

# General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

## I - Foreword

The Supplier declares that for execution of the agreement it shall make exclusive recourse to its own abilities, which put it in a position to produce regardless of the technical and technological knowledge of the Buyer.

## II - General conditions of contract

### 1. Overview

With the following terms and conditions, the parties agree to establish the general principles for the contractual relationship.

These conditions are of a supplementary nature in cases in which the contractual relationship with Suppliers has already been established based on a previous frame agreement; on the other hand, they constitute the agreement for relations with Suppliers with whom a frame agreement has not been entered into.

With regard to Suppliers outside the scope of a frame agreement, this document shall be deemed to be accepted if signed, including any attachments.

### 2. Prices

The prices indicated in purchase orders are fixed and invariable for the entire duration of the supply.

Increases in the cost of raw materials, labour, freight and services in general shall not be taken into consideration without the written approval of the Buyer.

### 3. Deliveries

#### 3.1. Delivery terms

The delivery terms, indicated in the orders, are binding for Suppliers.

For goods delivered in advance, the Buyer reserves the right of return.

Acceptance of the goods delivered in advance shall not change the payment terms, which shall commence from the time when the delivery should have been made.

#### 3.2. Delays and related penalties

For delays attributable to the Supplier, with the exclusion of cases of force majeure, the Buyer reserves the right, without prejudice to the right of compensation for any further damages:

- a. To procure the product to be supplied elsewhere, and at any time;
- b. To apply, starting from the expiry of the deadline established by the parties, penalties equal to the damage caused by the stoppages or delays in the production, urgent transport and other related damages, as well as any damages claimed by Customers of the Buyer with regard to delivery delays;
- c. To terminate the agreement.

### 4. Delivery procedures - Transfer of risk

The delivery of the goods shall take place, unless otherwise indicated, by making the goods available to the Buyer. The property of the goods, unless otherwise indicated on the Purchase Orders or on the dedicated contracts, shall be transferred to the Buyer at the moment of the transport risk transfer (Incoterms 2010)

#### FREUDENBERG SEALING TECHNOLOGIES

Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.000 int. vers.  
Registro delle imprese di Torino n. 03731800011  
C.C.I.A.A. Torino REA n. 582955  
Codice Fiscale e Partita Iva n. 03731800011

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735

# General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

## 5. Payment

The payment terms specifically indicated in the order shall commence after delivery of the goods.

In the case of wrong delivery, the Buyer shall have the right to suspend payment of the corresponding amount until complete fulfilment of deliveries which shall comply with the order.

Payment for the supply will be made by bank transfer or other means of payment, agreed with the Supplier and specified in the order.

The Supplier is not authorised to sell its receivables to third parties without the prior consent of the Buyer.

## 6. Accompanying documents

### 6.1. Invoices

Invoices shall contain the following information: purchase order number, code number (where available) and exact description of the goods/service as indicated in the order.

The XML record layouts of the electronic invoices sent via SDI, must contain the following information

- the purchase order number/delivery plan contained in the field 2.1.2.2. <DocumentID>
- the position of the purchase order/delivery plan contained in the field 2.1.2.4. <ItemNum>
- the number of the transport document (if available) included in the field 2.1.8.1. <DDTNumber>

### 6.2. Transport documents

Deliveries shall be accompanied by the appropriate transport document in which the Supplier shall specify in detail the order number, code number (where available) and exact description of the goods as indicated in the order, quantity and all information necessary for proper identification and management of goods.

## 7. Inspection

Inspection shall be carried out by the Control Bodies of the Buyer via verification of the supply against the conditions established in the agreement, by the technical descriptions or by the normal state of the art.

### 7.1. Quantity

The Buyer is obliged to accept and the Supplier undertakes to deliver only the quantities ordered. Regarding excess materials provided, the Buyer reserves the right to return them, refusing any responsibility, including for the materials already stored in its warehouses.

### 7.2. Quality

The Supplier is obliged to deliver the material, which is the subject of this supply, absent any defects, in accordance with the technical descriptions, safety regulations, and current market standards.

In cases where batch deliveries have been negotiated, barring specific authorisation, the Supplier will make the first delivery only after the Buyer has approved the samples.

