

General Terms and Conditions of Purchase

May 2023 Edition

Bystronic Tube Processing S.p.A

Info.tube@bystronic.com

www.bystronic.com



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General provisions

1. These General Purchase Conditions ("General Conditions") govern all purchase agreements between Bystronic Tube Processing, ("BYSTRONIC") and its suppliers ("SUPPLIER"). Unless agreed otherwise, they shall form an integral and substantive part of any request for a quote, order and contract. The General Conditions cannot be amended or supplemented without a specific written agreement between BYSTRONIC and the SUPPLIER.
2. The General Conditions of sale of the SUPPLIER that appear in the latter's quotes or order confirmations are excluded from this agreement, even where BYSTRONIC does not expressly oppose them.

Quotes

3. Quotes shall be issued by the SUPPLIER free of charge.
4. Goods will be prepared on the basis requests made by BYSTRONIC. Any discrepancies between offers and requests must be clearly reported by the SUPPLIER.
5. Unless agreed otherwise, quotes shall be valid for a period of 3 months.

Conclusion of contracts

6. A supply contract will only be deemed to have been concluded following a written confirmation by BYSTRONIC of the written order received by the SUPPLIER. Any discrepancies between the order confirmation and the order itself must be reported.
7. In the event of BYSTRONIC not receiving an order confirmation from the SUPPLIER within no more than 3 days of the date of the order itself, the contract will be deemed to have been concluded on the basis of the conditions set forth in the order, including these General Conditions.
8. The delivery timeframes established in the framework supply plan will become binding for the SUPPLIER starting from the date upon which the latter receives a request.

9. BYSTRONIC shall have the right to cancel an order without any charges prior to the conclusion of the contract.

10. Unless agreed otherwise by the parties in writing, the prices shown in the order are deemed to be fixed. In the event of orders with no price details, or orders containing simple suggestions, the SUPPLIER's order must be expressly accepted by BYSTRONIC.

Documents

11. Drawings, calculations, moulds, samples and all documentation provided to the SUPPLIER shall remain the exclusive property of BYSTRONIC. Without the written authorisation of BYSTRONIC, the above-mentioned documents may not be brought to the attention of third parties or used to produce third-party products. All intellectual and industrial property rights shall be retained by BYSTRONIC. At the request of the latter, all documents shall be returned to it and any copies must be destroyed.

12. All devices, instruments, contraptions, models, moulds, etc, that are supplied or paid by BYSTRONIC shall remain the latter's exclusive property and shall be marked as such. They must be stored in a suitable manner, subject to regular maintenance and insured against any possible damage and loss. Moreover, they must not be amended, destroyed or used by third parties without the prior written authorisation of BYSTRONIC. Any right of retention by the SUPPLIER is expressly excluded.

Subcontracting

13. The goods supplied by BYSTRONIC for working processes shall remain its exclusive property. Orders relating to working and finishing processes must be carried out in strict compliance with specifications and the standards specified by BYSTRONIC. Products that are supplied shall be insured against potential damages and losses.

14. The SUPPLIER cannot exercise any right of retention over goods supplied by BYSTRONIC.

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The Bystronic logo is located in the top right corner of the page. It consists of the word "Bystronic" in a white, sans-serif font, positioned above a red square. Inside the red square, there is a white, stylized graphic of a tube or a series of parallel lines that form a grid-like pattern, suggesting precision and industrial manufacturing.

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15. The SUPPLIER is responsible for improper use, storage, damage to and losses of the goods.

Delivery

16. Unless agreed otherwise, deliveries shall be made DDP customs cleared, excluding VAT, (in accordance with Incoterms 2010) to the destination place specified in the order.

17. The quantities of goods delivered must correspond to the quantities detailed in the orders. Partial or early deliveries will only be permissible if this has been expressly authorised by BYSTRONIC.

18. The delivery date will be deemed to have been respected when goods reach the destination place on the scheduled date.

19. The agreed delivery date is binding. BYSTRONIC must be promptly informed of any delay.

20. In the event of the delivery times not being respected, the SUPPLIER will be deemed in breach ipso iure. In such cases, BYSTRONIC will have the right to request a penalty equal to 2% for each week or part of a week's delay- for a maximum total of 10% of the value specified in the order.

21. The SUPPLIER will also be required to compensate BYSTRONIC for all possible damages deriving from delays in the delivery. This shall also apply for all costs sustained by BYSTRONIC and which derive from a failure to respect the instructions, incomplete or delayed delivery of requested transport documents or delivery errors. Once any extension of the delivery timeframes granted to the SUPPLIER has elapsed without the goods being delivered, BYSTRONIC will have the right to: demand contractual fulfilment, ask for the compensation of damages for the additional delay or cancel the order definitively.

