

GESTIND S.p.A.



Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



GENERAL CONDITIONS OF PURCHASE- GESTIND SPA

The General Conditions of Purchase represent the General Conditions of Purchase established by Gestind S.P.A. (hereinafter referred to "Client").

These are subordinate to any Particular Condition set forth in the Supply Orders issued by the Client and therefore hold a greater value than the General Conditions.

1 GENERAL

- 1.1 The contractual relationship resulting from the implementation of the order is based on these conditions and those set forth in the order as well as any generic and specific provision regarding the order execution. Therefore, any selling conditions of the Supplier that is in conflict with the aforesaid clauses will not be deemed valid. Waivers and additional conditions will be valid only when agreed upon in writing.
- 1.2 The Supplier must forward its approval by returning the copy of the order which has to be duly signed. Should the Client not receive the copy of it, the supply will be nonetheless accepted along with its general and particular conditions set out in paragraph 1.1.
- 1.3 By taking the order, the Supplier undertakes to abide by any law provision of civil, tax-related, administrative, currency, customs, social security matters etc. And accordingly the Client shall not be held accountable for any misconduct ascribable to the Supplier.
- 1.4 Should serious and clear issues occur that will affect the Supplier's ability to ensure the performance of its commitments or in case of bankruptcy, bankruptcy agreement, extraordinary administration or admission to any insolvency procedure borne by the Supplier or in case of settlement or transfer of the company the Client will be entitled to terminate the contractual relationship via a simple written notice.
- 1.5 Any misconduct put in place by either party that will violate any of the conditions set forth in this contract, will in no case prevent the other party to request the application of the aforesaid clauses.
- 1.6 Any controversy between the parties relating or arising out of this contract will have to be exclusively settled by the Court of Turin under the Italian Law.

2 GUARANTEE

The Supplier shall guarantee that any supply will bear no fault, not even undetectable; the Client shall report an fault or flaw according to the provisions set out in art. 1495 and 1667 at any time.

The provisions set out in paragraph 8 are equally binding.

3 BREACH

Should any of these conditions of supply be violated, the Client will be entitled to hold the sum due to the Supplier for whatever reason to partially covering the compensation for



4 ADVERTISING - TECHNICAL INFORMATION

- 4.1 The Supplier undertakes to not advertise its commercial relationships with the Client, treat all technical, commercial or any type of information he becomes aware of as confidential according to the execution of the order and inform the personnel of such obligation.
- 4.2 Technical information (which, apart from the aforesaid information, include any type of technical or technological information or document as well as models, samples, prototypes, equipment that the Client puts at the Supplier disposal for executing the orders) remain the exclusive property of the Client.
- 4.3 The Supplier also undertakes to return the abovementioned technical information as soon as the contract will terminate or upon the Client's request and enforce the obligations set out in paragraph 4 to any third party involved.

5 INDUSTRIAL PROPERTY RIGHTS

The Supplier grants the freedom to use and market the provided materials both in Italia and abroad and accordingly take all the responsibility towards patent proprietors or any other industrial copyright by indemnifying the Client from any action taken by third parties.

6 SPECIFIC EQUIPMENT - TOLLING MATERIALS

- 6.1 The specific equipment (models, drawings, moulds, electrodes, calibers, control equipment, as well as those similarly defined by the Client etc.) made available to the Supplier by the Client to carry out the order it was granted are deemed loaned (free use) pursuant to art. 1803 and sub. Of the Civil Code. As per the aforesaid Specific Equipment the Supplier shall also: a) register and signed them so that their origin will be clear; b) take all the necessary measures for their conservation and cover all the expenses involved for their ordinary maintenance; c) cover the expenses for the insurance against any risk arising from fire, theft, tampering, vandalism, catastrophes as well as other hazards including losses or damages. In all cases, the Supplier will be held accountable for the loss or deterioration of the Equipment and shall cover the involved insurance expenses; d) promptly notify the Client of any intervention of extraordinary maintenance that shall be agreed and authorized by the Client in writing. Should such occurrence arise out of a fortuitous event or force majeure, fraud, fault, even where feeble, non-fulfilment or any other cause ascribable to the Supplier, its employees, collaborators or third parties, he will have to born the related expenses; e) Allow the Client's appointees to monitor during the working hours the state of conservation and use and the compliance with this Contract.
- 6.2 Obligations set out in paragraph 6.1 are deemed applicable with the needed adjustments based on their nature that may different from that of the Specific Equipment, even to the tolling materials (semi-finished products, raw materials) the Client puts at the Supplier's disposal for carrying out the order.

