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GENERAL CONDITIONS FOR SUPPLIER

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Article 1. Definitions

1.1 Where the context so permits, words in the singular shall be deemed to include the plural and vice versa, and words in the masculine shall be deemed to include the feminine and vice versa.

1.2 Words designating persons or parties shall include firms and companies and any organisation having legal capacity.

1.3 Days shall have the meaning of calendar days; a year is made of 365 days.

1.4 This document applies to all puchase orders and sub-contracts issued by a project company controlled by Fincantieri and which have as their final destination the ITER project (even Project hereinafter) under construction at the Cadarache site, France.

1.5 Nuclear Operator is ITER Organization (even "End User" or "IO" hereinafter), Route de Vinon de Verdon, 13115 Saint-Paul-lez-Durance, France.

1.6 Project Company (even "Purchaser" or "PC" hereinafter) is any legal entity set up by Fincantieri and its partners for the execution of a Contract awarded by IO, or any other Purchaser acting, directly or indirectly for IO, to the Temporary Association of Companies (TAC hereinafter) established among them.

1.7 Supplier or Sub-Contractor is any legal entity to whom a Project Company address a Purchase Order or Sub-Contract having as a final destination, directly or indirectly, the ITER project.

1.8 Main Contract is the contract awarded by IO or its Purchasers / Suppliers (even Client hereinafter) to a TAC leaded by Fincantieri Group.

1.9 Contract or Purchase Order (even PO hereinafter) is the document by which the Purchaser formally instructs the Supplier to execute the Supply. Contract or PO are to be considered synonymous and refer to the same document. The sequence of priorities, in descending order is as follows:

- Purchase Order and its annexes
- Special Conditions (if any)
- General Conditions (this document)

1.10 Third party is any party other than IO, the Client, the PC, the Supplier / Sub-Contractor.

Article 2. Law and language of the Contract

2.1 The terms and conditions of the Contract or any Task Order shall be interpreted in accordance with their true meaning and effect as specified in the Contract. The Contract shall be governed by law as stated in the PO. In case non specific provision is made in the PO the following will apply:

- Contracts issued by the Purchaser italian legal entity will be governed by the Italian law; the competent court will be exclusively Milan;
- Contracts issued by the Purchaser french legal entity will be governed by the French law; the competent court will be exclusively Marseille;

  It is made exception for matters for which the French law, in accordance with Article 9 of Regulation (EC) No 593/2008 (Loi de Police), must be mandatory.

2.2 The official language of the Project is English. The use of the English language is therefore mandatory

for all technical and administrative documentation to be submitted to the End User. Italian language and French language are permitted in the relations between the Purchaser and the Supplier, limited to what does not fall within the first paragraph of this bullet. . The translation into English, or another language, of documents and communications made in a language other than English remains the responsibility of the party that uses them first.

Article 3. Communications

3.1 Official Communications between the Purchaser and the Supplier shall be exclusively in writing. Unless otherwise specified in the Contract, communications between the Purchaser on the one hand, and the Supplier on the other hand, shall be sent by e-mail or delivered by hand, to the addresses designated by the parties for that purpose.

3.2 If the person sending a communication requires acknowledgement of receipt, he shall indicate this in his communication. Whenever there is a deadline for the receipt of a written communication, the sender should ask for an acknowledgement of receipt of his communication. In any event, the sender shall take all necessary measures to ensure receipt of his communication.

3.3 Wherever the Contract provides for the giving or issue of any notice, consent, approval, certificate or decision, unless otherwise specified such notice, consent, approval, certificate or decision shall be in writing and the words "notify", "certify", "approve" or "decide" shall be construed accordingly. Any such consent, approval, certificate or decision shall not unreasonably be withheld or delayed.

Article 4. Purchase Order acceptance

4.1 Within 15 days from the date of issue of the Purchase Order, the Supplier shall return to the Purchaser a copy countersigned on each page in sign of acceptance.

