

**Article 1. PURPOSE AND EFFICACY OF THE GENERAL TERMS AND CONDITIONS**

1.1 These General Terms and Conditions discipline and apply to all the Contracts for the supply of goods or provision of services, which will take place between the Parties.

1.2 The General Terms and Conditions therefore represent an integral and essential part of the Contract, this being understood to be both the Contracts concerning specific supplies, the long-term contracts or, in any event, those relating to periodic or on-going services or concerning more than one service, and the individual services carried out further to the acceptance of the Order.

1.3 Any departures from the content of the General Terms and Conditions will only be effective if formalised in writing in the Order or in another document expressly intended to depart from the provisions of the General Terms and Conditions.

1.4 These General Terms and Conditions cancel and replace any previous General Terms and Conditions which may discipline the dealings between the Parties, and will be applicable to the Contract.

1.5 Any General Terms and Conditions of the Supplier will not be applicable and any reference to the same contained in any document originating from the Supplier will be considered to be ineffective and not appended, even if contained in proposals or quotations of the Supplier accepted by Spal, without therefore it being possible that said reference be valid for taking on the form of a counter proposal.

1.6 Spal shall have the faculty to amend and replace these General Terms and Conditions, subject to agreement between the Parties.

**Article 2. THE CONTRACT**

2.1 The Contract must be understood as comprising (i) the Purchase Order, (ii) the Special Terms and Conditions of Purchase, (iii) these General Terms and Conditions, and (iv) any attachments to these General Terms and Conditions.

2.2 The afore-mentioned sequence corresponds to the effective hierarchical relationship between the various documents in their entirety making up the Contract, to which reference should consequently be made

also in order to establish which provisions must prevail in the event of conflict between the corresponding provisions of the afore-mentioned documents.

The Supplier will be obliged to fully execute the obligations which the Contract envisages are its responsibility and, also, to accomplish any additional activity necessary or simply opportune for the best execution of the same.

### **Article 3. REFERENCE DOCUMENTS**

3.1 The provisions of this article list the documents which, if duly signed, will form an integral part of these General Terms and Conditions. The documents are listed below:

- Code of Ethics
- ALL 5-1-1 Supplier Quality Manual
- Logistics Agreement
- Confidentiality Agreement

All the documents listed, with the exception of the Confidentiality Agreement, are available on the Spal website: [www.spalautomotive.com](http://www.spalautomotive.com) .

### **Article 4. COMPLIANCE WITH THE CODE OF ETHICS**

4.1 The Supplier duly notes that the performance of the same implies and requires the full observance of the standards of the Spal Code of Ethics, by both the Supplier's staff and by its contracting parties for any purpose.

4.2 The Code of Ethics ratifies the principles which Spal applies to the management of its activities and its dealings with the contractual Parties and third parties.

4.3 The Supplier declares that it is well aware of the Code of Ethics further to viewing the same on the Spal website and therefore undertakes, in relation to the execution of each order, to handle its activities in observance of all the principles, values and commitments, as expressed in the Spal Code of Ethics.

**Article 5. ORDERS AND ORDER CONFIRMATION**

5.1 The purchase orders will have to be formulated in writing.

5.2 Any amendments made to the Spal orders by the Supplier will not be considered valid and effective, unless specifically accepted in writing by the latter.

5.3 The Supplier shall have to send the order confirmation in written form for each purchase order.

5.4 If the Supplier does not confirm the order in written form by the established deadline, Spal Automotive shall have the right to cancel and revoke the same, subject to its full right to obtain the integral compensation of all the damages suffered and to be suffered, both contractual and otherwise, consequent to the failure of the Supplier to promptly accept the order.

5.5 Spal Automotive may revoke and cancel any order, at any time, if the Supplier finds itself in a state of insolvency or economic difficulty such as to place doubt on the due performance of the delivery and further still when, vis-à-vis the same, executive procedures have been taken, none excluded, or the same Supplier has been admitted to any bankruptcy proceedings.