6.3 the SUPPLIER

- can neither transfer the production to another productive plant nor transfer the production to another supplier,
- Can neither transfer the production to another equipment / mould different than the equipment/mould used on pcs of ppap
- Can neither use a different raw material or other component different than those indicated on drawing or other document object of supplying

GESTIND S.p.A.



Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



➤ can neither change anything in the approved production process without authorization from GESTIND S.p.A.

the SUPPLIER may require A VARIATION at the point indicated above but both the request of the SUPPLIER that the response of GESTIND must be in writing

7. QUALITY AND RELIABILITY OF THE SUPPLIES

- 7.1 The supplied products shall be made in compliance with the technical provisions (drawings, specifications, rules, tables, technical datasheets and any sample put at the Supplier's disposal by the Client).
- 7.2 The Supplier also undertakes to abide by the provisions contained in the specific rules concerning the product category of the supplies of which takes vision and notice.

8 APPROVAL OF SUPPLIES

- 8.1 Without prejudice to the provisions set forth in paragraph 2, the simple delivery of the products shall be considered as an approval only following the assessment and positive outcome made by the regulatory body designated by the Client regarding the qualitative and quantitative compliance of the supplied goods.
- 8.2 Materials exceeding the ordered quantities which will not be needed by the Client will be given to the Supplier even via a phone notice. Should the Supplier not collect them within 10 days from the date of notice, materials shall be returned at the Supplier's expenses and risks. Where the Client does not hold such right, the payment terms of the invoice regarding the exceeding materials will take effect from the agreed delivery date.

9 ACTIONS TO BE TAKEN IN CASE OF FLAWED MATERIALS

Should the Supply delivered by the Supplier reveal, following an audit, flawed and therefore not compliant, the Client will be entitled to request the Supplier to inspect the Supply before the next shipment until the Supplier demonstrates to have implemented his production/testing process to meet the Client's requirements. In case such flaw will be detected before the Supply has entered the production process, the Client will have one or more options such as:

- obtain at the Supplier's expenses the immediate selection and replacement of the Supply and/or the entire batch involved;
- refuse at the Supplier's expenses the entire batch of the Supply without requesting its replacement in case this is not deemed useful by the Client;
- select and recover at the Supplier's risks and expenses the involved supply through additional works in cases of urgency where the Supplier is not able to promptly replace the Supply or where bankruptcy agreements with the Supplier have entered into force.

In case the flaw is detected during or after the materials the use in the production process, the Client, in addition to the above, will be entitled to charge the supplier the operation and replacement costs (assembly and disassembly) of the supply jointly with the cost of any other part or component damaged by the flawed materials.

Should flaws be detected after their output from the production plant of the seats manufactured by the Client and until the expiry of the contractual and/or legal guarantee of the Client towards its final Client, the Client will be entitled to charge the Supplier with the costs deriving from the flaw.

GESTIND S.p.A.



Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



10 RECALL CAMPAIGNS

In case the Client wants to undertake a recall campaign of its own components to replace or repair the flawed materials which might affect the safety of the systems on which the component was assembled, the Supplier shall deliver, with the utmost urgency, with no additional cost for the Client and without suspending or deferring any other scheduled delivery, the needed Supply to enact the recall campaign as well as refunding the purchasing, handling, packaging, shipment and transport for the replacement Supply as well as the costs needed for the substitution and/or repair of materials and the identification of the components involved in the recall campaign.

11 DELIVERIES

- 11.1 The marking , packaging labelling, identification, shipment and transport of goods shall take place in compliance with the Client's instructions.
- 11.2 The delivery of the ordered materials, for the purposes of ascertaining the compliance of the delivery and handling terms of the risk from the Supplier to the Client, happens at the time of the delivery of goods at the Warehouses and/or Production Plants indicated in the Order in case the transport is made by the Supplier.
- 11.3 The delivery terms agreed with the Supplier are detailed in every order and are deemed mandatory.
- 11.4 Should the Supplier anticipate on its own initiative the scheduled deliveries, it is nonetheless noted that payments will be made based on the delivery date established on the Delivery Program.
- 11.5 Should the timely execution of the order be prevented by any circumstance of force majeure, the delivery terms will be extended for the duration of the event of force majeure provided that the Supplier promptly inform in writing, via telegram or fax, the Client of this occurrence and take all the necessary measures to limit the effects.
- 11.6 Should the event of force majeure lead to a delay that is not compatible with the production needs of the Client, this will be entitled to completely or partly terminate the order via a simple written notice to the Supplier.
- 11.7 In case of delays not ascribable to events of force majeure the Client may avail itself of one of the following options:
- a) request the complete or partial order execution, applying a 5% fine for each week of delay without prejudice to the right of compensation for damages;
 - b) being supplied partly or completely by third parties for the ordered materials communicating this to the Supplier and charging it in case of supplementary costs;
 - c) immediately terminate the order and communicating it to the Supplier based on the provisions of art. 1456 of the Civil Code.
- 11.8 Open Order (or Scheduled)

