

GENERAL TERMS AND CONDITIONS OF PURCHASE – DEFREMM S.p.A

1. Scope of Application

1.1 These General Terms and Conditions of Purchase (hereinafter the “**General Terms and Conditions**”) apply to all supplies of Goods and/or Services made by the Supplier to DEFREMM in fulfilment of Purchase Orders issued by DEFREMM. Unless expressly waived in writing in individual Purchase Orders or specific agreements, these General Terms form the legal basis of every contractual relationship between DEFREMM and the Supplier.

1.2 Any amendment or addition to these General Terms and Conditions shall only be valid if specifically accepted in writing by DEFREMM.

1.3 DEFREMM reserves the right to amend these General Terms and Conditions at any time by publishing a new version on its website. Any amendment shall take effect on the tenth day following its publication on the website.

2. Prevalence and validity of these General Terms and Conditions

2.1 Unless otherwise expressly agreed in writing between the Parties, these General Terms and Conditions shall prevail over any general or specific terms and conditions of sale of the Supplier, however made known or accessible. Any general terms and conditions of the Supplier shall not be binding between the Parties unless expressly accepted in writing by DEFREMM.

2.2 In the event of any conflict between these General Terms and Conditions and individual Purchase Orders, these General Terms and Conditions shall prevail, unless expressly waived in writing in the Purchase Orders and signed by both Parties.

2.3 These General Terms and Conditions are subject to the ‘*pro tempore vigenti*’ rule. It follows that they may be updated either by means of a new contract or by publication of the document or any other replacement document on DEFREMM’s website and in the designated publication venues.

3. Definitions

3.1 In these General Terms and Conditions, the following terms shall have the meanings set out below:

- “**Supplier**” means the supplier of Goods or Services who approves and accepts these General Terms and Conditions by signing them at the bottom.
- “DEFREMM” means DEFREMM S.p.A., with its registered office at Via Goito, 6 – 23900 Lecco (LC), Italy.
- The term ‘**Confidential Information**’ refers collectively to (i) the Technical Specifications, (ii) any other information, whether commercial or otherwise, relating to DEFREMM, its materials, products, processes, services and activities, provided in any form by and/or on behalf of DEFREMM to the Supplier and/or of which the Supplier has become aware in connection with the performance of the Contracts, (iii) the Results; and (iv) any note, study or other document prepared by the Supplier that contains or otherwise reflects the Technical Specifications, the information referred to in point (ii) and the Results.
- “**Goods**” or “**Products**” shall mean the tangible or intangible goods sold by the Supplier to DEFREMM as expressly set out in the Purchase Orders or in the Contracts.

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- **“Contracts”** means the specific contracts entered into from time to time between DEFREMM and the Supplier upon the Supplier’s acceptance of a Purchase Order in accordance with Article 4.2 or upon the issue of a Purchase Order following a Contract Proposal from the Supplier in accordance with Article 4.3.
- The term **“Contract Proposals”** refers to any proposal for the sale of Goods or the provision of Services submitted in writing by the Supplier to DEFREMM.
- **“Services”** means the work and/or intellectual services provided by the Supplier to DEFREMM in accordance with the Contracts.
- **“Technical Specifications”** means any type of technical, functional or quality specifications relating to the Goods or the manner in which the Services are to be performed, including, by way of example, drawings, models, samples, prototypes, videos, photographs, renderings, testing specifications and manufacturing specifications, as communicated in writing by DEFREMM to the Supplier from time to time or confirmed in writing by DEFREMM.
- **“Purchase Orders”** shall mean requests for the purchase of Goods or the provision of Services issued by DEFREMM to the Supplier and meeting the requirements of form and content set out in Article 4.1.
- **“Results”** shall mean all the results of creative and inventive activity conceived, produced or developed by the Supplier in the performance of or as a result of the Services, including designs, inventions, data, results, information, methods, specifications, know-how, software, photographs or video footage, products or moulds.
- **“Parties”** means DEFREMM and the Supplier jointly.
- **“Operational Headquarters”** means DEFREMM’s registered office: Via Goito, 6 – 23900 Lecco (LC), Italy.
- **“End Customer”** means DEFREMM’s customer.