**Article 6. PRICES**

6.1 The prices indicated in the Contract, since they have been agreed on by the parties, are understood to be fixed and not liable to increase, irrespective of the changes in the prices of the goods or the services offered and the labour costs which may occur before the delivery of the goods or the supply of the service, unless agreed otherwise between the parties.

6.2 In the event of request by the supplier for a price increase, SPAL may at any time decide to cancel said order, without having to pay anything to the supplier. In any event, any additional costs requested by the Supplier will be paid by Spal only if approved in advance and proven in written form by the latter.

6.3 Unless agreed otherwise between the parties, the prices will have to be understood as rendered DDP (INCOTERMS 2000 and subsequent amendments) care of the Spal factory specified in the order.

The goods will travel, therefore, at the risk and peril of the Supplier (without any limitation to its liability), who will have to undertake the transportation and the related costs, as laid down by the Incoterm provisions.

6.4 At the time of delivery, the Goods will have to be accompanied by all the documentation laid down by all applicable legislation and by any additional documentation envisaged by the Contract.

6.5 Furthermore the Goods will have to be suitably packaged and sealed so as to avoid deterioration or damage during transportation.

Value added tax (VAT) is excluded, unless specified otherwise.

#### **Article 7 DELIVERY TERMS**

7.1 The date confirmed to Spal Automotive is binding for the Supplier and refers to the arrival of the delivery care of the destination.

7.2 The Supplier will have to inform Spal of any impediments with respect to the terms envisaged in the confirmed order. The delivery date, provided that the same is not essential for Spal, may be extended to a reasonable extent by the Supplier, subject to prompt written communication with indication of the new delivery date, which will be considered to be essential.

7.3 In the event of violation of the delivery date, if the same is essential, Spal Automotive may possibly exercise the right to:

- a) Withdraw from the Contract, sending a communication to the Supplier by means of registered letter with advice of receipt.
- b) Cancel the order/orders in progress without any penalty/commitment of any kind vis-à-vis the Supplier.

7.4 Spal's right to compensation of the damages possibly suffered due to delay remains unaffected, along with the reimbursement of the costs incurred, also with regard to the need to resort to third parties so as to obtain the supply of the goods.

7.5 If the Supplier delivers the goods before the established date, without having obtained Spal's prior written consent, Spal shall have the faculty to accept, or refuse, this delivery.

7.6 If the Supplier delivers a greater quantity of goods with respect to that envisaged by the contract, Spal may accept or refuse to take delivery of the excess quantity of goods. If Spal decides to take delivery of the goods, in full or in part, it will be obliged to pay for them on the basis of the price established in the Contract.

7.7 In the event that the delay should take place due to unforeseeable circumstances, the delivery terms shall be extended by law, without prejudice to the possibility for Spal Automotive to refuse the delivery in the event it is no longer interested in the same. It is understood that in such cases, the Supplier shall have to return to the purchasing company any amount received by way of advance payment or final balance relating to that specific delivery.

**Article 8 DEFECTS OF THE GOODS AND REPORTING OF THE SAME TO THE SUPPLIER**

8.1 Any faults, defects (including functioning ones), non-compliances, unfitness shall have to be reported by Spal to the Supplier by the deadline established in the Contract.

8.2 The Supplier undertakes to deliver the goods whose quantity, quality, type and packaging correspond to that agreed. The goods are deemed to be compliant if:

- they are suitable for the uses for which goods of the same type would usually be used;
- they are suitable for any special use expressly agreed with the Supplier at the time of finalisation of the Contract;
- they are packaged in a manner suitable for maintaining and protecting them.

8.3 The Supplier is responsible for any compliance defect existing at the time of the transfer of the risks to the buyer or which occurs after the aforesaid moment and which is attributable to the execution or non-execution of one of its obligations, including the cessation of the guarantee concerning the possibility that the goods remain suitable for their use and maintain the specified characteristics and qualities.