Should the Order involve its execution via an Open Order (or Scheduled), the related methods as well as the mutual obligations undertaken between the parties are governed by the "Particular purchase conditions for Open Orders (or Scheduled)" annexed to the of which they are an integral part and that the Supplier undertakes to agree and sign, as well as the foregoing General Conditions where compatible.

12 TRANSPORT DOCUMENTS, INVOICING AND PAYMENTS

The Supplier shall fill the accompanying documents of goods and invoicing based on the existing tax-related and statutory legislation in a number of copies as requested by the Client.

GESTIND S.p.A.



Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



12.1 Transport Documents

Besides the provisions set forth in paragraph 11.1 the transport document shall include: a) Supplier's name and tax code; b) name and registered address of the Client; c) place of destination (if different from that mentioned in point b); d) number and date of order; e) drawing and description of the product as reported in the order; f) measurement unit and quantity of each shipped batch, number of the packages being part of the batch and any order indication that have to be reported in the order.

12.2 Invoicing

Invoices must be addressed and sent in an original copy, more than a copy for administrative use to the Client's administration office and must include the products being part of a unique order.

They shall equally include: a) Supplier's tax code; b) number and date of the order; c) number and date of the transport document of goods; d) measurement units, amounts and description of the sold products.

Payments will be made based on the conditions set out in the order. Bank drafts and/or receipts will not be accepted unless previously authorized.

Shall the delivery of goods take place in the month following the date of the invoice, payment terms will enter into force since the date of delivery.

In the case the non-compliant goods is to be replaced by the Client, as set out in paragraph 9, the Client is entitled to suspend from the total of payments due to the Supplier, a payment equal to the amount of the goods contested as long as the Supplier has replaced it.

13 PRICES

13.1 Prices indicated in the orders are fixed; price changes on the basis of inherent cost variations of the raw materials of extraordinary and unforeseeable nature or constructive modifications are excluded unless they have not expressly and specifically agreed between the Client and the Supplier in writing.

13.2 The conditions of return will be specified in the Orders by referring to the Incoterm norms in force at the time of the Orders.

14 RETURNS

In case of a termination pursuant to points 1.4, 11.5, 11.6 c), as well as of an interruption due to whatever reason, the Supplier shall immediately return to the Client all the technical information, Specific Equipment and tolling materials (semi-finished and raw materials) and the prototypes.

Stamp and Signature by the Supplier _____

Following their examination, the provisions set forth in paragraphs 1.4, 1.6, 2, 3, 5, 8.1, 8.2, 9, 11.5, 11.6, 12.2 ult. cpv. are expressly approved

Stamp and Signature by the Supplier _____



GESTIND S.p.A.

Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



Specific conditions applying to the Scheduled Supplies (Open Order) GESTIND

- 1.1 This Purchase Order is referred to the Supply Contract signed with You and is deemed valid upon the conditions indicated herein.
- 1.2 The delivery of materials will be made by you in compliance with the instructions and logistic processes indicated in the foregoing Open Order.
- 1.3 Prior to the regular supply, for issuing the approval of Your sampling you must provide us with:
- nr. 10 pieces per product along with their definitive equipment and process;
 - Dimensional certification related to all measures indicated in the drawing;
 - certificate regarding the raw materials used and the performed treatments;
 - complete documentation compliant with the provisions set forth by the PPAP level 3 procedures for requesting the sample approval.
- For further details relating to the shipment of the first sampling and issuing of approval, please refer to the provisions of iso ts 16949.
- 1.4 The following supplies must be delivered with (where applicable) :
- Quality and conformity certificate;
 - Control certificate on the key characteristics specified in the drawing with the abbreviation D and D*, the parameters indicated in the appropriate document "Parameters to be Certified" (annex);
 - Documentation referring to the safety datasheet required by the DL 626/94 for those materials subject to the existing legislation relating to environmental protection, accident prevention and labour medicine.

All this shall be done at the frequency and timing agreed w=by the Parties and always upon any request made by our Suppliers/Quality Inspection Department.