3.2 It is understood that

- a) any reference to an Article also includes its Paragraphs and Sub-paragraphs, etc.;
- b) any reference to the Contract or any other document referred to also includes its Annexes and any subsequent amendments and additions;
- c) the headings of the Articles do not affect their interpretation.

4. Issuing of Purchase Orders

4.1 Purchase Orders must be issued in writing and must specify at least the Goods and/or Services, quantities, delivery terms, prices and payment terms, as well as any applicable Technical Specifications.

4.2 Purchase Orders shall become binding on the Parties once accepted by the Supplier by written notice within the time limit specified in the Purchase Order or, failing that, within five (5) days of receipt. The Purchase Order shall also be deemed to have been accepted if the Supplier does not send written notice of refusal within the same period or commences performance of the supply. DEFREMM reserves the right to revoke Purchase Orders until such time as the Supplier has accepted them.

4.3 Where a Purchase Order is issued following a Contract Proposal from the Supplier, it shall become binding on the Parties upon dispatch to the Supplier, provided that it expressly refers to that Proposal.

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4.4 For the purposes of these General Terms and Conditions, communications exchanged between the Parties by letter, certified email (PEC), email or other written business correspondence shall be deemed to be in writing.

4.5 The supply of Goods and/or Services is governed by the General Terms and Conditions, the Technical Specifications, the Purchase Orders and any Contract Proposals. In the event of a conflict, the following order of precedence shall apply: (i) General Terms and Conditions; (ii) Technical Specifications; (iii) Purchase Orders; (iv) Contract Proposals.

4.6 These General Terms and Conditions do not impose any obligation on DEFREMM to issue a minimum number of Purchase Orders.

4.7 DEFREMM shall be entitled to withdraw from the Contracts as specified below:

(a) for just cause and with immediate effect, notwithstanding Article 1373, paragraph 1, of the Civil Code, by written notice to the Supplier, should any of the following circumstances arise: (i) the Supplier is no longer technically capable of carrying out the supply of Goods or Services in a regular manner; (ii) the Supplier finds itself in a state of financial difficulty such as to jeopardise the regular supply of Goods or Services; (iii) legal proceedings have been brought against the Supplier for the recovery of debts or enforcement proceedings; (iv) the Supplier is insolvent or has been admitted to any insolvency proceedings, liquidation or arrangement with creditors. In such cases, all DEFREMM's claims against the Supplier shall be deemed immediately due and payable.

(b) In the ordinary course of business, DEFREMM shall also be entitled to terminate the Contracts at any time and without giving any reason, by giving the Supplier at least thirty (30) days' written notice.

In any case of termination pursuant to this article, DEFREMM shall be obliged to pay the Supplier only the consideration relating to Goods already delivered and/or Services already performed as at the effective date of the termination, provided that they comply with the provisions of the General Terms and Conditions, the Purchase Orders and the Technical Specifications, and any further indemnity, compensation or remuneration in favour of the Supplier shall be excluded.

4.8 Where a Purchase Order provides for the performance of Services structured in successive phases, it shall be at DEFREMM's discretion to decide, at the end of each phase, whether to proceed with the subsequent phases. The Supplier shall carry out the subsequent phases only following written authorisation from DEFREMM.

4.9 No exclusivity is granted to the Supplier.

5. Changes to the supply and order amendments

5.1 DEFREMM may request changes to the quality, quantity, characteristics and/or form of the Goods and Services during the performance of the supply. Should such changes affect timescales and costs, the Supplier shall be entitled to a fair adjustment to the remuneration and/or the delivery deadline, subject to DEFREMM's written acceptance. The Supplier is not permitted to make any changes to the drawings and/or Technical Specifications without DEFREMM's prior written authorisation.

5.2 The Supplier is expressly prohibited from making any changes to the Goods supplied or to the materials/components used in their manufacture without prior notification and the prior written consent of DEFREMM.

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5.3 In the event of a change as referred to in Article 5.2 above, the Supplier must promptly submit all supporting technical documentation to enable DEFREMM to carry out any necessary assessment and, where appropriate, to cancel the Purchase Order.

