTIFICATE OF ORIGIN AND EXPORT

- 9.1 In compliance with Regulation 1207/01 and subsequent amendments, the SUPPLIER must provide the Declaration of Preferential Origin of the supply covered by the order complete with the name of the manufacturer and the production factory.
- 9.2 The SUPPLIER undertakes to comply with the regulations applicable to the SUPPLY regarding customs and export control (with specific reference to the European regulations regarding "dual use") and to obtain the necessary export licences, unless that obligation, pursuant to the aforementioned regulations, is the exclusive responsibility of DROPSA S.P.A. or third parties.
- 9.3 The SUPPLIER will provide DROPSA S.P.A. in writing, without any delay and in any case by and no later than the date of every single delivery, all the information DROPSA S.P.A. needs to fulfil the requirements of the aforementioned applicable regulations with reference to the countries of import, export or re-export, in case of resale. In particular, the SUPPLIER must deliver to DROPSA S.P.A. by the aforementioned deadline the "Export Control Declaration" for any materials classified as "Dual-Use"
- 9.4 In case of changes to the origin and/or the characteristics of the SUPPLY and/or the regulations listed in the preceding article, the SUPPLIER must inform DROPSA S.P.A. in writing and update the relevant documentation, without any delay and in any case by the delivery date.
- 9.5 The SUPPLIER will be responsible for any expense and/or damage suffered by DROPSA S.P.A. as a result of the lack or inaccuracy of the aforementioned information.

10 SCHEDULE AND DELAYS

- 10.1 Unless provided otherwise in the ORDER, in the event of a delivery delay DROPSA S.P.A. has the right to charge the SUPPLIER a penalty of 2% of the total price of the ORDER for every week (or part exceeding two business days) of delay, up to a maximum of 20% of the total price of the ORDER, without prejudice to the right of compensation of any greater damages. The application of this penalty will not release the SUPPLIER from the obligation of establishing all the actions necessary to promptly fulfil the obligations assumed.
- 10.2 If the delay continues beyond the sixth week from the delivery date agreed in the Order, this will constitute just cause for termination of the relationship and DropsA S.P.A. may forward to the supplier a request for damages in addition to the penalty.
- 10.3 In case of delays in delivery caused by DROPSA S.P.A. and limited to the part of the SUPPLY involved by those delays, the PARTIES will agree in advance in writing all the new delivery dates which will also apply for the purposes of the application of the penalties. The delivery deadlines and the penalties originally agreed in the ORDER will remain applicable to the parts of SUPPLY not affected by the aforementioned delays.
- 10.4 DROPSA S.P.A. has the right to withhold the amounts relative to the penalties accrued on any payments due the SUPPLIER.

11 EXECUTION OF THE ORDER AND REFUSAL OF THE GOODS

- 11.1 The Goods must be accompanied by a declaration of conformity to the Order in addition to any specific certificates such as for example: certificate of conformity and certificates of inspection relative to the tests conducted before the delivery, certificate of materials, certificate of the welding in addition to any verification and/or quality tests.
- 11.2 The SUPPLIER is required to perform all the tests and inspections dictated by good practices relative to the specific nature of the SUPPLY even if not specifically required by the CONTRACTUAL DOCUMENTS.
- 11.3 DropsA S.P.A. will have the right to refuse the Goods that do not comply with the ORDER and the technical specifications and applicable requirements. The failure to accept the Goods will be notified to the SUPPLIER by any means of written communication. The SUPPLIER must, at his own expense, collect the Goods delivered and not accepted within 7 (seven) business days following the date of receipt of non-acceptance information. After the aforementioned deadline, DropsA S.P.A. will return the Goods to the SUPPLIER at his expense.
- 11.4 The failure to refuse the Goods will not limit in any way the warranties due.
- 11.5 During the execution of the Order, DropsA S.P.A. will have the right to enter the factories of the SUPPLIER and his possible subcontractors, in order to check the production process.