- 1.5 Failing to indicate the number of the Purchase Open Order on your invoices may lead the Sender to refute them.
- 1.6 By accepting this Open Order, You undertake to, in case of any delayed payment on our part in relation to the contractual terms set forth and agreed in this Order, to not charge overdue interests if not previously agreed in writing by both Parties.

Stamp and signature by the Supplier _____



GESTIND S.p.A.

**Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship**



LOAN AGREEMENT

**GESTIND S.p.A.
Registered Office, Plant and Administration
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Companies Register of Turin n° 04448410011
Company and sole Shareholder**

and

BUSINESS NAME :

For the sake of brevity SUPPLIER

FULL ADDRESS *

VAT *

represented by its Legal Representative Mr. . *

* Please full in

agrees and stipulates what follows:

**Section 1
Subject and purposes of this Loan Agreement**

- (1) Any die, mould and tool, assembly jig, calibre and the related accessories (hereinafter referred to as “Equipment”) needed for the manufacturing of the complete hinge for 520 and 334 Projects will be paid by GESTIND SPA, and SUPPLIER acknowledges that the Equipment will exclusively belong to GESTIND SPA.
- (2) The Equipment will remain at the disposal of SUPPLIER on the basis of this Load Agreement exclusively in relation to the manufacturing of parts and products ordered by GESTIND SPA (hereinafter referred to as “materials”). This implies that SUPPLIER is authorized to use the Equipment for the manufacturing of materials requested by GESTIND SPA with specific Purchasing Orders. Only following the written consent by GESTIND SPA, SUPPLIER will have an authorization to transfer the Equipment to third parties.
- (3) SUPPLIER undertakes to mark the Equipment involved in this Agreement by applying distinguishing, clear and readable plates indicating the serial number that will be communicated by GESTIND SPA

**Section 2
Transfer, consent and installation of the Equipment**

- (1) The installation costs of the Equipment, commissioning and installation for the manufacturing of materials addressed to I **GESTIND SPA** will be borne by SUPPLIER



GESTIND S.p.A.

Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship



- (2) As soon as the SUPPLIER accepts the delivery of the Equipment by **GESTIND SPA**, SUPPLIER will undertake to verify if all the involved processing and manufacturing operations are safe and if prevention rules governing the insurance coverage of employees are respected. GESTIND shall not be held accountable for what has been written above.
- (3) For the Equipment installation SUPPLIER will freely provide a well-suited area within its manufacturing facilities.

Section 3 **Maintenance and repairs**

- (1) SUPPLIER undertakes at its own expenses to conserve the Equipment in a good state and repair them as long as this Loan Agreement will be in force, particularly:
 - a) to carefully treat the Equipment and ensure an appropriate level of maintenance;
 - b) To correctly and timely perform or commission the needed reparation works.
- SUPPLIER will have to inform GESTIND SPA if, based on the importance of the repair or maintenance operations, materials will have to be resampled following the foregoing repairs or maintenance operations.
- (2) SUPPLIER will be accountable for any damage made to the Equipment. GESTIND SPA will have to be immediately informed regarding any damage occurred to the Equipment.
 - (3) SUPPLIER must also repair such damages promptly.
 - (4) Should the Equipment be completely destroyed or rendered inoperable and their reparation will turn out uneconomic, SUPPLIER will have to provide new ones at its own expenses and promptly inform GESTIND SPA in writing.
 - (5) SUPPLIER must be nonetheless guarantee to GESTIND SPA the continual delivery of materials in compliance with the delivery planning established by the Logistic Department of GESTIND SPA

Section 4 **Safeguarding of the Equipment**

- (1) SUPPLIER by accepting the Equipment will also take the risk for accidental damages or deteriorations that might occur to the materials. SUPPLIER will also insure at its own expenses the borrowed Equipment against the loss, damaging caused by fire, theft or any similar occurrence for the price of the Equipment to be replaced and for Equipment of similar nature and quality in new conditions for the duration of this Loan Agreement and will provide evidence to GESTIND SPA. The sum insured by whatever insurance policy already stipulated by SUPPLIER shall be accrued by the value of the Equipment being part of this Loan Agreement.
- (2) GESTIND SPA and SUPPLIER agree that any claim for compensation arising out of the insurance policy and SUPPLIER acquires following the loss or damages of the Equipment, will as of now be (or at the latest once the requests arise) assigned to GESTIND SPA. At SUPPLIER will therefore provide GESTIND SPA with any necessary tool to enforce such claims.
- (3) With a simple telephone notice, GESTIND SPA will be entitled to inspect the Equipment at any time within the premises where they are stored by SUPPLIER

Section 5 **Duration of this Loan Agreement**



GESTIND S.p.A.