6. Material supplied for processing and equipment

6.1 Where materials are supplied by DEFREMM or on its behalf, the Supplier is obliged to verify their compliance with the quality requirements specified by DEFREMM and to report any non-conformities found without delay.

6.2 It is understood that DEFREMM remains the sole owner of the materials supplied on a contract-for-work basis, unless otherwise agreed in writing by the Parties.

6.3 Equipment supplied by DEFREMM must be looked after by the Supplier with the utmost care. The Supplier shall be liable for any loss, theft, breakage or damage caused to such equipment and must immediately inform DEFREMM of any such incident.

6.4 The Supplier undertakes to: (a) declare to third parties that the equipment is not its property; (b) not move the equipment without DEFREMM's written authorisation; (c) not to modify or alter the equipment; (d) to carry out routine maintenance; (e) to return the equipment, at DEFREMM's request, in the condition in which it was delivered, subject to normal wear and tear.

7. Technical documentation

7.1 The Supplier shall provide DEFREMM with the technical documentation required by the nature of the Goods or Services, either together with the equipment or within the agreed timeframes. The Supplier shall ensure the proper management of the technical documentation provided by DEFREMM or owned by the Supplier.

8. Dispatch

8.1 The Supplier must provide DEFREMM, in good time prior to dispatch, with a detailed list of packages, specifying the Purchase Order number and date, code, grade, quantity and weight of the Goods. Each consignment of goods must be accompanied by a consignment note relating to a single Purchase Order.

8.2 The delivery terms specified in the Purchase Order are essential and binding on the Supplier. Unless otherwise stated in the Purchase Order, the delivery of Goods and the provision of Services must take place at DEFREMM's operational premises. No early or partial deliveries are permitted unless authorised in writing. DEFREMM reserves the right to refuse any Goods or Services received before the agreed deadline.

8.3 The Supplier must ensure that the quantity of Goods delivered corresponds to that specified in the Purchase Orders. DEFREMM may request the collection of any excess quantities at the Supplier's expense and risk.

8.4 In the event of a delay in the delivery of Goods or the provision of Services, DEFREMM shall be entitled to:

- (i) set a further deadline for the Supplier to deliver the Goods or perform the Services;
- (ii) in the event of delays exceeding fifteen (15) days, terminate the Purchase Order in whole or in part by written notice in accordance with Article 1456 of the Civil Code, without prejudice to

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compensation for damages. In such a case, nothing shall be due to the Supplier, except for payment for the Goods and/or Services accepted by DEFREMM.

8.5 Furthermore, in the event of delayed, failed or non-conforming delivery not attributable to force majeure, DEFREMM may: (a) suspend payments due to the Supplier; (b) impose a penalty equal to 5 per cent (five per cent) of the agreed consideration for each day of delay from the sixth working day onwards, up to a maximum of 20 per cent (twenty per cent) of the value of the Goods or Services, without prejudice to any greater damages.

8.6 The remedies provided for in this clause are additional to, and do not replace, any other remedies provided for by applicable law.

8.7 DEFREMM shall be entitled, subject to reasonable notice, to carry out inspections at the Supplier's premises to verify proper compliance with the contractual provisions.

9. Force majeure

9.1 Failure to perform a Party's obligations shall not constitute a breach where such failure is caused by circumstances beyond that Party's control (such as, by way of example, pandemics, wars, natural disasters, general strikes, embargoes or orders from the Authority). In such cases, the Supplier must immediately inform DEFREMM, specifying the expected duration of the suspension. Should the event result in a delay of more than sixty (60) days, DEFREMM shall be entitled to terminate the Purchase Order.

9.2 Delays or failures on the part of the Supplier's subcontractors shall not be considered events of force majeure.

9.3 The Supplier shall perform the Contracts with complete managerial and organisational autonomy. The General Terms and Conditions and the Purchase Orders shall not give rise to any partnership or associate relationship, nor shall they confer upon the Supplier any power to represent DEFREMM.

10. Prices, payments and invoicing

10.1 The price for the Goods and/or Services shall be specified in the Purchase Orders or in separate written agreements between the Parties. The prices specified in accepted Purchase Orders shall be fixed and not subject to revision. Unless otherwise agreed in writing, the price is exclusive of VAT.