4.2 The Purchase Order becomes irrevocable for the Purchaser only upon receipt of the countersigned copy for acceptance.

4.3 However, in the event that the Purchaser does not receive a copy of the Purchase Order duly signed by the Supplier, the execution of the Supply (or part thereof, even simply the commencement) by the latter shall be deemed to be implicit acceptance.

Article 5. Performance of the Contract

5.1 The Supplier’s obligations are stated in the Contract and the other relevant Annexes. The Supplier accepts any obligation and all costs not expressly agreed in the Contract that are nevertheless necessary to provide the services as described in the Contract.

5.2 The Supplier shall implement the Contract with due care and diligence. The Supplier shall have sole responsibility for complying with all legal obligations incumbent on him, notably those resulting from employment, tax and social legislation.

5.3 The Supplier shall have sole responsibility for taking the necessary steps to obtain any permits, visas, Intellectual Property rights or licenses required for performance of the Contract under the laws and regulations in force at the place(s) where the tasks assigned to him are to be executed. In particular, the Supplier is responsible for obtaining any export licenses, and such licenses shall be obtained

within delivery period and are included in the contract price.

5.4 Any reference made to the Supplier's staff in the Contract shall relate exclusively to individuals involved in the performance of the Contract.

5.5 The Supplier must ensure that any staff performing the Contract has the professional qualifications and experience required for the execution of the tasks assigned to him.

5.6 The Supplier shall neither represent the Purchaser nor behave in any way that would give such an impression. The Supplier shall inform third parties that he is not employee of the Purchaser.

5.7 The Supplier shall have sole responsibility for the staff who executes the tasks assigned to him. The Supplier shall make provision for the following employment or service relationships with his staff:

- The staff executing the tasks assigned to the Supplier may not be given orders directly by the Purchaser except for operational and safety matters necessary for the performance of the Services on site (when applicable);
- The Purchaser may not under any circumstances be considered to be the staff's employer and the said staff shall undertake not to invoke in respect of the Purchaser any right arising from the contractual relationship between the Purchaser and the Supplier.

5.8 In the event of a Supplier's staff does not correspond to the profile required by the Contract or the staff member does not perform as required in the Contract, the Supplier shall replace him without delay.

5.9 The Supplier shall demonstrate that its organization takes into account that continuity is maintained through appropriate training and efficient handover during staff movements.

5.10 Should any unforeseen event, action or omission directly or indirectly hamper execution of the tasks, either partially or totally, the Supplier shall immediately and on his own initiative record it and report it to the Purchaser. The report shall include a description of the problem and an indication of the date on which it started and of the remedial action taken by the Supplier to ensure full compliance with his obligations under the Contract. In such event the Supplier shall give priority to solving the problem rather than determining liability.

5.11 In the event of the Supplier not complying with the scope of work assigned by the Purchaser, the Purchaser reserves the right to inform the Supplier of such erroneous or incorrect actions in writing.

In such instances, the Purchaser reserves the right to instruct the Supplier to perform any re-work necessary to make good any erroneous work or services of his own volition at the Supplier's own cost. Such re-work will not be reimbursable and will be executed in a manner so as not to affect adversely on the progress of other parallel contract scope activity by the Supplier.

5.12 Should the Supplier fail to perform his obligations under the Contract in accordance with the provisions laid down therein, the Purchaser may - without prejudice to its right to terminate the Contract - reduce payments in proportion to the scale of the failure.

5.13 For any interruption of services due to the Supplier and beyond the control of the Purchaser, the Supplier is responsible to provide the Purchaser with a recovery plan within 5 working days from the occurrence of such interruption.

5.14 The Supplier guarantees to the Purchaser and/or to his authorized Representative and/or to his Final Customer free access, during normal working hours, to its premises/factories and he guarantees all assistance required by the Purchaser to inspect the correct progress of activities and the suitability of

the Supply to contract requirements. This guarantee of free access and the availability of any means and service necessary to control will be also guaranteed by the Sub-supplier or Sub-contractors through the Supplier who will specify such Purchaser's requirements in the single sub-orders.