**Registered Office, Plant and Management
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 lines r.a.)
Fax 0039-011-963.73.08/963.77.53
Register of Companies of Turin n° 04448410011
Share Capital Euro 2.184.000 i.v.
Sole Proprietorship**



- (1) The Loan Agreement enters into force once it is signed by both GESTIND SPA and SUPPLIER
- (2) This Loan Agreement will end, with no need of a written cancellation notice, as soon as the Supplying Agreement for the materials for which the Equipment were used will terminate, namely as soon as the Open Purchasing Order by GESTIND SPA will expire.
- (3) GESTIND SPA is also entitled to immediately cancel this Contract in case conditions of “good cause” are applicable. “Good cause” shall mean:
 - a) SUPPLIER violates the obligations deriving from this Loan Agreement, particularly by transferring the Equipment to third parties or using them for its own or third parties’ production purposes or fail to respect the maintenance or repair deadlines and in any case if it keeps violating the conditions set forth in this Agreement despite the reminders within 5 working days.
 - b) SUPPLIER interrupts payments or bankruptcy agreements are initiated with reference to the company’s assets or a settlement order is made..
 - c) A competitor of GESTIND SPA becomes shareholder or has a considerable impact on the Management of SUPPLIER
 - d) SUPPLIER has any delay on the delivery of specific items against the schedule forwarded by GESTIND SPA, the quality of the items delivered to GESTIND SPA is considered by the company itself as “LOW QUALITY”.
- (4) The termination of this Agreement will be notified to SUPPLIER in the form of a written document.

**Section 6
Termination of the Agreement**

- (1) At the termination of this Loan Agreement, SUPPLIER shall return the Equipment to GESTIND SPA or any third party nominated by GESTIND SPA in good conditions, with no delays and guarantee to GESTIND SPA the repossession of their Equipment. Any cost deriving from the return of the Equipment, unless otherwise agreed, will be borne by SUPPLIER .
- (2) SUPPLIER will have no right to retain the Equipment, refuse obligations or make any legal claim regarding the Equipment involved in this Loan Agreement (which would delay or render the possession of the Equipment vain),neither while the Agreement is in force nor upon its termination.

BRUZOLO,

READ AND SIGNED FOR ACCEPTANCE

by GESTIND SPA

by SUPPLIER

GESTIND S.p.A.



Sede Legale, Stabilimento e Direzione
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 linee r.a.)
Fax 0039-011-963.73.08/963.77.53
Registro Imprese di Torino n° 04448410011
Capitale Sociale Euro 2.184.000 i.v.
Società ad Azionista Unico



GESTIND S.p.A. (hereinafter referred to as **GESTIND**) with Registered Office, Planat and Management in BRUZOLO 10050 (TO) – Strada Statale 25 Km. 41 Register of Companies of Turin n° 04448410011, Sole Proprietorship,

and

BUSINESS NAME : *.....,

For the sake of brevity SUPPLIER

FULL ADDRESS

*.....,

VAT

*.....

represented by its Legal Representative Mr. .*.....

*** Please full in**

whereas:

- a) **GESTIND** operates in the field of planning, development, manufacturing and marketing of headrests ,armrests and the related components, mainly in the automotive industry and is headquartered in Bruzolo(TO)
- b) **GESTIND** is highly committed to manufacture highly safe and reliable products along with competitive prices and services;
- c) **THE SUPPLIER** believes it can contribute to the manufacturing of such interest held by **GESTIND** paving the way for a supplying relationship between the **SUPPLIER** and **GESTIND**;
- d) **GESTIND** and **THE SUPPLIER** mutually agree that the current organization of the automotive sector requires organizational integration systems between supplier and client and therefore requires them to hold a high level of cooperation;
- e) **GESTIND** needs to purchase parts and components (hereinafter referred to as **MATERIALS**) for the components intended for vehicle produced by FCA Group ;
- f) **THE SUPPLIER** holds specific technical and professional abilities both in terms of qualified personnel and means or machinery of its own property suited to meet the needs of **GESTIND**;
- g) **GESTIND** requests the **SUPPLIER** the supply of **MATERIALS** as described here above and the **SUPPLIER** accepts the conditions set out herein;

In view of the above, by means of this Supply Contract the parties

AGREE and STIPULATE

1 - **PREAMBLE**: The Preamble is an integral part of this Supply Contract.

