

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. SCOPE OF APPLICATION

11. These General Terms and Conditions of Purchase ("GTCP" for short) form an integral and fundamental part of all contractual relationships, no matter how they are concluded and named (e.g. sale, supply, contract work), between MITSUBISHI ELECTRIC KLIMAT TRANSPORTATION SYSTEMS S.p.A. ("MEKT" or "Customer" for short) and the natural or legal person ("Supplier" for short, and "Parties" when referred to together with the Customer) whom MEKT asks to provide and/or sell goods and/or services ("Supply" for short) and, together with the contents of the forms used by MEKT and/or any other specific written agreements with the Supplier, they contain the terms and conditions of any contract between the Parties, also in the absence of express reference to these General Terms and Conditions of Purchase ("Contract" for short).
12. These General Terms and Conditions of Purchase are not subject to changes, exceptions or disapplication, unless by MEKT, meaning that any initiative or request to this end by the Supplier, whether specific or also implied by sending documentation to MEKT (e.g. commercial offer, invoices, transport documents, etc.) whose contents fully or partially amend, clash with and/or differ from the contents of these GTCP, shall not be in any way valid, binding or effective, and nor may the Contract be considered concluded based on the Supplier's request, even if it begins to be executed. MEKT hereby reserves the right to implement or not implement any amendments requested by the Supplier within its own contractual forms. Said forms must then be signed by both Parties in order for the contract to be concluded in a valid and effective way, in accordance with the Supplier's request. Should this not be the case, the Contract shall continue to be governed by these GTCP, without the amendments or integrations indicated by the Supplier.
13. These General Terms and Conditions of Purchase shall prevail and shall nonetheless be applicable even in the presence of documentation or correspondence between the Parties containing a possible reference to other general contractual terms and conditions, not issued by MEKT, with the latter therefore not being applicable, not being in force and not having an effect on MEKT and/or on the Contract between the Parties nor on any relative relationship.
14. These General Terms and Conditions of Purchase replace and cancel MEKT's previous general terms and conditions of purchase, which shall therefore no longer be valid and effective between the Parties.
15. Signing these General Terms and Conditions of Purchase shall not lead to nor give rise to any right, credit or other claim by the Supplier vis-à-vis MEKT without a contract being concluded pursuant to the indications provided under article 2 below.

2. CONCLUSION OF THE CONTRACT

21. In order to assess whether to conclude a Contract, the Customer shall preliminarily ask the potential Supplier to formulate their best commercial offer, with the main technical characteristics of the goods and/or of the services indicated by the Customer, the relative economic conditions and the time frames for the contract to be performed. The fact that the Supplier sends a commercial offer, by whatever name it may be known, shall not represent nor be equivalent to a contractual proposal to MEKT and any wording to this end shall be considered as not included or, in any case, not effective nor binding vis-à-vis MEKT.
22. In order to conclude the Contract, the Customer must send the Supplier a purchase order (hereinafter "Purchase Order") which, together with the provisions of these GTCP, even without specific reference to them, shall form the only valid and effective contractual proposal between the Parties, pursuant to article 1326 of the (Italian) Civil Code, as the Supplier's commercial offer referred to by the previous point 2.1 shall not have contractual value.
23. The Contract shall be concluded once the Customer receives the Supplier's written acceptance through an order confirmation (hereinafter "Order Confirmation"), by and no later than the deadline of 7 (seven) days from the date when MEKT issues the Purchase Order. The Supplier may provide the Order Confirmation by signing MEKT's Purchase Order for acceptance or, alternatively, by sending a separate Order Confirmation, by whatever name it may be known, whose contractual content is the same as the Purchase Order. In both cases, it will not be possible to change, integrate or make exceptions with respect to the content of the Purchase Order; any differences or amendments included in the Order Confirmation compared with the content of the Purchase Order will not be valid, binding and/or effective and nor shall they be valid as a contractual counter-proposal, unless the Customer specifically approves them in writing.
24. Should the Customer not receive the Order Confirmation by the deadline of 7 (seven) days, as indicated in the previous paragraph 2.3, then they shall automatically consider the Contract not to have been concluded, even if they then receive the Order Confirmation late, without exception to the Customer's right to inform the Supplier in writing that they shall nonetheless consider the latter's late acceptance as valid and shall therefore validly conclude the Contract.
25. The Customer reserves the right to amend and/or withdraw their Purchase Order before receiving the Order Confirmation from the Supplier. The Customer also reserves the right to amend the Purchase Order even after receiving the Order Confirmation, in accordance with and within the limits set by the law, without prejudice to the fact that any additional fees due to the Supplier as a direct and immediate result of said changes shall be reimbursed only if they have been adequately documented and expressly approved by the Customer, and without prejudice to the latter's right to a reduction in price should the changes involve a reduction in the Purchase Order.

26. Subject to notification from the Customer, the entire procedure of issuing, sending and managing the Purchase Order and the subsequent Order Confirmation from the Supplier, as provided for by article 2, may also be validly carried out between the Parties in computerised form and/or electronically using the dedicated web portal made available by the Customer.