Article 6. Replacement of Personnel

6.1 Where Supplier's personnel are to be replaced, the replacement staff must possess at least equivalent qualifications and experience. Where the Supplier is unable to provide a replacement with equivalent qualifications and/or experience, the Purchaser may either decide to terminate the Contract, if the proper performance of it is jeopardized, or, if it considers that this is not the case, accept the replacement, provided that the rates of the latter are renegotiated to reflect the appropriate qualifications and/or experience.

6.2 Additional costs incurred due to the replacement are the responsibility of the Supplier.

Article 7. Supply of documents

7.1 Unless it is necessary for the purposes of the Contract, the drawings, specifications and other documents provided by the Purchaser shall not be used or communicated to a third party by the Supplier without the prior consent of the Purchaser.

Article 8. Performance guarantee

8.1 Contractor may request a performance guarantee. The Supplier shall, together with the return of the countersigned Contract, furnish Purchaser with a guarantee for the full and proper execution of the Contract. The amount of the guarantee shall be specified in the Contract.

8.2 The performance guarantee shall be held against payment to the Purchaser for any loss resulting from the Supplier's failure to perform his contractual obligations fully and properly.

8.3 The performance guarantee shall be in the format provided by the Purchaser and may be provided in the form of a first-demand bank guarantee.

8.4 The performance guarantee shall be denominated in the currency in which the Contract is payable. No payments shall be made in favour of the Supplier prior to the provision of the guarantee. The guarantee shall continue to remain valid until the Contract has been fully and properly performed.

8.5 During the execution of the Contract, if the natural or legal person providing the guarantee is not able to abide by his commitments, the guarantee shall cease to be valid. The Purchaser shall give formal notice to the Supplier to provide a new guarantee on the same terms as the previous one. Should the Supplier fail to provide a new guarantee, Purchaser may terminate the Contract. Before so doing, the Purchaser shall send a registered letter with acknowledgement of receipt, which shall set a new deadline of no less than 15 days from the day of delivery of the letter to extend or provide a new guarantee.

8.6 The Purchaser shall demand payment from the guarantee of all sums for which the guarantor is liable under the guarantee due to the Supplier's default under the Contract, in accordance with the terms of the guarantee and up to the value thereof. Before making any claim under the performance guarantee, Purchaser shall notify the Supplier stating the nature of the default in respect of which the claim is to be made.

Article 9. Approval of Supplier's documents

9.1 The Supplier shall submit to the Purchaser for approval:

- the drawings, documents, samples and/or models, according to the time limits and procedures laid down in the Technical Specifications and/or Contract and/or Annexes;
- such other documents as the Purchaser may reasonably require for the implementation of the Contract.

The Supplier warrants that all the documentation delivered in the frame of the Contract shall:

- be fit for its intended purpose; and
- otherwise comply with the requirements set forth in the Technical Specifications.

9.2 The Purchaser is committed to review the documents submitted by the Supplier, to provide comments for implementation by the Supplier, to approve the documents thereof or to reject them within the time specified in the Contract.

9.3 Approved drawings, documents, samples and models shall be signed or otherwise identified by the Purchaser and may only be departed from on Purchaser's instructions. Any of the Supplier's drawings, documents, samples or models which the Purchaser refuses to approve shall immediately be modified to meet the requirements of the Purchaser and resubmitted by the Supplier for approval by the Purchaser.

9.4 The approval of the drawings, documents, samples or models by the Purchaser shall not relieve the Supplier from any of his obligations under the Contract.

9.5 Contractor shall have the right to inspect all drawings, documents, samples, models, work carried out at the Supplier's workshop, relating to the Contract at the Supplier's premises at all reasonable times.

Article 10. Liability

10.1 The Purchaser shall not be liable for damage sustained by the Supplier in performance of the Contract except in the event of demonstrated wilful misconduct or gross negligence on the part of the Purchaser causing such damage.