2 - **PURCHASE PRICE**: the purchase price of the **MATERIALS** being involved in this Supply Contract is that indicated in the **Price List of Purchase**, hereby attached and representing an integral part of the Contract in all its parts and contents



GESTIND S.p.A.

Sede Legale, Stabilimento e Direzione
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 linee r.a.)
Fax 0039-011-963.73.08/963.77.53
Registro Imprese di Torino n° 04448410011
Capitale Sociale Euro 2.184.000 i.v.
Società ad Azionista Unico



to be deemed valid from the beginning of the production to the moment the vehicle will be ready.

The annual volume specified in the Price List of Purchase constitutes a mere indication and therefore is subject to amendments based on the requests of Gestind's Final Client and the SUPPLIER will have no rights to make claims.

3 - ANNUAL EFFICIENCY PLAN (L.T.A.): from one year SOP, a plan aimed at reducing prices based on the indications of the Price List of Purchase will be enacted. Such prices are fixed and will enter into force from the dates specified in the Price List of Purchase; price variations based on subsequent amendments of raw materials costs of extraordinary and unforeseeable nature or technical/constructive variations are excluded unless they have been specifically and expressly agreed between GESTIND and THE SUPPLIER in writing. GESTIND is nevertheless entitled to periodically verify the competitiveness of the prices set by the SUPPLIER for the supply of MATERIALS. Such condition shall be considered essential for the validity of this Supply Contract.

4 - EQUIPMENT: the purchase price by GESTIND for the equipment needed for the production of MATERIALS involved in this Supply Contract (matrices, moulds, control calibers and related accessories) is indicated in the List **Loan Agreement for the Equipment** to the SUPPLIER whose text is attached to this Supply Contract.

The production capacity of such equipment shall guarantee the daily volume indicated in the **List of Equipment** annexed to the aforesaid Loan Agreement. Before proceeding with the manufacturing of the equipment, the SUPPLIER will have to submit the following documentation to the Industrial Department of GESTIND to obtain their approval:

- Progress plan for the construction of every equipment for its correct monitoring;
- Specific document relating to the expense curve to highlight the potential economic impact of possible amendments that might affect the project.

It is nevertheless agreed that the SUPPLIER will accept any modification to the project related to each MATERIAL without requesting additional costs to GESTIND provided that they are communicated to the SUPPLIER within 20 working days from the signing of this Supply Contract and that the geometric configuration of the amended MATERIAL does not involve the variation of the size expected by the mould or the addition of other working steps.

The duration of the equipment shall guarantee a production cycle lasting at least 10 years from the the beginning of the production cycle based on the annual volumes expected and indicated in the Price List of Purchase and another 10 years to ensure the regular supply to GESTING of the MATERIALS represented by the spare parts.

5 - PAYMENT: the payment of the MATERIALS provided by SUPPLIER will take place according to what is established between the parties and indicated in the closed orders or program, but only by bank transfer. The payment of the equipment provided will take place as established between the parties and indicated in the orders but only by bank transfer

6 - RETURN: The return conditions will be specified within the Orders with a reference to the Incoterm rules in force at the time Orders are made.



GESTIND S.p.A.

Sede Legale, Stabilimento e Direzione
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 linee r.a.)
Fax 0039-011-963.73.08/963.77.53
Registro Imprese di Torino n° 04448410011
Capitale Sociale Euro 2.184.000 i.v.
Società ad Azionista Unico



7 - **PACKAGING:** generally, the packaging unit will be described by a packaging sheet agreed between the parties.

8 - **SUPPLIES:** single supplies will take place against specific Open Orders including the **Particular Conditions valid for the Scheduled Supplies** attached to this Supply Contract and in compliance with the logistic instructions indicated in the specific document **Schedule Agreement** attached to this Supply Contract. The supply scheme must comply with the following flow and management methods:
- multi-weekly or weekly delivery flow with delivery to our factory by means of a suitable vehicle during the hours agreed with our logistic dept.

9 - **SAMPLING:** before proceeding with the serial delivery of MATERIALS, THE SUPPLIER shall send GESTIND a sampling including all the documentation required by the PPAP - Level 3 procedures.

10 - **DELIVERIES:** the sampling of MATERIALS shall be made with the definitive equipment and production processes and the delivery shall be scheduled by and no later the timing indicated in the List of Equipment for the completion of the first mould of every MATERIAL. From the first week of delay, GESTIND is entitled to apply a fine equal to 5% on the overall amount of the involved equipment; from the second week of delay and until the fourth, a further fine of 1.0% per week will apply with a maximum penalty equal to 10% on the overall amount of the equipment. If the delay should exceed a period of four weeks, GESTIND will be entitled to supply the MATERIAL to other suppliers by charging the SUPPLIER any added fee against the agreed prices.