12 MOULDS, EQUIPMENT AND OTHER SPECIFIC MACHINERY

- 12.1 All the moulds, drawings, projects, equipment and other specific machinery supplied by DropsA S.P.A. for the needs of the Order are the exclusive property of DropsA S.P.A. and may not be used except for the needs of the Order or made available to third parties, reproduced or copied. The SUPPLIER is responsible for the correct storage and/or maintenance of the equipment and/or moulds which are the property of DropsA S.P.A.
- 12.2 Should DropsA S.P.A. provide certain components destined to be incorporated in the SUPPLY, the SUPPLIER must immediately communicate the receipt and inspect them to check their correspondence and integrity relative to the transport documents and the CONTRACTUAL DOCUMENTS.
- 12.3 If no dispute is sent by the SUPPLIER to DropsA S.P.A. within 10 days of the delivery of the aforementioned components/models/samples/equipment, the delivery will be considered complete and intact.
- 12.4 In the event of delay in the delivery of the aforementioned components/models/samples/equipment by DropsA S.P.A., the SUPPLIER must promptly provide this information to DropsA S.P.A.

13 WARRANTIES

- 13.1 The SUPPLIER, as expert, is required to produce results and assumes in particular in this regard the entire responsibility for the Order in every phase of its design, production, realisation, suitability for the use for which the Goods are intended, of which the SUPPLIER declares to be perfectly aware and regardless of the assistance provided DropsA S.P.A. during the aforementioned phases. The SUPPLIER will guarantee for a period of 24 (twenty-four) months that the Goods are in compliance with the specifications, the designs, the drawings and the information of the SUPPLIER (in any format) or DropsA S.P.A. if supplied by DropsA S.P.A. as a result of the Order; are properly manufactured and devoid of any apparent and/or hidden defect of design, materials, production, operation; a quality suitable for the use requested. The SUPPLIER is responsible for the supply of all the parts necessary for the full use of the Goods, even if not specifically mentioned by DropsA S.P.A.
- 13.2 During the warranty period, DropsA S.P.A. will inform the SUPPLIER in writing of every defect or malfunction of the Goods and the SUPPLIER must promptly and at his exclusive expense replace or repair the Goods or correct the defect or malfunction. The SUPPLIER will guarantee for an additional 24 (twenty-four) months every replacement, repair or correction made during the warranty period, starting from the day when that replacement, repair or correction is carried out.

- 13.3 If the SUPPLIER does not replace or repair the Goods or correct the defect or malfunction, DropsA S.P.A. will have the right, at their sole discretion, to make the replacement, repair or correction on their own and at the exclusive expense of the SUPPLIER, or to have those operations performed by a third party at the exclusive expense of the SUPPLIER, or to obtain from the SUPPLIER the total reimbursement of the price paid to return the Goods.
- 13.4 The SUPPLIER agrees that the warranties listed in this article will be in addition to every legal warranty or specifically provided by the SUPPLIER, in addition to those specified and every other warranty, both expressed or implicit applicable to the Goods.
- 13.5 The SUPPLIER guarantees DropsA S.P.A. against all direct and/or indirect, tangible and/or intangible, damages including any damage to reputation, as well as all the direct and/or indirect costs which should arise from the failure to carry out the Order and, if applicable, the subsequent failed implementation of the DropsA S.P.A. obligations towards their Client/s.
- 13.6 The report of the faults and defects of the Goods can be made notwithstanding the deadlines listed in articles 1495 and 1667 Italian Civil Code. The report of the faults, also apparent, can occur at any time also if the Goods were already put into production by DropsA S.P.A. or were already mounted on production equipment and machinery of DropsA S.P.A. and even if the relative invoices have already been paid.