10.2 Unless otherwise agreed in writing between the Parties, the price includes transport, insurance and packaging costs, which shall be borne exclusively by the Supplier.

10.3 Unless otherwise agreed, prices are on a DDP/DAP (Incoterms 2020) basis to the DEFREMM warehouse specified in the Purchase Order.

10.4 Payment terms and methods shall be specified in the Purchase Orders or in separate written agreements. In the absence of such specifications, payment shall be made by bank transfer within sixty (60) days of the end of the month in which the invoice is received, subject to delivery of the Goods.

10.5 DEFREMM may suspend or delay payments in the event of material and related breaches by the Supplier of the provisions of these General Terms and Conditions.

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10.6 Invoices must be sent to DEFREMM within the statutory time limits and must state the relevant Purchase Order number. No invoice may be issued prior to the actual delivery of the Goods, unless expressly authorised in writing.

11. Quality Guarantees

11.1 Unless otherwise specified in the Purchase Orders, the Supplier guarantees that the Goods supplied are fit for purpose for a minimum period of twelve (12) months from delivery. Delivery of the Goods does not imply acceptance of the supply.

11.2 The Supplier warrants that the Goods will be:

- (a) comply with applicable legislation and safety standards;
- (b) in accordance with the provisions of the General Terms and Conditions, the Purchase Orders and the Technical Specifications;
- (c) free from defects in design, manufacture or storage;
- (d) compatible with any parts to be assembled in accordance with the Technical Specifications;
- (e) fit for their intended use or for any other uses notified by DEFREMM to the Supplier.

11.3 DEFREMM shall have no obligation to inspect the Goods upon delivery. Apparent defects must be reported at the time of acceptance and rectified by the Supplier within seven (7) days. Hidden defects must be reported within fifteen (15) days of discovery.

11.4 In the event of non-conformity of the Goods, DEFREMM shall be entitled to:

- (a) suspend payments in respect of the non-compliant Goods;
- (b) request the replacement of the non-compliant Goods and/or a price reduction;
- (c) request a refund via direct invoicing.

11.5 Should the Goods prove to be defective or dangerous, the Supplier undertakes to cooperate with any product recalls and to reimburse DEFREMM for the related costs. The Supplier shall be liable for damages arising from product defects and must take out an appropriate product liability insurance policy.

11.6 The warranties and remedies set out in this article are in addition to those provided for by law.

12. Quantity and Quality

12.1 Should the quantities of Goods delivered not comply with the agreement, DEFREMM may: (a) accept the quantities actually delivered; (b) request the collection of any excess quantities at the Supplier's expense; (c) request the immediate dispatch of any missing quantities.

12.2 The Supplier warrants that the Goods and Services shall be free from defects and in conformity with the Technical Specifications, Purchase Orders and Contracts. At DEFREMM's request, the Supplier shall repair or replace the defective Goods or provide the Service in a manner that complies with the requirements, within a reasonable period set by DEFREMM.

12.3 The Supplier shall indemnify DEFREMM against any damage, action or claim by third parties arising from the use of non-compliant Goods supplied by the Supplier.

12.4 The Supplier undertakes to adopt and maintain appropriate environmental management practices, preferably in accordance with ISO 14001 or an equivalent standard, ensuring compliance with applicable

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regulations. The Supplier shall also promote staff awareness and plan measures aimed at reducing environmental impacts, including the reduction of energy consumption and the efficient use of resources.

13. Quality Requirements

13.1 This clause governs the quality requirements applicable to the supply of Goods and/or Services by the Supplier to DEFREMM, as further specified in Annex A (**“P8.17 – DEFREMM General Quality Requirements”**) to these General Terms and Conditions of Purchase, which forms an integral and substantial part thereof. In the event of any conflict between the provisions of this article and those of Annex A, the provisions of these General Terms and Conditions shall prevail. The Supplier is required to familiarise itself with Annex A and to comply fully with the requirements set out therein.

13.2 The Supplier must, as a minimum, apply the requirements of the ISO 9001 standard to the Goods and/or Services supplied to DEFREMM. The Supplier must maintain, throughout the duration of the supply relationship, a quality management system compliant with the ISO 9001 standard, in its most recent edition, and must provide DEFREMM, upon request, with evidence of the relevant certification.