11 - **QUALITY :** the key contractual requirements that must be met by the SUPPLIER in terms of product quality, process and service are indicated in the ISO TS described in the attached rules for quality management. On an annual basis, GESTIND will communicate to the SUPPLIER the quality objectives for the MATERIALS involved in this Supply Contract both in terms ppm of returned pieces and performance index (compared to the VENDOR RATING send every year). Bearing in mind the type of materials the SUPPLIER will supply these are 70 ppm. Such quality objectives in the coming years will be redefined towards a process of continual improvement. Failing to comply only one of these goals may result in, apart from the pre-set charges for any extra cost incurred by GESTIND, a reduction of the supply amount assigned to the SUPPLIER until the termination of the Supply Contract. Based on the timing indicated on the document **Parameters to be Certified**, annexed to this Supply Contract, THE SUPPLIER will send the certification regarding the parameters listed and referred to the type of MATERIALS involved in this Supply Contract.

12 - **GUARANTEE:** the supply of the MATERIALS involved in this Contract is deemed guaranteed for a period equal to 36 months (thirty-six months) from the date of delivery; therefore all the characteristics specified on the technical drawings of the MATERIALS shall remain unaltered during the aforesaid period.

13 - **PRODUCTS LIABILITY:** in case, at any given moment, our final Client or third parties contest GESTIND the non-compliance with the rules relating to safety, health and environmental protection and/or constructive rules in case of alleged flaws, the SUPPLIER, unless otherwise stated, shall indemnify GESTIND towards the competent authority and/or the allegedly damaged third party.

GESTIND S.p.A.



Sede Legale, Stabilimento e Direzione
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 linee r.a.)
Fax 0039-011-963.73.08/963.77.53
Registro Imprese di Torino n° 04448410011
Capitale Sociale Euro 2.184.000 i.v.
Società ad Azionista Unico



For this purpose, THE SUPPLIER shall pay attention to the annexed **Letter** related to the Quality Documentation of Products holding additional documentation requirements.

14 - VALIDITY OF THE SUPPLY CONTRACT: the supply of the MATERIALS involved in this Contract shall be deemed assigned to the SUPPLIER from the date the production cycle will start to the end of the order, except for the right of GESTIND to make use of the clauses provided for in points 3 and 11 above and subsequent points 14 and 15, or except for changes to the project by our final Customer.

15 - TERMINATION OF THE SUPPLY CONTRACT DUE TO NON-FULFILMENT: GESTIND shall be entitled to terminate the Supply Contract in case the SUPPLIER will be in default for any obligation deriving from the Contract, GESTIND shall notify it in writing such breach to the SUPPLIER assigning it a reasonable term and it will have not complied with such term.

16 - GESTIND'S RIGHT TO TERMINATE THE CONTRACT: GESTIND shall be entitled to terminate this Supply Contract via a simple written communication if:

- The SUPPLIER will not be in the position for whatever reason to meet the obligation (like, by means of example, in case of delayed or missing payments towards employees, social security bodies, tax agencies, suppliers or banks, bill protests, movable/immovable executions, revocation of licenses or authorizations, preparatory acts and/or initial acts of voluntary winding-up procedures, request of pre-bankruptcy or extrajudicial bankruptcy procedure or controlled or judicial administration, bankruptcy, etc.);
- The execution of this Supply Contract is interrupted for a period longer than 5 (five) working days due to the interruption for whatever reason of the regular SUPPLIER'S activity.

17 - SUPPLIER'S RIGHT TO TERMINATE THE CONTRACT: f SUPPLIER, during the validity of the Supply Contract, no longer is in agreement with the content of the same due to emerging force majeure, shall be entitled to terminate this Agreement by giving written notice to GESTIND.

In this case, SUPPLIER, from the date of written communication, undertakes to guarantee, for a period of at least 6 (six) months, the continuity of covering supplies and to guarantee the production of establishments GESTIND to which it is bound.

18 - SPARE PARTS: with the acquisition of this Supply Contract, to GESTIND SUPPLIER will ensure the supply of MATERIALS also in terms of spare parts in the quantities and time required to meet collateral requirements and after-sales GESTIND, in accordance with the best standards of the final customer satisfaction, until the expiry of the tenth year from the date of termination of employment of MATERIALS as standard equipment products. Its supply prices will be agreed on the basis of the last price paid for Materials series.