3. EXECUTION - STRICT DEADLINES

- 3.1. The Supplier is obliged to perform the Contract, including all aspects relating to packaging, labelling, identification, shipping, transport and delivery of the goods and/or services, to the highest professional standards and in strict compliance with the technical specifications stated by the Contract itself, as well as with applicable legislation, including transportation regulations.
- 3.2. The deadlines and/or dates for execution and/or for delivery indicated in the Contract are understood to be mandatory and cannot be waived by the Supplier, even in the absence of specific indication in the Purchase Order and/or in the Contract, with the Supplier hereby acknowledging that it is a fundamental necessity for the Customer to receive the products and/or services in line with the time frames agreed in advance with the Supplier, in order to be able to distribute them correctly within their corporate and working structure. Failure to respect one or more of the aforementioned deadlines and/or dates shall give the Customer the right to automatically terminate the Contract pursuant to article 1456 of the (Italian) Civil Code ("express termination clause"), in accordance with article 20.2 below, with the right to receive payment of the relative penalties and compensation for any further damages, if and to the extent that these are acknowledged by the Parties or, should this not be the case, established by the judicial authorities.
- 3.3. Should a deadline or date be indicated for the Supplier in the Purchase Order and/or in the Contract, this shall mean and entail that said deadline or date is to be automatically considered "fixed". This means that the Supplier will not be able to perform the relative service neither before nor after said deadline or date; in the event of an early delivery, the Customer shall therefore have the right, at their own discretion, to reject the services and/or send back the goods to the Supplier at the latter's expense and risk, or to accept them and store them, charging the Supplier for the cost of their safekeeping and warehousing, in the case of goods, or the costs of early execution, in the case of services. Should the Supplier perform the Contract early, even if this has been accepted by the Customer, this shall not change the payment terms, which shall only start from the date originally specified for the Contract to be carried out, unless otherwise agreed upon in writing between the Parties.
- 3.4. Failure to indicate a deadline or a date of execution in the Purchase Order and/or in the Contract shall mean and entail that the Customer shall be entitled to demand that the service be carried out immediately upon the latter's simple request.
- 3.5. Should it be impossible for the Supplier to provide the services and/or to deliver the goods on the predefined date, then the Customer must be notified immediately with specific indication of the new deadline by which the Supply or the delivery may be completed and, without prejudice to the breach occurring in the meantime, the Supplier shall wait for the Customer's decision as to whether and under which terms and conditions to accept, at the latter's discretion, any change to the date of Supply proposed by the Supplier.

4. THE SUPPLIER'S COMMITMENTS AND GUARANTEES

- 4.1. The Supplier undertakes and guarantees the following:
- (a) to carry out the contractual services to the highest professional standards and using well-informed and suitably trained personnel who have specific skills and experience;
- (b) to immediately inform the Customer if, when performing the Contract, they come across obsolete or damaged goods and/or goods that cannot be used correctly for any reason, proposing the best technical solution possible to be able to guarantee the availability of new goods in order to duly complete the Supply;
- (c) to provide goods and/or services that are not products created and/or sold in violation of any third-party rights, including intellectual and/or industrial property rights such as patents, licences or other property rights, also guaranteeing their freedom and lawfulness of use and sale both in Italy and abroad, accepting all liability, expenses and costs deriving from any violations, especially in the presence of disputes, claims and/or actions put forward by third parties, including the expenses and costs for the Customer to defend itself against any complaint, dispute, claim or action announced or brought forward by any national or foreign authority, with the Customer having the right to be fully indemnified against any expense and liability;
- (d) to keep available and correctly preserve adequate quantities of goods that are identical to those referred to by the Contract, as well as their spare parts and various components, for a period of at least ten (10) years after performing the Contract, or for the longer useful life of the good in question and/or for the different period of time indicated in the Contract, in order to guarantee to MEKT that any necessary interventions and/or replacements covered by the warranty can be carried out on the goods already received or that new goods can be supplied, if freely requested by MEKT;
- (e) to provide the Customer with written notice of at least 1 (one) month if the Supplier decides or has to suspend, interrupt and/or terminate, for any reason, the production and sale of the goods and/or services referred to by a Contract currently being performed or a Contract that has already been performed and terminated, or in the event that said goods and/or services are substantially altered, indicating a possible alternative supply that is available to provide samples or trial services that are the same as those referred to by the Contract, in order to allow MEKT to make all the necessary evaluations in this regard, without prejudice to the Supplier's potential liability should the latter not be able to duly carry out a Contract that has already been concluded, and without prejudice to the provisions of the previous point (d);
- (f) to do everything that is necessary to comply, using the utmost professional diligence, with any other commitments, obligations and guarantees provided for by these GTCP, by the Contract and/or by applicable legislation, also of a technical nature, in order to guarantee to the Customer that the work will be carried out to the highest professional standards.

5. QUALITY CONTROL AND WARRANTY - CHECKS CARRIED OUT BY THE SUPPLIER

- 5.1 The Customer may ask the Supplier to sign specific "Warranty and Quality" agreements regarding the goods and/or services to be supplied and, if agreed upon, the Supplier shall be obliged to perform the Contract also in full compliance with the requirements, technical specifications and procedures included in said agreements, which shall form an integral and fundamental part of the Contract.
- 5.2 The Customer may carry out dedicated inspections and technical controls on the Supplier's premises in order to check that the provisions set forth by the Warranty and Quality agreement, and the Contract in general, are being respected. To this end, the Customer may also use inspection and testing tools that are available from the Supplier in compliance with the in-house technical and safety procedures that the latter has in place. The Supplier undertakes to grant access to the Customer's authorised personnel to carry out inspections and checks, subject to them receiving prior written notice of the visit from the Customer and identification of the personnel authorised by the latter. The Customer shall adapt to the workplace health and safety procedures indicated by the Supplier and shall also respect the Supplier's in-house regulations and policies which the latter may provide.