Delivery, transport, packaging, invoicing and payments

22. Every delivery must be accompanied by a delivery note. The delivery note and the

respective invoice must always include the following details:

- a.** complete order number
- b.** name of the BYSTRONIC contact person or recipient
- c.** BYSTRONIC product code
- d.** description of the goods
- e.** quantity and unit price of the goods being delivered
- f.** details regarding the partial delivery or delivery of goods from a previous order
- g.** production date
- h.** country and region of origin
- i.** customs tariff code (statistical nomenclature)

each item must have a label or other clearly visible system of identification.

23. A single invoice shall be issued for each order. VAT must be specified separately. Invoices should also specify whether they relate to partial deliveries or the delivery of goods from a previous order.

24. The payment terms shall become effective from the date an invoice is received but not before the delivery date of the goods in a perfect condition.

25. In the event of BYSTRONIC agreeing to make a contribution towards the expenses for the production of moulds, models and equipment, the respective payment shall be made by BYSTRONIC only once it has been established that these products function correctly.

26. For ex-works deliveries from abroad, made on the basis of a specific agreement between the SUPPLIER and BYSTRONIC, BYSTRONIC must be provided with the respective instructions sufficiently in advance.

27. If the SUPPLIER is responsible for transport, it shall also be responsible for any damages to the goods during the delivery, including damages deriving from loading and unloading attributable to unsuitable packaging.

Transfer of risks and ownership

28. Risks and ownership shall be transferred to BYSTRONIC only once the latter has accepted the goods in the agreed destination place.

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Warranty and responsibility

29. The SUPPLIER represents that the goods shall comply with the promised requirements, shall not have defects which limit their value or reduce their suitability for the established uses; the goods shall also correspond to the requested performances and specifications, and be of impeccable quality. The goods must be compliant with the applicable regulations of the place in which they shall be used – if the above regulations have been made known to the SUPPLIER – and, specifically, must comply with applicable EU directives. The SUPPLIER shall be fully responsible for the product characteristics and deliveries made by its subcontractors.

30. Goods must be inspected by the SUPPLIER prior to delivery. BYSTRONIC is not required to examine and present complaints for defects identified upon its receipt of the goods. The only exception in this regard shall be for any evident external damage caused during transportation, which must be notified to the SUPPLIER within ten days.

31. The warranty period shall be twenty-four months starting from the installation date of the machine. The duration of the warranty may be changed in accordance with the law or on the basis of agreements between the parties.

32. The delivery of defective goods shall give BYSTRONIC the right to request the replacement or repair of such defective goods at the expense of the SUPPLIER. In cases of particular urgency or in the event of the SUPPLIER being unable to quickly eliminate the defects reported in the complaint, BYSTRONIC shall have right to carry out, directly or through third parties, any necessary interventions, and will have the right to receive a reimbursement of the respective costs from the SUPPLIER. If the SUPPLIER does not repair the goods before the deadline established by BYSTRONIC, or, in the event of a repair not being successful, BYSTRONIC shall have the right to cancel the order.

33. BYSTRONIC will also have the right to ask for the correction of production defect in compliance with the rights set forth in

paragraph 32. On the basis of this right, BYSTRONIC may:

a) ask the SUPPLIER to replace at its own expense an entire batch of goods with a new batch that shall have no defects, regardless of whether individual items are themselves defective; or

b) ask the SUPPLIER to check each individual product being delivered and replace or repair at its own expense any products found to be defective.

34. The warranty period for goods that are replaced or repaired shall be 24 months.

35. The acceptance and payment of goods by BYSTRONIC shall not prevent the latter from being able to present complaints on defective articles which are discovered at a later date.

36. In the event of inability to recover or replace the goods, BYSTRONIC reserves the right to recover the amount paid for the payment of the supply(s) including by offsetting against amounts otherwise due.

37. The prior approval by BYSTRONIC of drawings, calculations, etc. presented by the SUPPLIER shall not limit in any way the warranty rights of BYSTRONIC.

38. The SUPPLIER shall ensure the delivery of spare parts for at least ten years after the date of the last delivery of goods.

39. On condition of BYSTRONIC providing appropriate notice, the latter shall have the right to conduct an audit in the premises of the SUPPLIER or its subcontractors.

CE Conformity

40. Goods that are delivered must be compliant with the applicable regulations pertaining to safety. As a general rule, where possible, compliance is required with CE and UL/CSA regulations. In particular, the goods that fall within the scope of one or more EU directives must be compliant with said directives and regulations. This applies in particular for the Machinery Directive 2006/42/EC, the Low Voltage Directive 2014/35/EC and the Electromagnetic Compatibility Directive 2014/30/EC, and as amended. It shall be the responsibility of the SUPPLIER to establish which directives are applicable.