13.3 Where the Purchase Order or Contract states “Applicable requirements: AS/EN 9100 or AS/EN 9120”, the Supplier must fully apply the requirements of the AS/EN 9100 or AS/EN 9120 standard, as applicable, to the Goods and/or Services supplied to DEFREMM. In such cases, all the requirements set out in this Article 18 shall be deemed to be supplemented by the provisions of the aforementioned standards, and the Supplier must provide DEFREMM, upon request, with evidence of the relevant certification.

13.4 The Supplier must ensure that all Goods and/or Services comply in every respect with the Technical Specifications, the drawings and the Purchase Order to which they relate, and that they have been inspected and subjected to tests and acceptance trials in accordance with the applicable documentation. No Goods or Services may be delivered or supplied until all the required checks, tests and acceptance trials have been successfully completed.

13.5 Throughout the term of the Purchase Order and/or the Contract, the Supplier must guarantee the level of quality required in the specific requirements and for which it has been recognised and qualified by DEFREMM. Any deterioration in the level of quality must be reported to DEFREMM immediately.

13.6 DEFREMM monitors and assesses suppliers’ performance using service and quality indicators. The Supplier undertakes to cooperate with DEFREMM in collecting the data necessary for the performance assessment and to implement any improvement measures requested by DEFREMM following such an assessment.

13.7 All special processes (including, but not limited to: electroplating, heat treatment, welding, painting, surface coatings and any other process whose result cannot be fully verified by subsequent inspection or testing of the product) used by the Supplier must be qualified and validated in accordance with the applicable standards and specifications. Qualification must extend to the personnel involved, who must possess the skills and certifications required by the relevant standards. The Supplier must provide DEFREMM, upon request, with documentary evidence of the qualification of the special processes and personnel.

13.8 All Goods dispatched to DEFREMM must be properly preserved, packed and dispatched in accordance with the requirements of the Purchase Order and/or the Contract or, where not specified, in accordance

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with best practice and best industrial practice, so as to ensure the integrity and conformity of the Goods at the time of delivery.

13.9 The raw material must be accompanied by a 3.1 Certificate of Conformity in accordance with ISO 10204, and the batch number of the material (cast) must be indicated. The Supplier must ensure that the certificate corresponds to the material actually delivered and must retain a copy of the documentation relating to the certificates for the period specified in Article 13.16 below.

13.10 For materials subject to expiry (for example: oils, solvents, adhesives, sealants, resins and any other material with a limited shelf life), at least 3/4 (three quarters) of the remaining shelf life must be guaranteed at the time of delivery to DEFREMM. The Goods must bear the following information on their packaging, as applicable: treatment applied, batch/lot number, serial number, date of assembly, expiry date.

13.11 The Supplier must ensure that it has implemented all necessary measures and actions to prevent the use of counterfeit parts in the supply of Goods to DEFREMM. In particular, the Supplier must ensure the traceability of parts and components back to their original or authorised manufacturers. The Supplier must implement documented procedures for controlling the procurement of parts and components, including verification of the authenticity and origin of materials, and must immediately notify DEFREMM of any suspicion of the use or receipt of counterfeit parts.

13.12 The Supplier must ensure the proper management, storage and control of technical documentation, whether provided by DEFREMM or owned by the Supplier. The Supplier must ensure that the technical documentation used for the production and inspection of the Goods is always up to date with the latest applicable revision and that obsolete revisions are promptly withdrawn from use.

13.13 The supply must be made in the configuration specified in the Purchase Order or in accordance with any subsequent amendments notified by DEFREMM. Any change to processes, products or services – including, but not limited to, changes to subcontractors, production sites, raw materials, manufacturing methods, critical equipment or special processes – must be notified in writing to DEFREMM in advance and approved by DEFREMM prior to implementation. The Supplier may not make any changes without first obtaining DEFREMM's prior written authorisation. The notification must contain a detailed description of the proposed change, the reasons for it, an analysis of the impact on product quality and conformity, and the expected timeframe for implementation.