8.4 In addition to any right and remedy due by law or as per the Contract (including therein the right to termination of the Contract, compensation of any damages, reimbursement of the costs incurred, reduction of the price), if Spal discovers a compliance defect in the goods, it may at its discretion, communicating as such at the time of reporting the defect:

- demand that the seller carries out the necessary repairs, subject to return of the material;
- require the seller to deliver other goods in replacement.

8.5 The Supplier shall have to see to the afore-mentioned repair or replacement, by the deadlines envisaged in the Contract.

8.6 Otherwise, Spal shall have the right to acquire an identical or similar product, or arrange for the Good or a component of the same to be repaired by third parties, and at the expense of the Supplier, who will in any event be obliged to compensate the other damages which Spal should suffer.

8.7 The goods or their parts and components repaired or replaced in accordance with the matters envisaged herein, enjoy a further new warranty of the same duration as the original one, starting as from the date when the functioning of the goods has been completely restored and the compliance defects eliminated. The remaining components (in the event of partial repair or replacement) by contrast benefit from an extension of the term of the original warranty, for a duration corresponding to the inaccurate functioning or non-use of the good.

8.8 In any event, Spall shall have the right to be released and indemnified from any liability also vis-à-vis third parties, relating or consequent to the use or non-use of the good.

8.9 The taking out of the insurance coverage envisaged by the Contract will not limit - in any way - the Supplier's obligations and responsibilities deriving from the warranty obligations envisaged by the Contract and by the law.

#### **Article 9. PAYMENT TERMS**

9.1 The Payment conditions are those indicated in the Contract.

9.2 The payment of the Price does not prejudice, in any event, any rights due to Spal nor limit the right of Spal to request a review of the amounts due for any defects in terms of quality and/or quantity of the Products.

#### **Article 10. COMPLIANCE WITH THE SPAL AUTOMOTIVE TECHNICAL SPECIFICATIONS**

10.1 The product which the Supplier is requested to supply will have to be compliant with:

- the purchase order;

- the technical drawings;
- the technical and quality specifications of Spal Automotive.

10.2 The technical and quality specifications forwarded by Spal Automotive to the Supplier are those for which the Supplier is obliged, irrespective of its own liability, to guarantee the absence of defects, under penalty of compensation of any damages (guaranteed minimum requirements).

10.3 At the start of the supply relationship, or rather in all the cases where the Products already known to Spal are modified with regard to their special features, as envisaged and disciplined by Article 5 of the Supplier Quality Manual, Spal shall take steps to ascertain:

- that the Product supplied observes the technical specifications required by Spal, by means of *prototype sampling*;
- that the production process implemented by the Supplier is capable of producing products of acceptable and constant quality, by means of *pre-series sampling*.

10.4 Any Products delivered by the Supplier during the Product qualification phase which turn out to be non-compliant with Spal's technical specifications, will be charged to the Supplier as "*non-compliant returns*".

10.5 If the Products are compliant with Spal's technical specifications, the Supplier will be authorised to deliver the batches.

10.6 Pursuant to Article 6 of the Supplier Quality Manual, the Supplier may not in any event send non-compliant pieces without having received written authorisation in advance from Spal.

10.7 The Supplier will also have to ensure periodic controls on the Products, for the purpose of maintaining the quality standards required by Spal, whose registrations will be filed and made available to Spal upon request, or rather at the time of audits carried out care of the Supplier.

#### **Article 11. WARRANTIES OF THE SUPPLIER**

11.1 In addition to any other legal warranty, the Supplier declares and guarantees that the Goods, at the time of Delivery, (i) are fully compliant with Spal Automotive S.r.l.'s technical and quality specifications; (ii) are entirely safe both for the operators and for third parties; (iii) are compliant with the strictest technical

norms applicable and fully compliant with any applicable legislation; (iv) are new, of the best quality found on the market and up-to-date in terms of the most advanced state of technology; (v) are free from faults, defects and non-compliances of any kind, suitable for the use they are intended for, featuring the promised qualities and those essential for the use they are intended for; (vi) do not violate patents, licences or other exclusive rights; (vii) are free from any right of guarantee, pledge, lien, claim and/or third party rights; (viii) are imported in the area of the European Union in observance of the applicable laws and regulations.