14 INTELLECTUAL AND INDUSTRIAL PROPERTY

- 14.1 The SUPPLIER guarantees that the Goods and every part of them do not violate any patent, licence, industrial patent right, industrial model or drawing, copyright or any other right of intellectual and industrial property of third parties. The SUPPLIER guarantees that they have all rights to use, produce and sell the Goods and that DropsA S.P.A. will have full rights to use and resell the Goods.
- 14.2 Should any datum, document, material or other supplied by the SUPPLIER violate an intellectual and/or industrial property right of third parties, the SUPPLIER undertakes at their own expense to intervene to eliminate that violation.
- 14.3 If the OBJECT includes computer software/programs (no matter how they are named) protected by the law, every inherent user, reproduction and modification license is included in the price of the ORDER, necessary for the activation, operation, maintenance and modification of the goods included in the SUPPLY, with relative right of sub-licence in favour of third parties.
- 14.4 The SUPPLIER agrees to hold DropsA S.P.A. harmless against every request or action and/or recourse, resulting from violation of rights of intellectual or industrial property of third parties, to pay all the costs incurred by DropsA S.P.A. for their defence in the event of such a request or action and to reimburse DropsA S.P.A. for all damages, loss or prejudice suffered as a direct or indirect result of the aforementioned request, action, and or recourse

15 RESERVED AND CONFIDENTIAL INFORMATION

- 15.1 Every datum, drawing, machinery or other material and information provided by DropsA S.P.A. or by the SUPPLIER but paid by DropsA S.P.A. as part of the price of the Goods, will be the exclusive property of DropsA S.P.A. and will be considered reserved and confidential information of DropsA S.P.A.
- 15.2 The SUPPLIER commits for themselves and for their employees, associates and subcontractors to maintain strictly confidential all the aforementioned material and information, as well as all other reserved material or information, owned by DropsA S.P.A. received under the terms of the Contract, and also commits for 5 (five) years starting from the acceptance of the Goods not to supply, communicate or release this material and information to third parties without the prior written consent of DropsA S.P.A.
- 15.3 As soon as the Order is completed, the SUPPLIER will return to DropsA S.P.A. at their first request, all the documents, reserved or otherwise, pertaining to the Order, without being able to retain any copy, with the exception of this required by law, barring express written agreement.

16 SECRECY - CONFIDENTIALITY

- 16.1 All the documents, drawings, know-how, information (hereinafter, collectively, "INFORMATION"), which may be provided by DropsA S.P.A. relative to the ORDER, remain their exclusive property and are subject to the obligation of secrecy; also subject to the obligation of confidentiality is every commercial, technical and financial circumstance that the SUPPLIER may learn while carrying out the ORDER.
- 16.2 The SUPPLIER undertakes to consider this INFORMATION confidential, as well as the aforementioned commercial, technical and financial circumstances, committing to using them exclusively for the fulfilment of their obligations resulting from the ORDER and to not disclose them to anyone or to use them, directly and/or indirectly, both during the validity of the ORDER and after its conclusion with the written authorisation of DropsA S.P.A. or, in any case, to the detriment of DropsA S.P.A.
- 16.3 All the documents (hard copy or electronic) delivered by DropsA S.P.A. to the SUPPLIER must be returned to DropsA S.P.A. upon request and, in any case, at the conclusion of the ORDER.
- 16.4 The obligations of this article will continue to apply also in the event of suspension, termination or withdrawal of/from the ORDER.
- 16.5 The SUPPLIER also undertakes to take every precaution to ensure that the obligations of secrecy and confidentiality are observed also by their officers, employees, associates, consultants and anyone who may have access to them.
- 16.6 The SUPPLIER will in any case be jointly and severally responsible with the aforementioned subjects who should become liable for violation of the obligations of confidentiality and secrecy as provided in this article.
- 16.7 The SUPPLIER may not circulate brochures, issue press releases, print publications or advertisements on magazines, newspapers and media in general, relative to the ORDER, the SUPPLY and the supply of DropsA S.P.A. towards the FINAL CLIENT without the authorisation of DROPSA S.P.A.

17 HEALTH AND SAFETY IN THE WORKPLACE

- 17.1 The SUPPLIER undertakes to comply with the rules regarding health and safety in the workplace and the environment in force in Italy and in the country in which the activity covered by the ORDER is carried out, as well as to adopt all the measures necessary to comply with those standards to protect their own employees/associates/officers.
- 17.2 The SUPPLIER undertakes to inform and train their employees/associates/officers regarding the specific risks and prevention and emergency measures adopted and to be adopted regarding health and safety in the workplace.
- 17.3 The SUPPLIER undertakes to respect the rules and requirements of law, and the collective labour agreements, regarding fiscal, social and welfare insurance, fulfilments including those pertaining to minimum wages and to conclude for their employees/associates/officers suitable insurance policies, also to cover occupational accidents, committing to holding DropsA S.P.A. harmless from any and all liability/claim on the subject.