6. SHIPPING - DELIVERY LOCATION

- 6.1 The Supplier must ship, transport and deliver the goods and/or provide the services, including any accessory or complementary activities, under their own care and responsibility and at their own expense, unless different indications are provided in the Contract and, in any case, using procedures and measures to ensure that the goods and/or services are not damaged, lost or deteriorate in any way.
- 6.2 Each delivery must be accompanied by a transport document and the certificates and/or documents required by the Contract and in compliance with the legislation that is applicable at the time of shipping, transport and delivery. Each delivery must also provide the necessary indications to be able to accurately identify the order, the number and the type of goods contained therein, defining them in terms of an order code, if applicable, and also reporting said code on the relative packages, in addition to the name of the recipient for the delivery; goods and/or services must be provided with the technical documentation and certifications required by industry regulations, even if this is not specified by the Contract.
- 6.3 The Supplier must request and obtain, under their own responsibility and at their own expense, the permits, authorisations, licences and/or any other document necessary for any import-export activity (depending on the case in question) for the goods, based on reference legislation (e.g. Italian, EU, etc.) and must provide said documentation to the Customer, unless otherwise agreed in writing between the Parties.
- 6.4 Goods must be delivered and/or services must be supplied to the Customer's headquarters, to the address specified in the Contract, as this shall be the place of delivery and/or supply for all legal and/or contractual purposes, without prejudice to any other provisions that are clearly, expressly and unambiguously stated in the Contract itself regarding the desire to agree upon a different location; to this end, wording such as "EXW (*name of place*)" and/or the use of Incoterms clauses shall not be sufficient nor suitable, and these shall therefore not amend the place of delivery and/or supply stated by article 6.4, with the Parties understanding these to be merely conventional formats to only be used to distribute any expenses and any charges for shipping, transport, insurance and customs/document compliance.

7. TRANSFER OF OWNERSHIP - TRANSFER OF RISK

- 7.1 Ownership of the goods shall only be transferred once they have been duly delivered to the Customer or to the recipient indicated by the latter. Any retention of title clause proposed or inserted by the Supplier shall not have any validity and/or effectiveness between the Parties and shall be understood not to have been written.
- 7.2 Ownership of services shall only be transferred once they have been duly completed and after the Customer or the party indicated by the latter successfully completes the relative testing.
- 7.3 Any liability and/or risk regarding the goods and/or services provided shall only be transferred once their ownership has been transferred to the Customer, or to the party indicated by the latter, in accordance with the provisions of paragraphs 7.1 and 7.2 above.
- 7.4 Any changes to the provisions of the previous paragraphs 7.1 and/or 7.2 must be agreed upon between the Parties in a clear, express and unambiguous way, otherwise they will be considered invalid and/or ineffective. Wording such as "EXW (*name of place*)" and/or the use of Incoterms clauses shall therefore not be considered sufficient nor suitable, and they shall therefore not amend the provisions stated by the aforementioned paragraphs, with the Parties understanding them to be merely conventional formats to only be used to distribute any expenses and any charges for shipping, transport, insurance and customs/document compliance.

8. INITIAL CHECK OF THE SUPPLY - NON-COMPLIANCE REPORT

- 8.1 The Customer reserves the right to carry out an initial, external check on the goods and/or services within 15 (fifteen) days from receiving them, during which time they may only check whether certification documentation is present or not (if necessary for the supply in question), whether the size and number of goods and/or services in the packages correspond with the indications in the Contract, and whether there is any evident damage, without prejudice to the provisions stated by paragraph 8.5 below.
- 8.2 The mere delivery of the goods and/or provision of the services, or the payment of their fee, shall not lead to or mean that they are accepted by the Customer, as this acceptance depends on the aforementioned testing being completed successfully, without prejudice to the provisions stated by paragraph 8.5 below.

83. The Supply shall be automatically rejected if the goods and/or services (depending on the case in question) are delivered and/or provided without packaging or with packaging that is not suitable to protect the contents, or if the size and/or quantity and/or documentation checks are failed. Such a circumstance would automatically lead to a non-compliance report being opened ("NC" for short), with the relative expenses for beginning and managing this paperwork being charged to the Supplier, at a cost of Euro 150.00 (onehundredandfifty/00) for each discrepancy found, without prejudice to reimbursement or compensation for any greater expenses and/or damages incurred by the Customer.
84. The Customer has the right to refuse a partial Supply, even if its content may be divisible; refusal, even if only partial, of a Supply shall entitle the Customer to charge the Supplier for any costs and expenses relating to the Supply that has proven not to be suitable or that does not comply with the expected requirements.
85. The successful outcome of the checks referred to by the previous point 8.1 shall lead to the Supply being accepted only with regard to the aspects indicated therein and within the limits of what can be detected by an external inspection, in any case without prejudice to the Supplier's obligation to guarantee the absence of flaws, defects, non-compliances and/or problems relating to their normal functioning and/or their characteristics, including documentation, size and quantity issues which cannot be easily detected by an external inspection, as well as their suitability with respect to the purposes for which they are intended, in accordance with the provisions of articles 11 and 12 of these GTCP, stated below.