10.2 The Supplier shall be liable for any loss or damage caused by himself in performance of the Contract. The Purchaser shall not be liable for any act or default on the part of the Supplier in performance of the Contract.

10.3 The Supplier shall hold harmless the Purchaser in the event of any action, claim or proceeding brought against the Purchaser by a third party as a result of damage caused by the Supplier in performance of the Contract. The Supplier shall indemnify and keep the Purchaser free from any claims or complaints concerning any governmental or local fines, taxes, excises or assessments

arising from failure by the Supplier to carry out its obligations under this contract.

10.4 In the event of any action brought by a third party against the Purchaser in connection with performance of the Contract, the Supplier shall assist the Purchaser. Expenditure incurred by the Supplier to this end shall be borne by the Supplier.

10.5 The Supplier shall respect and abide by all relevant laws and regulations in force in the territory where the services are performed and shall ensure that his personnel, Supplier's personnel also respect and abide by all such laws and regulations. The Supplier shall hold harmless the Purchaser against claims and proceedings arising from any infringement by the Supplier and/or his personnel, of such laws and regulations.

10.6 The Purchaser shall have the right to suspend payments to the Supplier if he fails to provide evidence that he has paid the remuneration and contributions of his employees employed in the performance of the Contract

Article 11. Payment

11.1. At the end of each of the periods indicated in Contract, the Supplier shall submit to the Purchaser a formal request for payment accompanied by the following documents:

- Any report or deliverable (technical) report in accordance with the instructions laid down in the Contract;
- The evidence that the Supplier has paid the remuneration and contributions of his employees employed in the performance of the Contract
- The relevant invoices indicating the reference number of the Contract to which they refer.

11.2. If the report is a condition for payment, on receipt the Purchaser shall have such a period of time agreed upon the parties in which:

- To approve it, with or without comments or reservations;
- To suspend such period and request additional information; or
- To reject it and request a new report.

11.3. If the Purchaser does not react within this period of time, the report shall be deemed to have been approved. Approval of the report does not imply recognition either of its regularity or of the authenticity, completeness or correctness of the declarations or information enclosed.

11.4. Where the Purchaser requests a new report because the one previously submitted has been rejected, this shall be submitted within two weeks. The new report shall likewise be subject to the above provisions.

Article 12. General provisions concerning payments

12.1. Payments shall be deemed to have been made on the date on which the Purchaser's account is debited.

12.2. The payment periods referred to in the Contract may be suspended by the Purchaser at any time if it informs the Supplier that his payment request is not admissible, either because the amount is not due or because the necessary supporting documents have not been properly produced. In case of doubt

on the eligibility of the expenditure indicated in the payment request, the Purchaser may suspend the time limit for payment for the purpose of further verification, including an on-the-spot check, in order to ascertain, prior to payment, that the expenditure is eligible.

12.3. The Purchaser shall notify the Supplier accordingly by registered letter with acknowledgment of receipt or by email. Suspension shall take effect from the date of receipt of the letter. The remainder of the period referred to in the Contract shall begin to run again once the suspension has been lifted.

12.4. In the event of late payment, without prejudice to Article 11.2 above, the Supplier may claim interest within two months of receiving the payment. Interest shall be calculated at the rate applied by the European Central Bank to its most recent main refinancing operations ("the reference rate") plus 1.5 percentage points ("the margin"). The reference rate in force on the first day of the month in which the payment is due shall apply. Suspension of payment by the Purchaser may not be deemed to constitute late payment.

12.5. The Supplier is strictly forbidden to issue assignments of credit or special cash warrants or other types of delegation of payment without the prior written approval of the Purchaser.

Article 13. Property of the Purchaser and Property of the Supplier

13.1. Where for the purpose of the Contract the Purchaser provides to the Supplier access to drawings, files, technical data, computer programs, source codes, and any other item of property, the Purchaser remains the sole owner of any item provided.