13.14 Full traceability of the supply is required: from the finished product, through to receipt of the material/component, via all production documentation. The Supplier must implement and maintain a traceability system that allows, for each item of goods delivered, the identification of the batches of raw materials used, the manufacturing processes carried out, the checks performed, the personnel involved and any subcontractors employed.

13.15 Where required by the Purchase Order, the Technical Specifications or applicable legislation, the Supplier must carry out a First Article Inspection (FAI) in accordance with standard AS/EN 9102 or another standard specified by DEFREMM. The FAI report must be submitted to DEFREMM for approval prior to the start of mass production. The FAI must be repeated in the event of significant changes to the production process, materials, equipment or production site, or in the event of a production stoppage lasting longer than the period specified by DEFREMM or, failing that, longer than twenty-four (24) months.

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13.16 Documentation relating to quality, traceability, inspections, tests, acceptance tests, material certificates, non-conformities and corrective actions must be retained by the Supplier for at least 10 (ten) years from the date of delivery of the Goods or completion of the Services, unless otherwise specified in the Purchase Order, the Contract or the applicable legislation. Such documentation must be made available to DEFREMM at any time, upon simple request.

13.17 DEFREMM reserves the right to carry out checks, inspections and audits at any stage of the supply process, at the premises of the Supplier and its subcontractors. The Supplier must ensure unrestricted access for DEFREMM representatives, both military and civilian supervisory authorities, and DEFREMM's customers. Should DEFREMM decide to exercise this right, it shall formally notify the Supplier, specifying any customer participation. The Supplier must ensure that DEFREMM, its customers and any relevant authorities have access to the relevant areas of its premises and to the relevant documented information, at any level of the supply chain. The conduct of inspections or audits by DEFREMM does not relieve the Supplier of its responsibility regarding the conformity of the Goods and/or Services.

13.18 In the event of non-conformity of the Goods and/or Services, the Supplier shall, without prejudice to the provisions of Article 11 of these General Terms and Conditions, promptly implement containment measures, carry out a root cause analysis and implement effective corrective actions. DEFREMM may require the Supplier to prepare and submit an analysis report structured in accordance with the 8D (Eight Disciplines) methodology or another equivalent methodology specified by DEFREMM, within the time limits specified in the non-conformity notice. Where required by the Purchase Order or the Technical Specifications, the Supplier must prepare and submit to DEFREMM the PPAP (Production Part Approval Process) documentation or equivalent documentation, in support of the approval of the production process and the conformity of the Goods. The Supplier must monitor the effectiveness of the corrective actions implemented and provide DEFREMM with documentary evidence of the results achieved.

13.19 The Supplier guarantees that all its personnel involved in the supply of Goods and/or Services to DEFREMM are aware of their contribution to the conformity of the supply and to product safety, as well as the importance of behaving ethically. The Supplier must ensure that personnel receive adequate training and instruction in relation to the applicable quality requirements.

13.20 The Supplier is required to pass on in full to its subcontractors, at any level of the supply chain, all applicable quality requirements set out in this Article 13, Annex A, the Purchase Orders, the Technical Specifications and the relevant legislation, including requirements relating to the prevention of counterfeit parts, traceability, record-keeping and the right of access and inspection by DEFREMM, its customers and the competent authorities. The Supplier shall in all circumstances remain solely and exclusively liable to DEFREMM for the conformity of the Goods and/or Services supplied by its subcontractors.

14. Sub-suppliers

14.1 The Supplier may, under its own exclusive responsibility and subject to DEFREMM's prior written authorisation, entrust the production of the Goods, in whole or in part, to third parties, ensuring that the latter comply with the obligations set out in these General Terms and Conditions and in the Purchase Orders. The Supplier shall remain solely and exclusively liable to DEFREMM for the proper performance of the contractual relationship.

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15. Intellectual Property

15.1 The drawings, specifications and technical documents made available by DEFREMM shall remain the exclusive property of DEFREMM and may be used solely for the purpose of fulfilling the Purchase Order. The Supplier must return them upon completion of the supply. The performance of the Contract does not constitute a transfer of industrial property rights.

15.2 The Supplier represents and warrants that the Goods and Deliverables do not infringe any third-party intellectual or industrial property rights and that DEFREMM is fully entitled to use, incorporate and market the Goods and Deliverables.