9. REFUNDS AND RETURNS

91. The Customer reserves the right to reject deliveries of goods and/or provisions of services, at the expense and under the responsibility of the Supplier, that do not comply, for any reason, with legislation and/or with the provisions of these GTCP and/or with the Contract, returning the goods that have arrived to the transporter or carrier in charge. This includes cases in which data, pieces or documents are missing, wrong or incomplete or if the goods are clearly damaged. The Customer rejecting goods and/or services shall be equivalent to the Supplier failing to deliver the goods and/or provide the services for all contractual and legal purposes.
92. Once the Contract is concluded, the Supplier must provide the Customer with all the necessary references to carry out a return (e.g. due to flaws, defects, non-compliances, etc.) and/or return under repair or under warranty.
93. The Supplier undertakes to reply to the Customer in writing within and no later than 1 (one) working day from receiving a return and/or refund authorisation request, authorising or refusing said authorisation, providing a valid and specific explanation in the latter case. Should no reply or an unsubstantiated reply be received by the aforementioned deadline, then the return and/or refund request (depending on the case in question) shall be understood to be authorised by the Supplier and the Customer shall proceed to send back the goods, with all expenses, risks and liabilities falling under the exclusive responsibility of the Supplier, including expenses for shipping and transport to the final destination.

10. REQUEST FOR ACCEPTANCE AS AN EXCEPTION

101. If the Supplier identifies any sort of problem within its organisation which may even only potentially harm the normal provision of the Supply, or if the Supplier detects a flaw and/or defect and/or non-compliance with one of the goods and/or services to be supplied, then the Supplier is obliged to immediately inform the Customer in writing, asking them if they nonetheless intend to accept the goods and/or services as an exception, providing the code, quantity, batch and description of the Supply affected by said flaws, defects and/or non-compliances, even if only potential, as well as the possible technical solutions that the Supplier intends to implement in order to solve the problems found.
102. The Customer is completely free to decide whether or not to accept the goods and/or services that have been declared to be flawed, defective and/or non-compliant, through a dedicated written "acceptance as an exception" procedure, subject to the Supply price being reduced, as agreed upon with the Supplier. Without such a reduction, the goods and/or services shall be considered disputed and not accepted by the Customer, with all the contractual and/or legal consequences falling under the responsibility of the Supplier.

11. WARRANTY FOR FLAWS AND DEFECTS

111. The Supplier hereby declares and guarantees that the goods and/or services that will be supplied shall be free from any flaws and/or defects and/or non-compliances ("Defects" for short) and that the goods and/or services shall have the qualities that have been contractually agreed upon between the Parties or, in the absence of specific agreements, that the goods and/or services possess the fundamental qualities for the uses for which they are intended.
112. The Customer has the right to report Defects by and no later than the deadline of 120 (onehundredandtwenty) days, respectively, from the delivery of the goods and/or services in the case of clear Defects, or from their discovery, in the case of hidden Defects. Reporting Defects shall be the equivalent of refusing positive acceptance and without reserves of the Supply, which shall therefore be understood to be rejected for all contractual and/or legal purposes, including the legitimate suspension of payment of the price due, or the right to its reimbursement if the payment has already been made.
113. Considering the specific nature of the activity carried out by the Customer, which does not allow it to test and/or analyse goods and/or services received immediately, the Supplier hereby acknowledges and accepts that hidden Defects shall include all defects relating to, by means of example but not limited to, their intrinsic qualities, their technical characteristics, the possibility to use them correctly or not and/or their suitability compared with the technical and/or qualitative specifications for which they are intended.
114. Should Defects be found, the Customer has the right, depending on the specific type of Contract concluded, at their own sole discretion, to terminate the Contract or have the Defects eliminated, or the price reduced, without prejudice to compensation for damages.

115. The warranty provided for by article 11 shall last for 1 (one) year starting from the delivery date of the goods and/or the completion of the services provided to the Customer, without prejudice to the longer deadline of 2 (two) years provided for by law in the case of contract work.

12. GUARANTEE OF PROPER FUNCTIONING

121. The Supplier guarantees that the goods and/or services provided to the Customer shall function properly for a period of 10 (ten) years from their delivery, without prejudice to any longer period agreed in the Contract or provided for by law.
122. The Customer is obliged to report any malfunction by and no later than the deadline of 60 (sixty) days from when it is discovered and the Supplier must take on full and sole responsibility and accept all the charges for anything necessary (i) to repair the goods and/or services should they be repairable in order to guarantee correct and reliable functioning or, in the absence, or also only upon a reasoned request from the Customer, (ii) to replace the goods and/or services with identical ones that function correctly, are reliable and comply with the provisions of the Contract, in both cases by and no later than the deadline of 10 (ten) days from the Customer reporting the issue.
123. The Supplier is obliged to incur the costs relating to the replacement, repair or return of defective goods and/or services, including those relating to disassembly, assembly, transport and/or dismantling work, even if carried out by the Customer.
124. After the malfunction has been reported, the deadline for the payment of the price, if not already made, shall be legitimately suspended until the Supplier promptly repairs and/or replaces the goods and/or services.
125. All the guarantees provided for by law and/or by this Contract, including the guarantee of proper functioning as referred to by article 12, shall recommence on the goods and/or services subject to repair and/or replacement.

13. PRICE INVARIABILITY

131. The prices stated in the Contract, in the currency indicated therein, are to be considered fixed and invariable for its entire duration, even without the need for this to be specified, and shall include all costs and expenses, with no exclusions, for the Supplier to perform the contract normally, including packaging and transport, unless otherwise agreed in writing between the Parties.
132. Prices shall not be subject to variations or reviews of any kind, not even due to changes in exchange rates, without prejudice to any other agreement signed between the Parties which establishes the relative terms and procedures.