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The SUPPLIER undertakes to provide BYSTRONIC, following a request by the latter, with the necessary documents for assessing compliance. If the SUPPLIER refuses to satisfy such requests, BYSTRONIC shall have the right to request compensation for damages deriving from a breach of contract.

Property rights

41. The SUPPLIER represents that the use of the goods does not infringe third-party rights over patents or other industrial property rights. The SUPPLIER also undertakes to indemnify, hold harmless and compensate BYSTRONIC against any request deriving from third-party claims.

Product liability

42. If the liability for a defective product is attributable to the SUPPLIER, the latter undertakes to hold harmless and compensate BYSTRONIC against any request for damages by third parties.

43. The SUPPLIER is required to inform BYSTRONIC of any defects or risks deriving from the use of products it supplies and which are purchased by BYSTRONIC. In the event of BYSTRONIC being forced to inform its customers or withdraw products because of defects in goods delivered by the SUPPLIER, the latter shall compensate BYSTRONIC for any costs it has to bear, irrespectively of whether it is at fault.

44. The SUPPLIER undertakes to take out a product liability insurance with global coverage for damages to people/objects and for any installation and removal costs. The upper limit of the SUPPLIER's insurance policy shall not limit in any way requests for damages by BYSTRONIC.

Ethical principles

45. In carrying out its activities and actions and with regard also to subcontractors and any additional commercial partners, the SUPPLIER undertakes to guarantee compliance with fundamental ethical principles, in particular, compliance with applicable local laws and the Universal Declaration of Human Rights relating to

forced labour, child labour, discrimination of employees, environmental rules and regulations, and corruption.

231 Clause

46. With reference to the performance of the activities covered by the Contract, the Supplier declares that it knows and respects the principles set forth in Legislative Decree 231/01, as amended (the "Decree"). In this sense, the Supplier undertakes to ensure that its directors, employees and/or collaborators do not engage in acts or conduct that may lead to the commission, even attempted, of the offenses referred to in the Decree.

47. The Supplier acknowledges the adoption by Bystronic Tube Processing S.p.A. of an Organization, Management and Control Model in accordance with this legislation as well as the Code of Ethics, a document this made available on the Company's website www.bystronic.com.

48. The Supplier undertakes to fulfill its obligations under the Contract in compliance with the provisions of the Decree and the provisions of the Code of Ethics, obliging in this sense its directors, employees, collaborators, subcontractors to comply with these provisions.

49. Compliance with the provisions of the Decree and the Code of Ethics is an indispensable element of our relationship. Failure on the part of the Supplier to comply with any of the provisions of the Decree or the Code of Ethics, will result in a serious breach of obligations under this contract and will entitle the Company to terminate the same with immediate effect, pursuant to and for the purposes of Article 1456 of the Civil Code, without prejudice to compensation for any damages caused to the Company.

50. In case The Parties acknowledge that they have each adopted an Organization, Management and Control Model pursuant to Legislative Decree 231/01, a Code of Conduct and appointed a Supervisory Board. The Supplier's Code of Conduct shall be made available.

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51. The Parties undertake, to the extent of their competence, to comply with and enforce compliance with their respective Code of Conduct by their senior and subordinate personnel.

52. Violation of the rules set forth in their own Code of Conduct and, more generally, of Legislative Decree 231/2001 will constitute a serious breach of contract and each Party may terminate this contract and claim compensation for the damage caused by the other, with notice to be sent by [registered letter with return receipt/PEC] to the elected domicile. The termination will take effect ten days from the date of receipt of the notice.

Confidentiality

53. The SUPPLIER undertakes to treat as confidential all information regarding its commercial relationship with BYSTRONIC which are not in the public domain or freely accessible and undertakes not to use the above confidential information for its own aims or for purposes beyond the scope of the contractual relationship. The confidentiality obligation must also be observed prior to the conclusion of the agreement and shall remain in force even after the termination of the contract. In

the event of the SUPPLIER wishing to use the information about the contractual relationship for its promotional or advertising purposes, it must ask for the prior written authorisation of BYSTRONIC

Amendments to the agreement

54. Any amendment or supplement to the agreement between the SUPPLIER and BYSTRONIC must be made in writing. The invalidity of any individual clauses in these General Conditions shall not result in the remaining clauses being invalid.

Force majeure

55. The parties shall not be considered to be in breach of their contractual obligations in the event of situations of force majeure.

Jurisdiction

56. For any dispute arising from or connected to these conditions, for Bystronic Tube processing S.p.A., shall have exclusive jurisdiction of Court of Brescia with agreed and express exclusion of any other competing or alternative Court.