18 INTUITUS PERSONAE - SUBCONTRACT - GENERAL RULES

- 18.1 The SUPPLIER may not sell and/or transfer, even free of charge, in full or partially, the Order, barring specific written consent.
- 18.2 The Order may not be subcontracted, in full or partially, directly or indirectly, by the SUPPLIER without the written consent of DropsA S.P.A. If the SUPPLIER has been authorised to subcontract the Order, in full or partially, they will remain fully responsible towards DropsA S.P.A. for the Order and the obligations provided in this Contract and must guarantee and hold DropsA S.P.A. harmless against any claim, right, action and/or recourse by subcontractors.
- 18.3 Except as specifically agreed, the waiver of a Party to the exercise of their rights in the event of a non-fulfilment by the other Party under the terms of this Contract will not constitute acquiescence. The fact that one Party does not enforce a deadline or a condition of this Agreement does not constitute a waiver of that deadline or condition and will not limit the right to enforce that deadline or condition at a later date.

18.4 If one or several clauses of this Contract is for any reason null, cancelled, invalid, inapplicable or ineffective, they will be considered as not being included and this will not affect the validity and applicability of any other provision of this Contract.

18.5 The SUPPLIER undertakes to know and make sure that every provision issued by the competent Public Authorities is fully respected. The SUPPLIER must bear the economic and/or administrative consequences, including tax and fiscal ones, suffered by DropsA S.P.A. as a result of the SUPPLIER, their personnel, associates, agents and subcontractors failing to respect the provisions of the aforementioned Public Authorities.

18.6 The Supplier must promptly communicate to DropsA S.P.A. information in their possession or reasonably accessible in relation to possible known dangers or which could arise during the transport, handling and use of the Merchandise to be supplied or services to be rendered.

18.7 The merchandise supplied and in particular the machines and equipment must satisfy the minimum safety requirements as required by the regulations relative to their free circulation within the member countries of the European Community (applicable EEC Directives) and therefore be provided with/accompanied by:

- EC trademark;
- "Declaration of Conformity" to the safety regulations;
- User instruction and maintenance booklet, in the language of the destination country.

19 SUSPENSIONS

- 19.1 At any time, DROPSA S.P.A. can suspend, with at least 5 (five) days' notice, the implementation of the ORDER, or part of it, by written communication indicating, if possible, the duration of the suspension period.
- 19.2 As a result of this communication the SUPPLIER must suspend the execution of the ORDER, or part of it, and resume the suspended activities on the date established in the aforementioned communication.
- 19.3 Any resulting costs and/or charges deriving from the suspension will be the full responsibility of the SUPPLIER provided the overall duration of the suspension does not exceed six months.

20 WITHDRAWAL

- 20.1 The SUPPLIER grants DROPSA S.P.A. the right to freely withdraw from the relationship at any time, by simply written communication to the SUPPLIER.
- 20.2 In that case the SUPPLIER will only have the right to the fee for the works performed in conformity with the ORDER at the date of communication of the withdrawal, as well as the reimbursement of the reasonable documented expenses already incurred, excluding and indemnity for failed earnings.