14. INVOICES

141. The Supplier may only issue invoices for fees that have been agreed in advance and in writing with the Customer and that are relative to services that have been duly carried out in favour of the latter.
142. Invoices must comply with the legislation of reference, including legal provisions regarding electronic invoicing.
143. The Supplier shall ensure that invoices indicate, in addition to mandatory data, also the following information: Purchase Order details, details of the delivery documents for goods and/or intervention documents for services and bank details for the payment.

15. PAYMENTS

151. The Customer shall only make payments using the bank circuit and only in full compliance with legislation regarding the traceability of financial flows.
152. The Supplier's right to receive payment of the fee is subject to the products and/or services being duly delivered, together with the transport document (if applicable) and the relative invoice, without prejudice to any other condition provided for by these GTCP and/or by the Contract.
153. Each payment shall be made in accordance with the conditions and deadlines provided for in the Contract, with any different, shorter time frames indicated by the Supplier in their invoice having no validity and/or effectiveness.
154. Any late payments due to the Customer's deeds and own fault shall only give the Supplier the right to receive default interest on the amount due, to be calculated based on the legal interest rate in force at the date of the late payment increased by two percentage points, excluding any additional and/or different calculation or amount identifiable by law and/or compensation for damages.

16. THE CUSTOMER'S ASSETS

161. All technical information, drawings, projects, logos, brands, know-how, symbols, emblems, calibres, moulds, models, equipment, procedures, terms and technical specifications, samples, prototypes, software or software elements and, in general, all tangible and/or intangible assets, including all industrial and/or intellectual property, even if not registered and/or filed, created by the Customer, or by third parties appointed by the latter, which the Customer may decide to make temporarily available to the Supplier to perform the Contract ("Customer's Assets" for short), are and shall remain the sole property of the Customer and may only be used by the Supplier for the activities for which they are intended and only for the services requested by the Customer. It is strictly forbidden for the Supplier to use them for other purposes, or to fully or even only partially disseminate them in any way to third parties and/or, purely by means of example, to copy, duplicate or decompile them (including reverse engineering in the case of software).
162. The Supplier is obliged to look after the Customer's Assets and to keep them as distinct and separate as possible from assets belonging to the Supplier and/or to other parties; the Supplier is also obliged to only use the Customer's Assets

to the extent that is strictly necessary to fulfil the Contract, undertaking to look after them with the utmost care and diligence, and to immediately return them to the Customer after the time needed to execute the Contract, excluding the possibility to keep or retain them for any reason whatsoever, unless agreed otherwise in writing between the Parties.

163. The Supplier must inform the Customer in writing within one (1) day should the Customer's Assets become lost or damaged, even only partially, and for any reason, with the understanding that this also applies to any theft, forgery or the assets becoming unusable. In all of the aforementioned cases, the Supplier is obliged, at the Customer's sole discretion, to restore the Customer's Assets in question to their original state (e.g. repair) or, should this not be possible, to provide identical assets, at the Supplier's own expense and under their own responsibility, to replace the ones that were lost or, if they are not available for sale, to fully reimburse the Customer for their value as new, without prejudice to the Customer's right to claim compensation for additional damages.
164. Should the Contract be terminated for any reason, the Supplier must immediately return the Customer's Assets, without any possibility for the latter to keep or retain them for any reason, not even temporarily. Should it be impossible to return the Customer's Assets in the same condition as they were delivered to the Supplier, then the latter must pay the Customer an amount equal to the cost of buying them brand new in the reference market, including expenses and costs to have them delivered to the Customer's headquarters, without prejudice to the Customer's right to claim compensation for any additional damage.

17. INDUSTRIAL AND INTELLECTUAL PROPOERTY RIGHTS

171. In accordance with intellectual and industrial property regulations, and subsequent amendments and integrations, the Supplier declares and acknowledges, also on behalf of their collaborators, directors, employees, appointees, representatives and/or consultants, that all industrial/intellectual property rights deriving from the performance of the Contract, such as patents, copyright, industrial secrets, including those linked or connected to the creation of technical drawings and/or models on paper and/or in digital format, their subsequent improvements, updates and/or uses, including the right to their protection by recording and/or filing them in Italy and/or abroad and their economic exploitation, as well as the ownership of the results and/or figures obtained from the work carried out by the Supplier to perform the Contract, despite not being protectable as industrial and/or intellectual property, belong exclusively to the Customer, with the sole exception of the title of "moral author" being recognised, to which another party may be entitled pursuant to the law, and this without additional or other financial recognition with respect to the prices agreed between the Parties in the Contract, as these are freely and independently decided upon by the Supplier already taking into account the provisions of article 17.
172. The Supplier shall keep their own industrial and intellectual property rights and, in general, all the know-how that they had upon concluding the Contract, even if these are then used to carry out the services to the highest professional standards.
173. The content of article 17 shall remain valid and effective even if the Contract between the Parties is terminated, for whatever reason, in accordance with the provisions of applicable legislation in this regard.