11.2 The Supplier hereby declares that it is in possession of all the licences, permits and/or authorisations for the production and marketing of the products forming the subject matter of the supply.

11.3 The Supplier guarantees that the products it supplies, their components and accessories, as well as the use of the Products and the services provided do not involve the copying of industrial or intellectual property rights of third parties, in particular patents for industrial inventions, models, designs, trademarks, copyrights, industrial secrets and know-how of third parties; said Supplier shall undertake the liability of settling any claims and/or action of third parties who assume their industrial or intellectual property rights have been violated, keeping Spal unharmed from such claims.

11.4 The Supplier undertakes to provide Spal - for the products supplied -with the warranty specified in the Contract. The duration of the Warranty will commence as from the moment of the transfer of the transportation risk as per the Incoterms indicated.

## **Article 12 SPAL AUTOMOTIVE AUDITS**

12.1 The Supplier, as specified in Article 4.4. of the Supplier Quality Manual, fully referred to hereunder, undertakes to make audits by Spal's staff possible, also care of its premises, during working hours and with notice, for the purpose of checking:

- the application of the requisites envisaged by the Spal quality management system;
- the production process for the products purchased by Spal;
- the product-related technical documentation;
- the stock and the logistical handling of the Product purchased by Spal.



12.2 In addition, Spal reserves itself the right to carry out audits care of the sub-contractors which carry out important phases for the Spal Product. In this event, the obligation of the Supplier to guarantee the quality of its Products and the compliance of the same with Spal's technical specifications is unaffected, along with its complete responsibility with regard to the choice of the sub-contractors and the fulfilment by the same of the obligations deriving from the Contract and from the law.

**Article 13. SUB-CONTRACTING**

13.1 The contracting out of products is prohibited, unless expressly agreed by Spal in writing.

13.2 Spal Automotive may, from time to time, authorise in writing possible sub-supplies solely in the event of acceptance, by the sub-contractor, of all the obligations undertaken by the Supplier.

13.3 This consent, if given, will not in any event exempt the Supplier from the contractual obligations undertaken, its responsibility in any event remaining also for the perfect execution of that entrusted and for the work of the sub-contractors, including therein the observance of the provisions of this Contract and any applicable legislation, in the same way it is responsible for its employees and co-workers.

13.4 The Supplier, before the entrusting of any work contracted out and request for the authorisation of Spal, shall in any event be obliged to check that the sub-contractors have the means, employees and instruments necessary for the purpose and that they have the technical professional suitability necessary for the execution of that required of them.

13.5 It is in any event understood and agreed that the Supplier will be entirely responsible for the choice made and will be obliged, without any sort of limitation, to release Spal and keep the same unharmed from any damage, cost, expense and/or detrimental legal consequence dependent on and/or associated with the execution of the Contract by any sub-contractors and/or the breach by the same of the legal and contractual obligations they are responsible for.

**Article 14. DAMAGE COMPENSATION**

14.1 Spal shall have the right to offset the amounts owed to it by the Supplier by way of penalties and/or any other charges, with the amounts it is liable to pay by way of price.

**Article 15. INSURANCE COVERAGE**

15.1 The Supplier is obliged, without this however involving limits to its contractual responsibilities, to take out insurance policies with a leading market company and keep them operative for the entire period of validity of the Contract, for the limits of liability specified in the Contract, to cover the damages caused to Spal and to third parties by the Products supplied, with the warning that any exclusions, excesses and/or insufficiency of limits will remain the complete responsibility of the Supplier, and in detail:

- a) Damages due to interruption of the activities.
- b) Damages caused to SPAL AUTOMOTIVE products by the component of the supplier, in the event that it has become physically indivisible or has been incorporated in the end products manufactured.
- c) Recall and withdrawal campaigns for non-compliant and/or faulty Products.

15.2 No insurance cost will be paid to the Supplier.

15.3 The insurance for transportation risks will be taken out by Spal Automotive or by the Supplier in compliance with the Incoterms in the purchase order.