19- INTEGRAL DOCUMENTS TO SUPPLY CONTRACT: an integral part of this Supply Contract, in addition to all the above Annexes, the designs already at your hands with the technical specifications mentioned in them as well as math for the construction of molds and equipment.

GESTIND S.p.A.



Sede Legale, Stabilimento e Direzione
10050 BRUZOLO (TO) – Strada Statale 25 Km. 41
Tel. 0039-011-963.72.75 (6 linee r.a.)
Fax 0039-011-963.73.08/963.77.53
Registro Imprese di Torino n° 04448410011
Capitale Sociale Euro 2.184.000 i.v.
Società ad Azionista Unico



20 - GENERAL CONDITIONS OF PURCHASE: GESTIND and SUPPLIER agree also that this Supply Contract is integrated in the enclosed General Conditions of Purchase, prepared by GESTIND, where the latter do not conflict with the content of the individual agreements of the same Supply Contract which prevail always on the individual terms and conditions.

21 - IMPLEMENTATION OF THE SUPPLY CONTRACT: this Supply Contract is implemented through the joint signing of this contract document and the acceptance by SUPPLIER of the specific Open Orders issued by GESTIND.

22 - COMPETENT COURT: all disputes arising out of this Supply Contract, including the interpretation and enforcement of individual agreements will be deferred exclusively to the Court of Turin.

Bruzolo,

READ AND SIGNED FOR ACCEPTANCE

BY GESTIND

BY THE SUPPLIER

Name
Qualification
Date

(Name of Supplier)

Subject: Quality Documentation for products with additional documentation requirements -Letter.

Dear Supplier,

to improve the safety of technical products, protect the environment and increase the end user's safety, several nations have issued new laws according to which, should damages occur, the manufacturer of a faulty product or of any product that has caused a damage must provide evidence that all necessary measures have been taken (tests/checks) in order to defend itself, in line with the state of the art to ensure that there are no flaws.

For such purposes, it is necessary to maintain an appropriate "Documentazione della Qualità del Prodotto".

An adequate Documentation of the Product Quality is also required in the following cases:

- To abide by the existing international regulations ISO 9000-9004 (EN 29000 - 29004), ISO 10011, ISO/TS 16949;
- In case of recall campaigns based on statutory requirements;

and therefore fall under your legal and economic interests.

The term "Documentation on Product Quality" shall mean the planning and execution of the Quality Management that characterizes the product (e.g. drawings, specifications, audit plans, audit and working instructions), quality registrations (e.g. process capability tests, quality control charts and measurement reports signed by the executor) as well as procedures of auxiliary materials and corrective actions applied to ensure the product quality.

Within GESTIND SpA specifications (drawings, quality agreements, regulations, etc..), you will have to define the characteristics to be controlled and documented and such characteristics shall be exclusively intended as minimum requirements which have to be extended in case, based on your experience, this will be deemed necessary.

This is because You hold a specific experience and knowledge of the production and management of the level of quality of the products you manufacture and therefore you must indicate any feature that may have an impact the safety and correct working of the product you manufactured.

Furthermore, laws also establish that the supplier is responsible for the quality of products used for its own purpose and make available all the

necessary information regarding the use of products supplied with reference to their use even for the involved effects.

Our Product Development Department and the Quality Manager are at Your disposal for more detailed information on your intended use of the product you supplied us.

Should you believe that Your product is not suitable for the planned functionalities or suited upon certain restrictions, we ask You to inform us promptly.

By writing this note, Gestind intends to focus Your attention on the fact that You will be still accountable for the production of flawed products which are part of any signed agreement and/or purchasing orders you were assigned.

Any inspection, made by your collaborators, or acceptance of Gestind specifications, do not exempt you from Your responsibilities.

The products you supplied (individual components, subgroups of parts, entire components or semifinished products) therefore require an adequate Documentation of Product Quality which shall be maintained during a sufficient period of time.

After an assessment of the legal and actual situation, we came to the conclusion that products requiring additional documentation and quality registrations must be remain in their original copies or any other permanent form according to art. 13 and 14 of Directive CEE n. 85/374 on the Responsibility of Flawed Products locally regulation with Presidential Decree n.224 of 24/05/1988.

In accordance with the foregoing Directive, the period during which you should keep your documents on file is of 15 years from the shipment.

Such period also includes the legal time to make a claim on the product by those who suffered the damage (Final Clients, third party users, etc...).

Should You want to rely on subcontractors for manufacturing purposes, you will have to make sure that they will abide by all the provisions described herein.

Kind Regards

Gestind SpA

Bruzolo,

Stamp and Supplier's signature _____