15.3 In the event of a breach of the warranties set out in clause 15.2, even if only provisionally established, DEFREMM shall be entitled to terminate the Contracts pursuant to Article 1456 of the Italian Civil Code. The Supplier undertakes to indemnify DEFREMM against any consequences, bearing all damages and costs, including legal fees.

15.4 Neither these General Terms and Conditions nor the Contracts imply any transfer or licence to the Supplier of DEFREMM's intellectual property rights.

16. Indemnity and Indemnification

16.1 The Supplier undertakes to compensate, indemnify and hold DEFREMM harmless from any direct damage, cost, expense or liability, including those arising from third-party claims, resulting from the Supplier's breach of these General Terms and Conditions and the Contracts. The Supplier shall also be liable for indirect damages exclusively in the event of wilful misconduct or gross negligence.

16.2 The Supplier shall compensate and indemnify DEFREMM against any product liability arising from defects in the Goods.

17. Risks and transfer of title

17.1 The risks associated with the transport and dispatch of the Goods shall be borne by the Supplier, unless otherwise specified in writing. The risks and title to the Goods shall pass to DEFREMM upon delivery to the operational premises or to the consignee specified in the Purchase Order.

18. Confidentiality

18.1 The Supplier acknowledges that DEFREMM is the owner of the Confidential Information and holds the relevant intellectual property rights.

18.2 The Supplier shall: (a) keep the Confidential Information secret and not disclose it to third parties; (b) take all reasonable measures necessary to prevent its disclosure; (c) use it exclusively for the performance of the Contracts; (d) return or destroy, upon completion of the supply or at DEFREMM's request, all documents containing Confidential Information; (e) impose the same obligations on any third party to whom the Confidential Information is to be disclosed in the course of the performance of the Contracts.

18.3 The confidentiality obligation shall remain in force for the entire duration of the relationship and for five (5) years following its termination. This obligation shall not apply to information in the public domain,

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information already in the Supplier's possession prior to the Contract, or information whose disclosure is required by the Authority.

18.4 Any breach of the confidentiality obligation shall entitle DEFREMM to claim damages and, in particularly serious cases, to terminate the Contract.

19. Prohibition on Assignment

19.1 The Supplier may not assign the Purchase Order or any claims arising therefrom to third parties, even in part, without DEFREMM's prior written consent.

20. Insurance

20.1 The Supplier undertakes to take out and maintain in force, for the entire duration of the commercial relationship, an adequate insurance policy covering civil liability arising from the sale of the Goods or the provision of the Services. Upon request by DEFREMM, the Supplier shall provide a copy of the policy and the certificate of premium payment.

21. Express Termination Clause

21.1 DEFREMM may terminate the Contracts pursuant to Article 1456 of the Civil Code by written notice to the Supplier if the Supplier:

- (a) fails to comply with the confidentiality obligations set out in Article 18;
- (b) is subject to any form of control by a competitor of DEFREMM;
- (c) fails to comply with the prohibition on assignment set out in Article 19;
- (d) engages in conduct that seriously damages DEFREMM's reputation;
- (e) commits fraud or acts with gross negligence in the performance of the supply;
- (f) becomes insolvent, enters into liquidation or is subject to insolvency proceedings.

21.2 Termination shall only take effect in respect of supplies not yet performed as at the date of termination.

22. Governing law and jurisdiction

22.1 These General Terms and Conditions and the Contracts are governed by Italian law. The application of the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980) is excluded.

22.2 Any dispute between the Parties shall be subject to the exclusive jurisdiction of the Court of Lecco.

23. Processing of personal data

23.1 The Parties undertake to process personal data exchanged in the course of the supply relationship in compliance with EU Regulation 2016/679 and the applicable legislation on the protection of personal data, assuming full responsibility for this.

24. Code of Ethics and Legislative Decree 231/2001

24.1 The Supplier declares that it is familiar with Legislative Decree 231/2001 and undertakes to refrain from any conduct constituting the offences set out therein. The Supplier further declares that it has read DEFREMM's Code of Ethics and undertakes to comply with it for the entire duration of the Contract.