15.4 The Supplier shall have to take steps to hand over a copy of the afore-mentioned policies to Spal within 15 days of them being taken out.

15.5 The Supplier will have to make sure and check that the same policies as indicated above are negotiated and kept in force also by any of its sub-contractors.

**Article 16. THE SUPPLIER'S STAFF**

16.1 By means of accepting these General Terms and Conditions, the Supplier declares and guarantees that in the execution of any activity to be provided care of Spal, it will only avail itself of suitable, expert and

qualified staff, directly employed by the same and subject solely to its hierarchical, management and organisational power, duly employed.

16.2 The Supplier also declares that it sees to and will see to, regularly vis-à-vis its employees, the full and prompt fulfilment of the remuneration, contribution and tax obligations, and, on a more general note, all the legislative provisions with regard to tax matters and on the subject of employment, welfare and social security and use of the workforce, undertaking the related charges.

16.3 The Supplier will have to ensure that its staff comply with the regulations in force care of the headquarters, offices and local units of Spal Automotive, also ensuring that its employees observe all the measures, instructions and expedients, adopt all the personal protection equipment and observe the signage and the instructions laid down by Spal for individual and collective protection.

16.4 Spal also reserves itself the right to exercise the right of recourse vis-à-vis the Supplier for damages caused to objects and/or individuals by the staff and/or vehicles of said Supplier.

#### **Article 17. TRANSFER OF OWNERSHIP AND THE RISK**

17.1 The ownership of the good is understood to be transferred to Spal as from the moment of the transfer of the transportation risk as per the Incoterms agreed on.

#### **Article 18. ASSIGNMENT OF CONTRACTS/ORDERS**

18.1 Without prejudice to the existence of differing written agreements, the Supplier may not assign to third parties, in full or in part, orders or contracts issued by Spal Automotive.

18.2 The Supplier's amounts receivable cannot be assigned to third parties without the prior written authorisation of Spal Automotive.

#### **Article 19. CONFIDENTIALITY**

19.1 All the information both of a technical and commercial nature, including therein know-how, technical, commercial and administrative information, provided by Spal or relating to or belonging to the same, in any

event communicated to the Supplier or acquired or learnt of by the same, also at the time of mere visits care of Spal, both before and after the Contract is entered into, whether written and oral or contained on electronic media, along with the solutions created by the Supplier in the exclusive interests of Spal, represent confidential information.

19.2 The Supplier shall have to maintain any information strictly confidential and not divulge it, in any way, either directly or indirectly, to third parties, and use the same solely within the limits of that strictly necessary for executing the Contract, since any further or different use of the same is precluded, of any nature, and in particular technical and commercial, pertaining and related to Spal, which it becomes aware of in any way in the execution of the Contract or at the time of the same or which it has come into possession of previously, also, but not only, in the performance of the related negotiations.

19.3 The afore-mentioned obligations will also remain in force for the entire duration of the Agreement and for five years after the cessation or termination, for any reason whatsoever, of the same, and in any event, if as of that date the information concerned has not become public domain, for the longer period until the information in question has legitimately become public domain and, for that information made up of a combination of various information, until all said information and their combination has legitimately become public domain.

19.4 Once the Contract has been executed, the Supplier, without having the right to any additional remuneration for this, will have to immediately destroy or prompt hand over to Spal any material containing information or rights of Spal.

19.5 The Supplier shall in advance have to obtain corresponding written commitments from its employees, and in particular from those who may in some way become aware of Spal information, it being understood that it will in any event be entirely responsible for any violation of the above obligations by its employees.

19.6 Drawings, technical specifications, print-outs and samples, handed over by Spal Automotive to the supplier and relating to industrial and intellectual property rights subject to patent and/or otherwise, remain the exclusive property of Spal Automotive and the Supplier shall have to keep them using ordinary diligence. The Supplier undertakes not to reveal and/or hand over to third parties, nor use for non-contractual

purposes, even after the termination of the supplies, the technical documentation and the equipment received from Spal Automotive for the execution of the supply.