18. SUPPLIER'S LIABILITY - SUSPENSION OF PAYMENTS - INSURANCE POLICY

181. The Supplier accepts full and sole responsibility for any breaches, defects and/or flaws with the services and/or goods provided to the Customer and/or to the party indicated by the latter as being the recipient of the Supply and, more in general, for the contractual services that it is obliged to provide under the Contract, as well as for any damage that the Customer or third parties, including their customers, may incur as a result of or depending on said breaches, defects or flaws, including defective products, undertaking to hold harmless and fully indemnify the Customer against any damage, action, dispute, claim and complaint, as well as to intervene directly in any administrative and/or judicial proceeding brought against the Customer, agreeing to their exclusion upon simple request.
182. Any offences, violations or irregularities by the Supplier with respect to obligations or legal provisions, including tax and/or currency regulations, which may lead to any kind of payment obligation whatsoever (e.g. capital, interest, sanctions, penalties, fines, etc.) also vis-à-vis the Customer, shall be borne exclusively by the Supplier, who shall therefore hold harmless and fully indemnify the Customer against any injurious effect.
183. The Customer reserves the right to suspend payments in the event of pending disputes with the Supplier should the latter commit breaches and/or contractual violations, and this shall remain the case until said disputes are resolved through an agreement between the Parties and/or through judicial proceedings.
184. The Supplier undertakes to take out, unless they already have one, and to maintain throughout the duration of the Contract and for at least two years after termination of the Contract for whatever reason, one or more insurance policies covering, respectively, third-party liability, liability vis-à-vis workers and professional liability (for service provision), or product liability (for the supply of goods). The insurance policy must be taken out with a leading insurance company with headquarters, or at least legal representation, in Italy, with maximum coverage of no less than Euro #10,000,000.00#, to cover the liability of the Supplier and their employees, collaborators, partners or appointees, resulting from any activity referred to by the Contract and deriving from possible damages to belongings and/or third parties, including the Customer and the latter's personnel and assets. The Supplier is also obliged, under their own responsibility and at their own expense, to take out suitable insurance cover against all the risks relating to the shipping, transport and delivery of goods, unless otherwise provided for in the Contract, without prejudice to their exclusive responsibility in this regard until the goods are duly delivered to the Customer.

19. PENALTIES - EXPRESS TERMINATION CLAUSE

191. Without prejudice to any other right and/or action to protect the Customer as provided for by laws and/or other clauses in these GTC or by the Contract, should the Supplier or the latter's appointees delay performing the Contract with respect to the agreed time frames, then the Customer shall have the right to receive a penalty payment from the Supplier, pursuant to article 1382 of the (Italian) Civil Code, equal to 1% (one per cent) of the amount of the Contract that hasn't been executed on time. This percentage is to be calculated for each day of the delay, up until a maximum amount of no more than 15% (fifteen per cent) of said amount, without prejudice to the provisions stated below. In the event of a delay equal to or longer than 7 (seven) days, the Customer shall also have the right to immediately terminate the Contract in full due to the Supplier's breach, by simply informing the latter in writing, pursuant to article 1456 of the (Italian) Civil Code, with the right, and in any case irrevocable authorisation from the Supplier, to obtain the goods and or services that haven't been delivered/supplied by the set deadline from third parties - at the discretion of the Customer - with the Supplier having to bear all the relative costs, expenses and/or charges upon simple request from the Customer.
192. Should the technical documentation and/or certifications regarding the conformity of the products and/or services (where applicable) not be provided and/or be provided late, then the Supplier shall be obliged to pay a penalty amount pursuant to article 1382 of the (Italian) Civil Code, equal to 0.5% (zeropointfive per cent) of the total amount of the Contract to which said documentation refers. This percentage is to be calculated for each day of the delay, up until a maximum amount of 10% (ten per cent) of the aforementioned amount, without prejudice to the provisions stated below. In the event of a delay equal to or longer than 7 (seven) days, the Customer shall also have the right to immediately terminate the Contract in full due to the Supplier's breach, by simply informing the latter in writing, pursuant to article 1456 of the (Italian) Civil Code.
193. The Supplier is obliged to hold harmless and/or indemnify the Customer, based on the so-called "back to back" principle, from and against any penalties charged to the Customer by their customers, for any reason whatsoever, for reasons due to the Supplier's liability, up to a maximum of forty per cent (40%) of the total amount of the Contract that hasn't been duly performed by the latter, as well as against any additional and unexpected production expenses and transport costs and expenses that were not originally provided for and have been caused by the Supplier's delay.
194. The Customer shall have the right and is, in any case, hereby irrevocably authorised by the Supplier to deduct and/or compensate amounts equal to any amount due to it as a penalty and/or as compensation for damages using any credit due to the Supplier.
195. The Supplier declares and acknowledges that any penalty agreed in article 19 shall be considered fair and may not be reduced, pursuant to article 1384 of the (Italian) Civil Code, considering the Customer's legitimate and objective need for the services to be carried out by the Supplier in a timely and correct manner in order to avoid serious liability vis-à-vis the Customer's own customers.
196. For each penalty provided for by paragraphs 19.1, 19.2 and 19.3 above, the Customer shall specifically have the right to compensation for any additional damage if and to the extent that this is recognised between the Parties or, should this not be the case, that it is ascertained by the judicial authorities. This shall be without prejudice to any additional and/or other case of early termination of the Contract, also with immediate effect, as provided for by any other contractual clause and/or by the law.