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24.2 Failure to comply with the Code of Ethics constitutes a material breach and entitles DEFREMM to terminate the Contract with immediate effect pursuant to Article 1456 of the Civil Code, without prejudice to the right to claim damages.

25. Final provisions

25.1 Any agreement entered into between DEFREMM and the Supplier shall be deemed to have been concluded at DEFREMM's registered office.

25.2 The invalidity of one or more clauses of these General Terms and Conditions shall not render the remaining clauses invalid.

25.3 Any tolerance by one Party of breaches by the other Party shall not be construed as a waiver of the rights arising from the breached provisions.

25.4 All communications shall be deemed to have been made at the registered offices of the Parties.

25.5 The Supplier may not assign this contract without DEFREMM's prior written consent. DEFREMM may assign the contract, in whole or in part, even without the Supplier's consent.

25.6 The Annex A: P8.17 – DEFREMM General Quality Requirements forms an integral and essential part of these General Terms and Conditions.

Lecco, 24.06.2026

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Annex A: P8.17 – DEFREMM General Quality Requirements

 <p>DEFREMM COLD FORMING EXPERT</p>	<h1>GENERAL QUALITY REQUIREMENTS</h1>	PROCEDURA P8.17	
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THE FOLLOWING REQUIREMENTS APPLY TO ALL PURCHASE ORDERS ISSUED BY DEFREMM

- The supplier shall, as a minimum, comply with the requirements of ISO 9001 for the parts/services supplied to DEFREMM.
- The supplier shall ensure that all supplies and/or services fully comply with the applicable specifications, drawings, and purchase order requirements, and that they have been verified, inspected, and tested in accordance with the applicable documentation.
- For the entire duration of the Purchase Order/Contract, the supplier shall maintain the quality level required by the specific requirements for which it has been approved by DEFREMM.
- DEFREMM monitors and evaluates supplier performance through quality and service performance indicators.
- All special processes (such as plating, heat treatment, etc.) used by the supplier shall be qualified, including personnel qualification.
- All items shipped to DEFREMM shall be properly preserved, packaged, and delivered in accordance with Purchase Order/Contract requirements or, when not specified, according to best industry practices.

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- Raw materials shall be accompanied by a Certificate of Conformity 3.1 in accordance with ISO 10204, including the material heat/lot number identification.
- For shelf-life controlled materials (such as oils, solvents, etc.), at least three-quarters of the original shelf life shall remain. Where applicable, packaging shall include: treatment applied, batch/lot number, serial number, assembly date, and expiration date.

THE FOLLOWING REQUIREMENTS APPLY TO ALL PURCHASE ORDERS ISSUED BY DEFREMM STATING: “APPLICABLE REQUIREMENTS: AS/EN 9100 OR AS/EN 9120”

- The supplier shall comply with the requirements of AS/EN 9100 or AS/EN 9120, as applicable, for the parts/services supplied to DEFREMM.
- DEFREMM reserves the right to perform inspections at any stage of the supply process; the supplier shall grant access to DEFREMM representatives, Civil and Military Regulatory Authorities, and DEFREMM customers. If this right is exercised, formal notification will be provided specifying any customer participation.
- The supplier shall ensure that appropriate measures are implemented to prevent the use of counterfeit parts. In particular, the supplier shall ensure full traceability of parts and components to their original or authorized manufacturers.
- The supplier shall ensure proper control and management of technical documentation, whether provided by DEFREMM or owned by the supplier.
- Supplies shall be delivered in the configuration specified in the Purchase Order or in any subsequent modifications formally communicated by DEFREMM. Any changes to processes, products, services, sub-suppliers, or manufacturing locations shall require prior DEFREMM approval.
- Full traceability of the supply shall be ensured, from finished product back to raw material/component receipt, through production documentation. Records shall be retained for at least 10 years (unless otherwise specified) and shall be made available to DEFREMM upon request.

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- Raw materials shall be accompanied by a 3.1 certificate in accordance with ISO 10204, including material heat/lot identification.
- The supplier shall ensure that all personnel are aware of their contribution to product conformity, product safety, and the importance of ethical behavior.
- The supplier shall ensure access for Defremm, its customers, and any relevant authorities to the applicable areas of its facilities and to the applicable documented information, at any level of the supply chain.

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