19.7 The Supplier, by virtue of the Contract, will not acquire any right on the trademarks or other distinguishing features or industrial property rights in general of Spal, not even if trademarks or distinguishing features or other industrial property rights of Spal must be used in the realisation of the product or solutions in the exclusive interests of Spal. In this event, the Supplier will only be permitted to use said trademarks, distinguishing features and industrial property rights within the limits of that strictly necessary for executing the Contract.

19.8 The Supplier may not therefore, in particular, also after the Contract has been executed or has ceased, or been terminated, use in any way trademarks or distinguishing features identical or similar to those of Spal or in any event those emerging from designs and projects of the latter, just as it will not be able to use the information and the technical know-how, which the creation of the Product and/or the solutions processed on behalf of Spal implies, for the effective duration of the Contract and for the five years after the cessation or termination of the same, and in any event until said information has legitimately become public domain.

#### **Article 20. APPLICABLE LAW**

20.1 With regard to the contracts outstanding with suppliers who have headquarters or a permanent organisation in Italy, this contract is disciplined by Italian law.

20.1 With regard to the contracts outstanding with suppliers who have headquarters outside Italy, the contract is disciplined by the "United Nations Convention on Contracts for the International Sale of Goods", entered into in Vienna on 11 April 1980 (hereinafter the "CISG").

20.3 Italian law applies for the matters not disciplined by the CISG.

#### **Article 21. EXPRESS TERMINATION CLAUSE**

21.2 In addition to any other right, remedy and faculty envisaged as per the Contract and/or the law, the breach of the Supplier of any one of the obligations as per Articles 10 "Compliance with the Spal Automotive

technical specifications”, 11 “Supplier Guarantees”, 12 “Spal Automotive Audits”, 13 “Sub-contracting”, 18 “Assignment of contracts/orders”, 19 “Confidentiality” will give Spal the faculty to terminate the Contract with immediate effect in accordance with Article 1456 of the Italian Civil Code by means of mere written communication sent via registered mail with advice of receipt to the Supplier, with cancellation of all the deliveries and the orders not yet executed, without prejudice to Spal’s right to compensation of any damage and right to the immediate return of the advance payments made on the price.

21.2 The Supplier may not in any way and for any reason suspend the execution, without prejudice for the same to the separate and subsequent exercise of its possible rights.

21.3 Furthermore, if the Supplier should breach one of the obligations it is responsible for by virtue of the matters established in the Contract, if this is a breach which can be corrected within a specific period of time, Spal may enjoin the Supplier in writing, via registered letter with advice of receipt, to remedy the contested breach by the fifteenth day subsequent to the receipt of the afore-mentioned warning, under penalty of termination of the Contract. It is understood that the Supplier shall have the right to compensation of the damage suffered.

21.4 Either Party shall have the right to withdraw from the Contract with immediate effect, by means of written communication to be made by means of registered mail with advice of receipt, in the event that the other Party finds itself in one of the following situations:

- state of financial difficulty, state of crisis or solvency, or is subject to bankruptcy proceedings;
- voluntary winding-up;
- assignment of the business or a segment of the same tasked with the execution, in full or in part, of the Contract, or change in control over this Party.

Nothing will be owed by the withdrawing Party to the other in relation to or as a consequence of the exercise of the right to withdraw.

## **Article 22. SETTLEMENT OF DISPUTES**

22.1 In the event of dispute which may arise between the Parties with regard to the interpretation, validity, efficacy, execution and termination of this agreement and the documents which represent the execution of the same, including any request for the compensation of damages, the same may submit the dispute for the decision of a sole Arbitrator appointed by the Arbitration Board of the Milan Arbitration Body established care of the Milan Chamber of Commerce, according to the Regulations in force at the time of the launch of the procedure.

22.2 The Arbitration Panel will decide on the dispute applying Italian law.

22.3 The arbitration language will be Italian, or, if the Supplier is based abroad, English.

22.4 With regard to any dispute or action which, in compliance with the applicable law, cannot be settled by means of arbitration, the Reggio Emilia Court shall have exclusive jurisdiction.