13.2. These items may only be used by the Supplier for the purposes of the Contract. The distribution, reproduction or use by a third party without prior written approval by Purchaser is strictly forbidden.

13.3. All property of the Supplier while at the Purchaser premises shall be at the risk of the Supplier and the Purchaser shall accept no liability for any loss or damage to that property or caused by that property.

Article 14. Intellectual Property Permits and Licenses

14.1. **Ownership:** The Purchaser shall own exclusively all ideas, inventions, works of authorship, formulae, methods, data, drawings and test results (collectively "Technology") created in the course of Supplier's performance of the Contract, including all Intellectual Property Rights therein, whether created solely by Supplier or jointly by Supplier and Purchaser. Supplier hereby irrevocably grants, conveys and transfers and assigns its right, title and interest in such Technology and Intellectual Property Rights to Purchaser. All such Technology that is protectable by copyright shall be deemed a work(s) made for hire to the greatest extent permitted by applicable law or Supplier shall give Purchaser first owner status for such work(s) under local law where such work(s) was created. If by operation of law Purchaser does not automatically own such Technology and Intellectual Property Rights in their entirety upon creation, then Supplier hereby agrees to execute and deliver promptly any written instruments to the Purchaser and to perform any other acts necessary to carry out the intent of this Article.

14.2. **License:** To the extent that any intellectual property owned or licensed by the Supplier is necessary to enable Purchaser to use the Goods in connection with the manufacture, assembly, certification,

display, distribution, maintenance, modification, qualification, repair, sale, offer to sell, testing, use or upgrade of the plant, equipment and/or facilities furnished by Purchaser, then Supplier hereby grants to the Purchaser a non-exclusive, worldwide, perpetual, transferable and royalty-free right and license (with the right to sublicense) to use such intellectual property for Purchaser's Needs.

Article 15. Confidentiality

15.1. The Supplier undertakes to treat in the strictest confidence and not make use of or divulge to third parties any information or documents which are linked to performance of the Contract. The Supplier shall continue to be bound by this undertaking after completion of the tasks and termination of the contract

15.2. The Supplier shall obtain from each member of his staff, board and directors an undertaking that they will respect the confidentiality of any information which is linked, directly or indirectly, to execution of the tasks and that they will not divulge to third parties or use for their own benefit or that of any third party any document or information not available publicly, even after completion of the tasks.

15.3. The Supplier, if it considers a document confidential, must indicate the same like "confidential"

Article 16. Use, distribution and publication of information

16.1. The Supplier shall authorise the Purchaser to process, use, distribute and publish, for whatever purpose, by whatever means and on whatever medium, any data contained in or relating to the Contract..

16.2. Unless otherwise provided by the Contract, the Purchaser shall not be required to distribute or publish documents or information supplied in performance of the Contract. If it decides not to publish the documents or information supplied, the Supplier may not have them distributed or published elsewhere without prior written authorisation from the Purchaser

16.3. Any distribution or publication of information relating to the Contract by the Supplier shall require prior written authorisation from the Purchaser. It shall state that the opinions expressed are those of the Supplier only and do not represent the Purchaser's official position.

16.4. The use of information obtained by the Supplier in the course of the Contract for purposes other than its performance shall be forbidden, unless the Purchaser has specifically given prior written authorisation to the contrary.

Article 17. Taxation

17.1. The Supplier shall have responsibility for compliance with the tax laws which apply to him. Failure to comply shall make the relevant invoices invalid. The supplier shall indemnify the Purchaser from any liability for the violation of the tax rules applicable to the PO and undertakes to compensate any damage that may result to the Purchaser for the violation of tax rules

17.2. The invoices presented by the Supplier shall indicate his place of taxation for VAT purposes and shall specify separately the amounts not including VAT and the amounts including VAT.