The Buyer will have the right to make, subject to an advance warning of at least five days, checks regarding the Supplier's quality control methods.

### 7.3. Product non-conformity

The Supplier warrants that the products shall be free from any faults and/or defects arising from both the materials used as well as incorrect production processes.

Complaints relating to product conformity, when not made during inspection, may take place within two years of the date of delivery and within 60 days of discovery of the product non-conformity.

In the event of a fault and/or defect, the Buyer shall have the right to terminate the agreement or to request the Supplier to replace the defective parts and the Buyer shall be entitled to claim compensation for further damages.

#### **FREUDENBERG SEALING TECHNOLOGIES**

Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.000 int. vers.  
Registro delle imprese di Torino n. 03731800011  
C.C.I.A.A. Torino REA n. 582955  
Codice Fiscale e Partita Iva n. 03731800011

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735

## General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

### 7.4. Replacement of defective products

The Buyer shall notify the supplier in the event of defective products.

The latter shall, within 24 hours (this time period includes non-working periods and public holidays), intervene, replacing the entire batch or making a selection at its own expense.

If this does not happen, the Buyer may directly make the selection with fees incurred by the Supplier from now calculated at 30 Euro/hour (this figure will be subject to automatic, periodic updates based on the ISTAT index or suitably based on changes to the cost of the work, in which case a written notification will be sent) and penalties will also be applied to be borne by the Supplier.

Should the defects and faults found not be eliminated in subsequent deliveries, the Buyer may exercise its right to terminate the agreement and claim compensation for further damages.

Should the defect/fault be discovered after production has started, the Buyer shall have the right to claim compensation for the additional expenses incurred in order to restore product quality, as well as adequate compensation for damages caused by downtime.

## 8. Liability

Depending on the type of activity and the risk that may derive therefrom, the Buyer shall have the right to request insurance cover for the liability indicated below.

The Supplier shall send a copy of the policy to the Buyer

Should the Supplier refuse to take out the insurance cover requested or to align the ceilings with that requested, the Buyer shall have the right to terminate the agreement.

### 8.1. Product liability

Presidential Decree no. 224 of 24 May 1988 asserts the liability of the manufacturer for damage caused by its products.

Should the defective products, including raw materials, affect the proper functioning of the finished products of the Buyer, the Supplier shall have appropriate and adequate insurance cover with regard to the product liability.

The Buyer shall notify the insurance cover ceilings that may under no circumstances be less than €200,000 per claim

### 8.2. Third party and worker liability

If the Supplier operates at the Buyer's premises, the insurance coverage that the Buyer reserves the right to ask for concerns civil liability in relation to third parties and workers dedicated to the activities that are part of the agreement.

Such insurance cover shall include damage caused to the Buyer's plant, machinery, premises and personnel

The ceiling for third party liability is established as follows:

1,000,000 euros per person and 3,000,000 euros per claim for damage caused to persons

1,000,000 euros per claim for damages to property

The ceiling for worker liability is established as follows:

1,000,000 euros per person and 3,000,000 euros per claim

### 8.3. Fire and theft liability

If the Supplier uses or transforms products, semi-finished products, raw materials, machines, or tools that belong to the Buyer, the Supplier is obliged to have suitable and adequate insurance coverage for theft and fire.

The Buyer will indicate the maximum coverage for the insurance.

#### FREUDENBERG SEALING TECHNOLOGIES

Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.000 int. vers.  
Registro delle imprese di Torino n. 03731800011  
C.C.I.A.A. Torino REA n. 582955  
Codice Fiscale e Partita Iva n. 03731800011

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735

## General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

### 9. Intellectual and industrial property rights

The Supplier warrants, under its own responsibility, that the product covered by the agreement does not infringe any patents or industrial property rights and undertakes to hold harmless and exempt the Buyer from damages that in any way and for any reason might arise as a result of infringement of such rights, including any legal costs that might be incurred.

### 10. Continuity of supplies

Under no circumstances may the Supplier suspend, in whole or in part, neither supplies of a continuous nature (e.g. delivery schedules) nor supplies against purchase orders (closed orders), without formal and prior notice to the Buyer, such as to ensure the latter sufficient time to search for and start up new sources of supply.