20. TERMINATION - EXPRESS TERMINATION CLAUSE - WITHDRAWAL

201. Without prejudice to any other hypothesis of interruption, suspension and/or termination of the Contract, should the Supplier fail to fulfil one or more of the commitments to which the latter is subject pursuant to the Contract and/or these General Terms and Conditions and/or applicable legislation, then the Customer shall have the right to terminate the Contract pursuant to article 1454 of the (Italian) Civil Code, by sending the Supplier a formal notice to comply which is disregarded after the deadline of 7 days (seven days) from receipt, unless it is necessary to grant a shorter deadline to avoid or limit the injurious effects of the non-compliance. The Customer shall also have the right to obtain full compensation for damages, in addition to the reimbursement of any amounts paid in the meantime.
202. The Customer has the right to terminate the Contract for just cause at any time, pursuant to article 1456 of the (Italian) Civil Code, simply by sending written notification to the Supplier, expressing their desire to make use of this express termination clause, should the Supplier fail to fulfil one or more of the obligations referred to by the following articles of these General Terms and Conditions of Purchase: articles 3.2 (*strict deadlines*); 4.1, points a, b, c, d, e, f (*the supplier's commitments and guarantees*); 5.1 (*"Warranty and Quality" agreements*); 16 (*the customer's assets*); 18.3 (*insurance policy*); 19 (*penalties – express termination clause*); 22 (*ban on transferring the contract – ban on outsourcing - ban on assignment of credit*); 23 (*confidential information – ban on publicity*); 24 (*data protection*).
- Should the Supplier violate the provisions of the Code of Ethics and/or the Organisational Model pursuant to (Italian) Legislative Decree no. 231/2001 adopted by the Customer, then the Contract may also be terminated for just cause, pursuant to article 1456 of the (Italian) Civil Code. The Supplier declares that they have read and shall unconditionally comply with said documents as they represent an integral and essential part of the Contract.
- In all cases in which the Contract is terminated due to a fault of the Supplier, then the Customer shall have the right to compensation for damages and the reimbursement of all amounts paid in the meantime.
- 20.3. The Customer reserves the right to withdraw from the Contract at any time, at their own sole discretion, even if it has already begun to be performed, by sending written notification to the Supplier with at least 30 (thirty) days' notice, following which the Contract shall be understood to be automatically terminated and the Supplier must interrupt any relative activities or services. In this case, the Supplier will have the right to receive payment for the goods and/or services that have been duly delivered to the Customer as at the date the withdrawal becomes effective, as well as an additional amount as all-inclusive compensation

for the early interruption of the Contract, which shall be equal to 10 (ten) per cent of the fee of the part of the Supply that hasn't been completed, net of VAT, with the exclusion of any reimbursement for lost income and/or compensation for any damages, and without prejudice to any other written agreement between the Parties.

21. FORCE MAJEURE

- 21.1. Neither of the Parties may be held responsible for any delays or non-compliances caused directly and immediately by an exceptional and sudden event which could not be predicted nor avoided and which is beyond the control of the Party affected by said event, including, by means of example but not limited to, earthquakes, floods, trade union strikes, epidemics, act of authority, riots, wars and/or embargoes that arise after the Contract is concluded.
- 21.2. The Party affected by a force majeure event must immediately notify the other Party in writing, specifying the nature and characteristics of the event and the reasons for the delay. Should the affected Party not provide this notification, then they will not be exempt from liability as provided for by this article and/or by applicable legislation in this regard.
- 21.3. Should the force majeure event go on, without interruption, for more than 15 (fifteen) days, then each Party will have the right to provide written notification of termination of the Contract, without one Party being liable vis-à-vis the other, with the exception of the liability of a Party failing to comply before the force majeure event occurred.
- 21.4. The termination of Contracts that are performed on an ongoing and/or regular basis will not have a retroactive effect.

22. BAN ON TRANSFERRING THE CONTRACT - BAN ON OUTSOURCING - BAN ON ASSIGNMENT OF CREDIT

- 22.1. It is strictly forbidden to transfer the Contract to third parties and/or to outsource its performance, even only partially, to third parties, unless written authorisation is granted by the Customer. Even if the Customer grants their authorisation, they shall still hold the Supplier directly responsible, vis-à-vis the Customer, for the work carried out by the Supplier's appointee.
- 22.2. Credits due to the Supplier on the basis of the Contract may not be assigned to third parties in any way or for any reason, not even through collection mandates or other types of proxy granted to credit institutions and/or factoring companies, unless specific written authorisation is granted by the Customer.

23. CONFIDENTIAL INFORMATION - BAN ON PUBLICITY

The Customer may send the Supplier data and/or information that is strictly confidential such as, by means of example but not limited to, project data, technical documentation, commercial and/or financial information, data relating to technical and commercial aspects of products and services and, in general, company and sales policies of the Customer and/or the latter's own customers and/or the latter's other suppliers ("Confidential Information" for short). The Supplier undertakes to consider the Confidential Information, whether written or verbal, strictly confidential and to only use Confidential Information for the purposes of fulfilling their own contractual obligations and only for the duration of said obligations.