Article 18. Force majeure

18.1. Force majeure shall mean any unforeseeable and exceptional situation or event beyond the control of the contracting parties which prevents either of them from performing any of their obligations under the Contract, was not due to error or negligence on their part or on the part of a subSupplier, and could not have been avoided by the exercise of due diligence. Defects in equipment or material or delays in making it available, labour disputes, strikes or financial problems cannot be invoked as force majeure unless they stem directly from a relevant case of force majeure.

18.2. The contracting parties shall take the necessary measures to reduce damage to a minimum.

Article 19. Subcontracting

19.1. Subcontracting is not allowed, except than special activities (ie NDT, scaffolding etc.) for which a specific license or authorization is required. In any case, the Subcontractor must be authorized by the Purchaser and by IO.

Article 20. Assignment

20.1. The Supplier shall not assign the rights and obligations arising from the Contract, in whole or in part, without prior written authorisation from the Purchaser.

20.2. In the absence of the above authorisation or in the event of failure to observe the terms thereof, assignment by the Supplier shall not be enforceable against and shall have no effect on the Purchaser.

Article 21. Termination by the Purchaser

21.1 The Purchaser may, after giving the Supplier 15 days' prior notice, terminate the Contract in any of the following cases:

a. where the Supplier fails to fulfil its contractual obligations, after receiving formal notice in writing to comply, specifying the nature of the alleged failure, and after being given the opportunity to remedy the failure within a reasonable period following receipt of the formal notice, remains in serious breach of his contractual obligations;

b. where the Supplier is being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of proceedings concerning those matters, or is in any analogous situation arising from a similar procedure provided for in national legislation ;

c. where the Supplier has been convicted of an offence concerning his professional conduct by a judgment which has the force of res judicata;

d. where the Supplier has been guilty of grave professional misconduct proven by any means which the Purchaser can justify;

e. where the Supplier has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which he is established or with those of the country applicable to the Contract or those of the country where the Contract is to be performed;

f. where the Supplier has been convicted of fraud, corruption, involvement in a criminal

organization or any other illegal activity detrimental to the Purchaser's financial interest;

g. where the Supplier was guilty of misrepresentation in supplying the information required by the Purchaser as a condition of participation in the Contract procedure or failed to supply this information;

h. where a change in the Supplier's legal, equity , technical or organizational situation could, in the Purchaser's opinion, have a significant effect on the performance of the Contract. The decision shall be substantiated by a report of independent auditors to be nominated by the Purchaser;

i. where the Supplier is unable, through his own fault, to obtain any permit or license required for performance of the Contract.

j. Where the Supplier does not allow the Purchaser to inspect all drawings, documents, samples, models, work carried out at the Supplier's workshop.

21.2. Termination shall be without prejudice to any other rights or powers of the Purchaser under the Contract. The Purchaser may, thereafter, conclude a Contract with a third party to remedy the failures of the Supplier, charging him for all the additional costs incurred for the execution of the works covered by the Contract.

21.3. In the event of termination, the Purchaser shall, draw up a report on the supplies delivered and the work performed and take an inventory of the materials supplied.

21.4. Upon such termination the Purchaser shall have the right, upon notice to the Supplier, to:

- take title to and possession of all or any part of: (a) Goods (means the plant, equipment, machinery, materials and related service thereof to be furnished by the Purchaser pursuant to the Contract or tools and/or equipment (hereinafter collectively referred to as the "Contractor's Supplies") supplied by the Supplier under the Contract; (b) work carried out; if the works carried out or the Goods at the time of termination of the Contract are of interest to the Purchaser, he shall instruct a carrier to collect the goods, which the Supplier shall prepare for shipment. If the Supplier refuses to deliver the goods or the goods are not ready for shipment, the Supplier will be required to pay a daily penalty of 2% of the contract value, starting from when the transporter has communicated that it is ready to take charge.
- have the Supplier return to the Purchaser any payments previously made by or on behalf of the Purchaser purchase alternative goods from another source that meet approximately the same specifications of the Goods to be furnished in accordance with the Contract. In such event, the Supplier shall pay all excess costs and other expenses incurred by the Purchaser in excess of the price specified in the Contract.