This period shall not be less than 120 working days, unless otherwise agreed

Failure to comply with this deadline shall give the Buyer the right to claim compensation for any direct or indirect damages.

### 11. Contracting agreements

In the case of contracting agreements, in accordance with Art. 26 of Legislative Decree 81/2008, the Supplier shall submit to the Buyer the necessary documentation for verification of its technical and professional qualifications.

The Buyer and the Supplier undertake to cooperate in order to implement all preventive measures aimed at eliminating or reducing risks which, due to execution of the contracted activities, affect the employees of the Buyer and/or the Supplier (interference risks).

The document resulting from this cooperation (IRAD) is an integral part of the contracting agreement.

Subcontracting is expressly forbidden, unless formally authorised by the Buyer (Art. 1656 of the Italian Civil Code)

Please note that in accordance with art. 48 of Legislative Decree no. 81/2015 it is forbidden the use of ancillary work for the execution of the contracted activities (workers paid with the vouchers)

With reference to Law 136/2010, personnel of external companies operating on the premises of the Buyer shall wear, in a clearly visible manner, an identification badge bearing that required by law.

In the event of blatant violation of regulations concerning the health and safety of personnel working on the Buyer's premises, the safety regulations in force in plants specified in the document "Safety regulations, occupational health and prevention of environmental pollution" published in the most up to date version on the website [www.fst.com](http://www.fst.com) in the section Company / Freudenberg Suppliers / FST - Italy, the normal rules of conduct or legislation; the Buyer shall have the right, depending on the severity of the infringement, to:

- a. Immediately suspend all agreements in place, as well as claim for all the resulting direct and indirect damages, including any additional costs incurred for procurement from other sources,
- b. Remove the personnel of the Supplier violating the safety regulations with subsequent written notification to the Supplier and a charge of 500 euros to cover administrative costs and interruption of normal work activities
- c. Make a written report and charge 250 euros to cover administrative costs

The actions described above may be mutually combined and do not exempt the Supplier from the liabilities defined by the Italian Civil Code.

### 12. Machinery, plant and equipment - Supply specifications

All machinery, plant and equipment contemplated by Directive 2006/42/EC (Legislative Decree No.17 of 27/01/2010) shall be accompanied by the EC declaration of conformity, by the documentation required by law and, at no additional cost, by the risk analysis prepared in accordance with the UNI EN ISO 12100 guidelines, as provided

**FREUDENBERG  
SEALING TECHNOLOGIES**

Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.000 int. vers.  
Registro delle imprese di Torino n. 03731800011  
C.C.I.A.A. Torino REA n. 582955  
Codice Fiscale e Partita Iva n. 03731800011

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735

## General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

for by the Machinery Directive in force, by the plant/machinery scheduled maintenance programme and by all safety devices.

This documentation, even if not explicitly mentioned in the purchase order, shall be considered an integral part of the supply itself.

The supply covered by the purchase order shall therefore not be considered complete without the required documents.

All machinery, plant and equipment shall comply with the FSS5/FSS3/FSS1 directives, which shall be provided by the Buyer where applicable

### 13. Access to the plants

If the Supplier needs to access to the plants of the client in order to fulfil the contractual obligation, he will be obliged to enter by using the entrances indicated on the contractual documents and the provisions issued by the staff of the Client or written on the information panels

Particularly, all suppliers that , in accordance with transportation contracts, need to access the Client's warehouse for loading / unloading of goods , will have to strictly observe the following rules :

All means of transportation, which will be used, must have adequate features such as to carry the goods in a safe way, to protect them from any tampering by third parties and from atmospheric agents; the Client has the right to check the state of the means of transportation and can possibly decide not to proceed with the loading/unloading of goods.

All means of transportation and drivers will have to be compliant with the Rules of the Road

It is compulsory to register all entries and exiting, according to the rules which will be indicated by staff of the warehouse.

It is compulsory to observe all regulations which will be indicated and posted from time to time in the information panels.

### 14. Predominant position

It is the firm intention of the Buyer not to constitute a financial element crucial for the commercial or manufacturing survival of the Supplier. It shall be the Supplier's responsibility to implement all the necessary measures to ensure this does not happen.