- 23.1. It is strictly forbidden for the Supplier to fully or partially reproduce, duplicate, decompile or copy Confidential Information or to disclose Confidential Information to third parties in any way, unless this is within the limits of what is strictly necessary to fulfil their contractual obligations and ensuring in advance that, should it be necessary to disclose the Confidential Information to third parties, that the latter make a written commitment to keep the information received confidential and secret in accordance with the same terms and procedures provided for by this article, without prejudice to the Supplier's direct responsibility vis-à-vis the Customer also for the conduct of said third party.
- 23.2. The Supplier undertakes to immediately return all Confidential Information to the Customer, in whichever format said information is held, whether written or not, including all copies of said information, as soon as the Contract is terminated, even early, for any reason, excluding any possibility to retain said information.
- 23.3. As a partial exception to the aforementioned provision, only Confidential Information that is or becomes part of the public domain shall not be subject to the provisions and restrictions referred to by this article, unless this is a result of violations of the law and/or confidentiality obligations. Information will also not be subject to the provisions and restrictions referred to by this article if it was legitimately in the possession of the Supplier before being provided by the Customer, in which case the Supplier must immediately notify the Customer, otherwise this exemption shall no longer be valid, or if said information absolutely has to be used before judicial authorities in order for the Supplier to protect their rights.
- 23.4. The Supplier undertakes to ensure that all their collaborators, directors, employees, appointees, agents, representatives and/or consultants, as well as any other party who may be involved in performing the contract in any way whatsoever, even if only in a secondary and/or subsequent way, shall respect the obligations and confidentiality requirements provided for by these GTCP.
- 23.5. It is strictly forbidden for the Supplier to directly or indirectly publicise their relations with the Customer in any way, unless they have advance and express authorisation to do so. Should this authorisation be granted, the Customer shall provide the guidelines and the binding terms and conditions that the Supplier must scrupulously respect, with any other form of advertising being forbidden.
- 23.6. The commitments and obligations referred to by article 23 shall be valid and effective throughout the duration of the Contract and for an additional 10 (ten) years from when the Contract is terminated for any reason, without prejudice to a potentially longer deadline provided for by applicable legislation in favour of the Customer.

24. DATA PROTECTION

- 24.1. In accordance with the provisions of EU Regulation no. 679 of 2016 (GDPR) and any subsequent amendments or integrations, any data exchanged between the Customer and the Supplier for the Contract and/or during its execution, must only be used for purposes relating to the performance of the Contract itself.
- 24.2. Data must be protected, managed and stored using appropriate technical and organisational measures in order to ensure that

data processing fulfils the requirements of data protection legislation, as better indicated in the dedicated form provided to the Supplier.

25. PARTIAL INVALIDITY

25.1. Should one or more of the clauses in these General Terms and Conditions become totally or partially null, invalid or ineffective, where this is ascertained by the competent authorities, this shall not necessarily mean that the remaining parts and/or other clauses of these General Terms and Conditions of Purchase and/or of the Contract governed by them, shall also become null, valid or ineffective, with legal provisions being applied instead.

26. APPLICABLE LAW - JURISDICTION

26.1. These General Terms and Conditions of Purchase and/or every single Contract and/or every single relationship, even pre-contractual, which may be governed by them, including any question relating to their interpretation, conclusion, validity, execution, or any other case of termination, annulment or invalidity, shall only be subject to and disciplined by Italian law, expressly excluding and/or disapplying any private international laws, including the provisions of EU Regulation no. 593/2008 and subsequent amendments and integrations, EU Regulation no. 864/2007 and subsequent amendments and integrations, and the Vienna Convention from 1980 regarding the international sale of goods.

26.2. Any dispute or objection relating, or in any case linked, to the interpretation, conclusion, validity, execution or termination, annulment or invalidity of these General Terms and Conditions of Purchase and/or any single Contract and/or any single relationship governed by them, shall be subject to Italian jurisdiction and the exclusive and irrevocable jurisdiction of the Court of Padua, excluding the jurisdiction of both general courts and elective courts identifiable by law.

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NB – Please print and sign this document, providing two signatures in the two boxes below. Then scan the signed copy in PDF and send it as soon as possible via e-mail to the department in charge at Mitsubishi Electric Klimat Transportation Systems s.p.a. The original document must be sent to the following address: Mitsubishi Electric Klimat Transportation Systems s.p.a., Corso Stati Uniti 1/1, 35127 Padua, Italy.

Acceptance of the General Terms and Conditions of Purchase of Mitsubishi Electric Klimat Transportation Systems s.p.a.

Date Company name

The Supplier named below hereby declares that they fully accept the above General Terms and Conditions of Purchase of Mitsubishi Electric Klimat Transportation Systems s.p.a.

STAMP AND SIGNATURE FOR ACCEPTANCE

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Name and Surname of the signatory:

Pursuant to articles 1341 and 1342 of the (Italian) Civil Code, the Supplier also declares that they have read, understood and expressly and specifically accept the content of the following articles, and relative paragraphs, of the above General Terms and Conditions of Purchase: article 1 (scope of application); article 2 (conclusion of the contract); article 3 (execution - strict deadlines); article 4, point (d) and (e) (the supplier’s commitments and guarantees); article 5.1 (quality control and warranty); article 6.4 (delivery location); article 7 (transfer of ownership -transfer of risk); article 8 (initial check of the supply – non-compliance report); article 9 (refunds and returns); article 11 (warranty for flaws and defects); article 12 (guarantee of proper functioning); article 13 (price invariability); article 15.4 (consequences of late payment - default interest); article 16 (the customer’s assets); article 17 (industrial and intellectual property rights); article 18.3 (suspension of payments); article 19 (penalties – express termination clause); article 20 (termination – express termination clause – withdrawal); article 21 (force majeure); article 22 (ban on transferring the contract – ban on outsourcing - ban on assignment of credit); article 26 (applicable law - jurisdiction).

STAMP AND SIGNATURE FOR ACCEPTANCE

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