21.5. In the event of termination under this Article, all obligations of the Purchaser to make payments hereunder shall forthwith cease and be canceled. However, the Purchaser shall pay for the value of the Goods (or part thereof) which have been received by the Supplier strictly in accordance with Contract and not returned to Supplier (in accordance with sub-clause 20.4. hereof), or otherwise become the property of Purchaser at the time of termination, offset by any costs, expenses or damages that have been incurred or will be incurred by reason of Supplier's default.

Article 22. Termination by convenience by the Purchaser

22.1. The Purchaser may, of its own volition and without being required to pay compensation, terminate

the Contract by serving a 15 days formal prior notice. Should the Purchaser terminate the Contract, the Supplier shall only be entitled to payment corresponding to the services delivered and objectively justified by irrevocable commitments entered into before the termination date. On receipt of the letter terminating the Contract, the Supplier shall take all appropriate measures to minimise costs, prevent damage, and cancel or reduce his commitments. He shall draw up technical and financial reports for services rendered and irrevocable commitments up to the date on which termination takes effect, within a period not exceeding sixty days from that date.

22.2. The ownership of all documents, drawings, Intellectual Property rights, partially delivered services and unfinished work paid for by the Purchaser under the provisions of this contract shall be vested in or transferred to the Purchaser.

Article 23. Joint and several liability

When the Supplier is a joint venture or consortium, where the Supplier is a joint venture, all the participants in the joint venture shall be jointly and severally liable to the Purchaser for the performance of the Contract and for compensation for the damage suffered by the Purchaser as a result of the Supplier's default.

Article 24. Insurances

The Supplier shall take out insurance against risks and damage relating to performance of the Contract and those required by the relevant applicable legislation. He shall also take out supplementary insurance as reasonably required by standard practice in the industry and/or stipulated in the Contract and/or Annex. A copy of all the relevant insurance contracts shall be sent to the Purchaser should it so request.

Article 25. Liquidated damages

25.1. Liquidated Damages payable under this Contract are the following:

- Liquidated Damages are agreed genuine pre-estimates of the losses incurred by the Purchaser that may be reasonably anticipated from such failure to perform obligations;
- The amount of the Liquidated Damages will be a debt due by the Supplier to the Purchaser;
- The Purchaser shall have the right to deduct the amount accrued as Liquidated Damages from any debt or money due by the Purchaser to the Supplier.

25.2. Should the Supplier fail to perform his obligations under the Contract within the time limits set by the Contract, then, without prejudice to the Supplier's actual or potential liability incurred in relation to the Contract or to the Purchaser's right to terminate the Contract, the Purchaser shall impose liquidated damages of a percentage of the contract price per calendar day of delay. In the case of deliverable-based contract, liquidated damages shall apply to each milestone in the amount of 0.2% of total value of each milestone payment detailed per calendar day of delay of a milestone its value, unless otherwise stipulated in the Contract, with a maximum cumulative ceiling of 10% of the value of total contract price.

25.3. The Supplier may submit arguments against this decision within fifteen days of notification by registered letter with acknowledgement of receipt or equivalent. In the absence of reaction on his

part or of written withdrawal by the Purchaser within thirty days of the receipt of such arguments, the decision imposing the liquidated damages shall become enforceable.

Article 26. Compensation

The Supplier explicitly accepts that Purchaser is entitled to set off the amounts (including compensation for damages, deductions, fines, surcharges and other amounts) for which Purchaser would be liable as based on the above provisions, against any of the Purchaser's invoices and/or debit notes, regardless of whether such invoice and/or debit note is connected to the Contract or, alternatively, to any agreement that the Supplier might have with Purchaser.

Article 27. Amendments

Any amendment to the Contract shall be the subject of a written agreement concluded by the contracting parties. An oral agreement shall not be binding on the contracting parties.