### **Article 23. MISCELLANEOUS**

23.1 In the event that some of the provisions contained in the above General Terms and Conditions, as well as other provisions of the Contract are null or invalid or ineffective, the remaining provisions will remain fully valid and binding.

23.2 Furthermore, the Parties will have to negotiate in good faith, for the purpose of replacing the null or invalid or ineffective provisions with others which are valid and binding, so as to obtain the same effect, insofar as possible, of the original provision.

23.3 Any tolerance by Spal of conduct of the Supplier not compliant with the provisions contained in the Contract will not lead to the forfeiture of any of the rights due to Spal, nor any acquiescence.

23.4 Possible departures to any provision of the Contract will have to be agreed in written form between the Parties, under penalty of nullity.

23.5 Without prejudice to the above, if in the various documents forming part of the Contract there are apparently contrasting provisions, or provisions departing from other ones contained in other documents forming part of said Contract, these will apply in observance of the hierarchy envisaged in Article 2.

23.6 The provisions which expressly or implicitly are destined to outlive the expiry or termination of the Contract, will remain in force despite the expiry or termination and irrespective of the reasons and causes why it has been caused.

23.7 Any reference made in the Contract to legislative provisions, Italian, foreign or of the European Union without distinction, and also to mere technical norms, will have to be understood as made to the version in force at the time, or, in any event, to the provisions issued in replacement of the previous norms repealed.

23.8 The days, to which reference is made in the Contract for the purpose of calculating or indicating the deadlines, must be understood to be calendar days, unless specified otherwise. The references to hours contained in the Contract must be understood to be to all the hours of the day, without distinction, even non-working days.

#### **Article 24. FORCE MAJEURE**

24.1 In the event of force majeure, trade unions disputes, interruptions to the activities outside the control of Spal, uprisings, government measures and other inevitable events, Spal is free from the obligation to accept the goods and/or services, according to their scheduled deadlines, for the entire duration of these events.

24.2 During these events and for two weeks after Spal shall have the faculty - without prejudice to any other right due to it - to withdraw in full or in part from the supply agreement, if these events have a duration which is by no means negligible and the needs of Spal are considerably reduced.

24.3 In said cases, any delivery delays or lack of supplies will not give rise to any request for damages by Spal.

24.4 The Supplier is obliged to inform Spal of the occurrence of the unforeseeable event in the shortest space of time possible, in relation to the type of event and in any event within 10 business days.



24.5 Failure by the Supplier to observe the communication obligation, as per the previous point, shall represent just cause for Spal to terminate the Contract and reason to demand all the possible damages deriving from this breach.

**Article 25. GOOD FAITH**

25.1 Spal Automotive and the Supplier shall have to observe the rules and the principle of good faith and the correctness of their conduct during the formation and execution of this agreement. The parties undertake to exchange all the information necessary and sufficient for the correct execution of this agreement.

**Article 26. CONTRACT LANGUAGE**

26.1 The reference language of this agreement is Italian for all the suppliers with headquarters in Italy.

With regard to suppliers with headquarters abroad, the reference language of this agreement is English, even in the event that the same is drawn up in Italian and English.

Correggio (RE), Italy, dated .....

Pursuant to and for the purposes of Articles 1341 and 1342 of the Italian Civil Code, the Supplier declares that it has carefully read and specifically approves the following clauses:

Art. 1.5 "Purpose and efficacy of the General Terms and Conditions", Art. 7 "Delivery terms"; Art. 8 "Defects of the goods and reporting of the same to the Supplier"; Art. 9 "Payment terms"; Art. 11 "Supplier guarantees"; Art. 13 "Sub-contracting"; Art. 14 "Damage Compensation", Art. 18 "Assignment of contracts / Orders"; Art. 19 "Confidentiality"; Art. 20 "Applicable law"; Art. 21 "Express termination clause"; Art. 22 "Settlement of Disputes"; Art. 26 "Contract language".

Correggio (RE), Italy, dated .....