### 15. Disputes

For any dispute arising from this agreement, jurisdiction shall lie with the Court chosen by the Buyer. This agreement shall be governed by Italian law.

### 16. Attachments

ATTACHMENT 1: General Purchasing Conditions acceptance form

Acknowledgement and acceptance of the document, "General Purchasing Conditions" shall be formalised by returning the signed and dated acceptance form.

## General Purchasing Conditions

Revision of 04 October 2017

## General Conditions of Software Purchase

### I - Foreword

This document is to be considered an integral part of the General Purchasing Conditions and is valid when the subject of the purchase order or agreement is software developed and produced on behalf of Corcos Industriale S.a.s. di Externa Italia S.r.l. with sole shareholder.

### 17. Software General Purchasing Conditions

#### 17.1. Software ownership

Software developed and produced for Corcos Industriale S.a.s. di Externa Italia S.r.l. with sole shareholder is the property of the Buyer, which owns all the legal rights and copyright.

#### 17.2. Source code

The source code of the programs used to develop software on behalf of Corcos Industriale S.a.s. di Externa Italia S.r.l. with sole shareholder shall be delivered to the Buyer together with the program.

#### 17.3. Programming and development

No programming tools shall be used or program parts included that require the purchase of user licenses by the Buyer.

Any exceptions regarding the use of such software shall be formally authorised in advance by the Buyer.

#### 17.4. Warranty

If not formally declared by the Supplier and accepted by the Buyer, all the software mentioned in this document shall be covered by a one year warranty protecting the Buyer against malfunctions.

Interventions under warranty for the solution of any problems shall take place as soon as technically possible at the total expense of the Supplier.

#### 17.5. Disputes

That specified in point 14 shall also apply here. Disputes.

**FREUDENBERG**  
**SEALING TECHNOLOGIES**  
Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.00 int. vers.  
Registro delle imprese di Torino n. 03731800011  
C.C.I.A.A. Torino REA n. 582955  
Codice Fiscale e Partita Iva n. 03731800011

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735

## General Purchasing Conditions

Revision of 26<sup>th</sup> January 2021

### Acceptance form – Attachment 1

#### General Purchasing Conditions

We hereby confirm to have received, understood and accepted the document “General Purchasing Conditions”, in the edition and revision indicated at the bottom of this document.

For the Company ..... The Legal Representative ..... Date.....

Pursuant to and for the purposes of Arts. 1341 and 1342 of the Italian Civil Code, the following clauses are specifically approved:

2) Prices; 3) Deliveries; 5) Payment; 7) Inspection; 8) Liability; 9) Intellectual and industrial property rights; 10) Continuity of supplies 11) Contracting agreements 12) Machinery, plant and equipment - Supply specifications; 14) Predominant position; 15) Disputes

For the Company ..... The Legal Representative ..... Date.....

#### Software General Purchasing Conditions

We hereby confirm to have received, understood and accepted the document “Software General Purchasing Conditions”, in the edition and revision indicated at the bottom of this document.

19.1) Software ownership; 17.2) Source code; 17.3) Programming and development; 17.4) Warranty; 17.5) Disputes

For the Company ..... The Legal Representative ..... Date.....

Pursuant to and for the purposes of Arts. 1341 and 1342 of the Italian Civil Code, the following clauses are specifically approved: 16.1) software ownership; 16.2) Source code; 16.3) Programming and Development; 16.4) Warranty

For the Company ..... The Legal Representative ..... Date.....

No disclosure to third parties!

**FREUDENBERG  
SEALING TECHNOLOGIES**  
Freudenberg Sealing Technologies s.a.s di Externa Italia s.r.l.u.  
Sede Legale / Amm.va :Z.I. Porporata, Via Ferrua 4  
10064 Pinerolo (TO) Italia  
Cap. Soc. € 3.096.000 int. vers.  
Registro delle imprese di Torino n. 03731800011C.C.I.A.A.  
Torino REA n. 582955

General Partner:  
Externa Italia s.r.l. a socio unico  
Via Ferrua 4, 10064 Pinerolo (TO) Italia

Dati Bancari:  
Deutsche Bank – Ag. E - C.so Siracusa 105 - Torino  
IBAN IT82M0310401005000000031142  
Swift (BIC) DEUTITM1735