Article 28. Suspension of the Contract

Without prejudice to the Purchaser's right to terminate the Contract, the Purchaser may at any time and for any reason suspend execution of the tasks under the Contract or any part thereof. Suspension shall take effect on the day the Supplier receives notification by registered letter with acknowledgment of receipt or equivalent, or at a later date where the notification so provides. The Purchaser may within one hundred eighty (180) calendar days following suspension give notice to the Supplier to resume the work suspended or terminate the Contract.

Article 29. Purchaser's Supplies

In the event that the Purchaser furnishes the Supplier with any materials and/or finished or semi-finished parts to be built or assembled into the Goods to facilitate the Supplier's manufacture of the Goods, the terms and conditions relating to the delivery of and any payment for such Purchaser's Supplies will be set forth in the Order. If no such terms and conditions are included in the Order, the following terms and conditions apply:

1) The risk of damage to or loss of the Purchaser's Supplies shall be transferred from the Purchaser to the Supplier upon delivery of them in accordance with the terms of the Contract;
2) Notwithstanding sub-clause1) above, the Purchaser's Supplies shall remain the sole property of the Purchaser and clearly be identified and marked as such until the Goods incorporating such Purchaser's Supplies have been duly delivered in accordance with the terms of the Contract;
3) Any of the Purchaser's Supplies that remain following completion of the required manufacturing or work shall be returned by the Supplier to the Purchaser upon such completion, unless otherwise provided in the Contract;
4) The Supplier shall protect and safeguard any and all of the Purchaser's Supplies in the Supplier's possession, shall keep them all insured and recorded, and shall take all measures

reasonably necessary to prevent deterioration, damage and/or loss to any of Purchaser's Supplies, including loss by confiscation or seizure; and

5) The Supplier shall not use any Purchaser's Supplies for any purpose other than the performance of the Contract, and shall not sell, lend or pledge them without the Purchaser's prior written consent.

Article 30. Settlement of disputes

All disputes arising out of the Contract, including those of a non-contractual nature, relating to or related to the Contract, shall be resolved as follows:

- Contracts issued by the Purchaser italian legal entity will be governed by the Italian law; the competent court will be exclusively Milan;
- Contracts issued by the Purchaser french legal entity will be governed by the French law; the competent court will be exclusively Marseille;

It is made exception for matters for which the French law, in accordance with Article 9 of Regulation (EC) No 593/2008 (Loi de Police), must be mandatory.

Article 31. Ethics clauses

31.1. The Parties undertake and oblige in their relations with each other and with third parties (commercial counterparts, public authorities, etc.) to observe the principle of legality with respect to the rules in force and to behave ethically.

31.2. Purchaser has adopted a Model of Organization, Management and Control pursuant to Legislative Decree no. 231/2001 and s.m.i. whose purpose is to prevent the commission of relevant crimes to the aforementioned D.lgs. n. 231/2001 and some policies of behavior, made available on its website and/or available on request by the Supplier.

31.3. The Supplier takes note that failure to comply with the commitments referred to in this article and/or the violation of the Code of Ethics and/or of the General Part of the Model 231 and/or of the Anticorruption Policy, constituting a breach of contract, may result in the termination of the Contract by right and with immediate effect.

31.4. With the subscription of the Contract /PO the Supplier declares and from now accepts and undertakes to implement the Contractin accordance with the principles of international conventions and treaties on anti-corruption, the applicable laws on anti-corruption and in particular the provisions of Legislative Decree no. 231/2001e s.m.i., referred to in previous articles. 12.2 and 12.3. The Supplier will refrain from performing acts that may expose itself and/or any of the others to liability under the same, in the context of relations with third parties, including Public Administrations and other Public Bodies with which it should enter into relations (even indirectly and only in fact) in the performance of its activities.

31.5. Each Party declares that its activities under this Contract shall in no case involve unacceptable risks to people or the environment and undertakes to manage and mitigate such risks in its daily operational activities