21 TERMINATION

- 21.1 It is specifically agreed that the relationship can be terminated de jure by DROPSA S.P.A. pursuant to art. 1456 of the Italian Civil Code by written communication if:
- the SUPPLIER without justification does not promptly start, or suspends, the execution of the ORDER;
 - the SUPPLIER, despite the specific follow-up of DROPSA S.P.A., refuses to fulfil the obligations of the ORDER;
 - the SUPPLY is affected by serious faults and defects;
 - the delay in the delivery, including the delivery of the documentation, should exceed the maximum limit provided by the late penalties;
 - the SUPPLIER does not arrange for the repair and/or replacement of the parts of the SUPPLY affected by faults and/or defects by the deadlines established in the ORDER, or agreed between the PARTIES;
 - the SUPPLIER does not comply with the legal requirements which are included in the collective labour agreements regarding social and welfare insurance, accident prevention, health and safety in the workplace and in general all the rules established to protect the workers, including those inherent to remuneration;

- the SUPPLIER becomes subject of protests, enforcement procedures or insolvency proceedings, or is placed in liquidation, as well as in the case of decrease in their guarantees of reliability;
- the SUPPLIER violates any obligations of this contract.

21.2 In all the aforementioned cases, as well as in any case of termination of the relationship for cause attributable to the SUPPLIER, the SUPPLIER will be required to compensate all the damages incurred by DROPSA S.P.A., without prejudice to the penalties possibly applied.

22 LIMITATION ON FILING EXCEPTIONS

Pursuant to and in accordance with the provision of art. 1462 of the Italian Civil Code, the SUPPLIER specifically waives the right to file exceptions in order to avoid or delay the service due. It will therefore be the SUPPLIER's obligation to fulfil their service also when there are exceptions or disputes by them against DROPSA S.P.A.

23 DISPUTES AND APPLICABLE LAW

23.1 These terms and conditions, as well as every ORDER and contractual relationship between DROPSA S.P.A. and the SUPPLIER, are regulated by Italian law.

23.2 Any dispute which may arise regarding the validity, interpretation or execution of these general terms and conditions of the ORDER and the contractual relationship between DROPSA S.P.A. and the SUPPLIER, if not resolved amicably, will be referred to an Arbitration Board, composed of three arbitrators, one of which appointed by each of the PARTIES and the third by mutual agreement of the first two.

23.3 The PARTY that promotes the arbitration will communicate to the other one, by registered letter with return receipt, the name of their arbitrator. Within 15 days of receipt of that registered letter, the other PARTY by the same means will arrange to appoint (and communicate) their arbitrator. The two arbitrators thus appointed will appoint the third arbitrator (Chairman of the Board).

23.4 Should one of the PARTIES not arrange to make the appointment (and the relative communication) of the arbitrator by the preceding deadlines, or if the two arbitrators cannot agree on the appointment of the Chairman, the President of the Court of Milan will take care of it at the request of the most diligent PARTY.

23.5 The Board will meet in Milan and the arbitration will be informal, in compliance with the principles of cross-examination.

23.6 The decision will be made in accordance with the law and the applicable law will be that of Italy.

24 PRIVACY

DROPSA S.P.A. informs pursuant to the GDPR - General Data Protection Regulation - Reg. EU 2016/679 as amended, that for the establishment and execution of the contractual relations with the SUPPLIER, it is in possession of the personal and fiscal data acquired even verbally directly or through third parties, relative to the SUPPLIER, qualified as personal by the aforementioned legislation.

The data will be processed for the entire term of the contractual relations established and also afterwards in order to carry out all the legal obligations as well as for future commercial purposes.

Relative to this data, the SUPPLIER can exercise the rights provide din the aforementioned legislation within the limits and conditions provided therein.

The Data Controller is DropsA S.P.A. single member with registered office in Via Besana, 5 - 20122 - Milan.

Place and date _____

For DropsA SpA

For the SUPPLIER

The SUPPLIER, pursuant to and in accordance with articles 1341 and 1342 of the Italian Civil Code, declares that they specifically accept the clauses of the following articles: 1. Orders; 2. Price; 3. Terms and Conditions of Payment 5. Spares parts; 6. Delivery; 7. Expediting; 9. Export Control; 10. Schedule and delays; 11. Execution of the order and refusal of the goods; 12 Moulds, equipment and other specific machinery 13 Warranties; 16. Secrecy - Confidentiality; 18. Intuitus personae - Subcontract - General Rules; 19. Suspensions; 20. Withdrawal; 21. Termination; 22. Limitation on filing exceptions; 23. Disputes and Applicable Law.

For the SUPPLIER

