



ISAF S.p.A.

REGISTERED OFFICE: VIA I MAGGIO Z.I. - 38089 STORO (TRENTO) - ITALY
TEL: +39 0465 681411 - FAX: +39 0465 686750 - www.isaf.it - E-mail: isaf@isaf.it
TAX CODE AND VAT NO : 00351300223

Company subjected to the direction and coordination activities of AIR LIQUIDE WELDING (ALW) S.A.

GENERAL CONDITIONS OF PURCHASE

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1. GENERAL ASPECTS These general conditions of purchase shall apply to all purchase orders placed by ISAF S.p.A., unless otherwise agreed in writing between ISAF S.p.A. and the Supplier, and exclude the application of general conditions of sale of the Supplier. These general conditions of purchase shall prevail in any conflict between them and the terms of any offer or acceptance by the Supplier. By acceptance of the order, these general conditions of purchase become integral part of the contract. The present Agreement will be effective until its written amendment accepted by both the Parties.

2. PURCHASE ORDER Within 8 calendar days from the date of receipt of the purchase order, the Supplier shall notify ISAF S.p.A. in writing the acknowledgement of the receipt. If the Supplier fails to perform this obligation, ISAF S.p.A. reserves the right to cancel the purchase order; in addition, if the Supplier starts to execute the purchase order without sending the written acknowledgement of the receipt, then such order shall be deemed as fully agreed. No modifications to the purchase order are admitted except with the written consent of ISAF S.p.A. All modifications to the purchase order shall be submitted in writing to ISAF S.p.A. for its approval.

3. PRICES The prices are fixed, inclusive all duties, charges and taxes, except the value added tax (VAT) unless otherwise agreed in writing between the Parties. No price modification is admitted except with the prior written consent of ISAF S.p.A.

4. INVOICES All invoices shall show the names of the Parties, their addresses, the fiscal code and VAT number, the date and the number of the purchase order, the quantity and the description of the supply, the price excluding VAT, the date and the terms of payment. All the invoices shall be sent to ISAF S.p.A. in duplicate by post and shall not be included in the delivery shipment. A separate invoice shall be submitted for each order. The invoices which do not comply with the foregoing provisions shall not become due for payment and shall be returned to the Supplier.

5. PAYMENT The payments shall be made within 120 days of the end of month of date of invoice, unless otherwise agreed in writing by the Parties.

6. DELIVERY DATE - DELAY The supply specified in the purchase order shall be delivered in compliance with the provisions of the order, on the date and at the place set out in the order. The supply shall be delivered with all necessary technical documentation and certifications. If the delivery date is not specified in the order, the delivery date shall be the date of effective delivery to the place designated by ISAF S.p.A. No advance delivery is admitted unless agreed in writing by ISAF S.p.A. If the products are not delivered at the delivery date, ISAF S.p.A. is entitled to apply penalties from the date on which the delivery should have taken place. Penalties shall be paid at a rate of 1% of the total value of the purchase order for each week of delay, unless otherwise stated in the purchase order. The Supplier shall pay the penalty at first ISAF S.p.A.'s request. The payment of penalties shall not release the Supplier from other compensation and indemnification. The acceptance of a delayed delivery of the supply by ISAF S.p.A. could not be deemed as a waiver of the penalties towards the Supplier. If the delivery doesn't take place within one (1) month from the agreed delivery date, ISAF S.p.A. is entitled to terminate the purchase order pursuant to the article 9 of the present Agreement.

7. WARRANTY The Supplier shall guarantee that all delivered products are free from defects in material and workmanship, materially comply with applicable specifications and drawings, free from design defects, suitable for their purpose and comply with the applicable laws. Also in case of absence of technical specifications, the supply has to be suitable for its purpose. The Supplier shall carry out, at his own expenses, all repairing and replacement works of the delivered supply upon choice of ISAF S.p.A. The warranty for delivered products and supplied services shall be 2 years from the date of their delivery or supply. ISAF S.p.A. shall be able to carry out all inspections and checks of the delivered products. The Supplier agrees to provide product spare parts for a period of at least 2 years even after product is no longer sold.

8. LIABILITY The Supplier shall be liable for any damage suffered by ISAF S.p.A. arising out or in connection with the performance of the purchase order by the Supplier. The Supplier undertakes to support damages and any costs of damage proceedings caused to ISAF S.p.A. or a third party from defective Products or Services. The Supplier undertakes to take out an insurance policy covering all risks associated to the scope of its obligations and to not bring any claims against ISAF S.p.A, its employees or its insurers. At ISAF S.p.A, request, the supplier undertakes to provide the appropriate cover documents.

9. SUSPENSION AND TERMINATION In case of default of the Supplier to fulfil the obligations arising from the purchase order, ISAF S.p.A. is entitled to suspend the execution of the order at any time by written notice to the other party and without any obligation for compensation. ISAF S.p.A., pursuant to article 1454 of the Italian Civil Code, shall be entitled to send to the Supplier, by registered letter, a notice specifying the default and, if the Supplier will not remedied the breach within the following 15 days, ISAF S.p.A. will have the right to terminate the purchase order without further notice.

In any case ISAF S.p.A. may terminate with immediate effect the purchase order, pursuant to article 1456 of Italian Civil Code, by written notice to be sent to the Supplier by registered letter, in the following cases:

- delay of the delivery of more than one (1) month from the date of delivery, as provided for by previous article 6;
- repeated defectiveness of the supplied products, namely the delivery of nonconforming products, as provided for by previous article 7, occurred at least twice also not consecutive;
- breach of intellectual property rights and the obligation of confidentiality, as provided for by article 11;
- breach of the prohibition of assignment or subcontracting of the purchase order, as provided for by article 15;
- breach by the Supplier of the rules concerning the protection of health and safety in the workplaces and/or concerning the environmental protection;
- change of ownership of the Supplier, as consequence, but not limited to, merger, transfer of the shareholding control or acquisition by companies competitors of ISAF S.p.A. or by companies with which ISAF S.p.A. does not intend to continue the relationship;
- breach of the Code of Ethics and of the provisions of the Organizational Model adopted pursuant to the Italian Legislative Decree no. 231/01, as provided for by article 17.

In case ISAF S.p.A. will not make use of this clause, this will not imply acquiescence to the contractual breach. In all cases of suspension or termination under this article, there will be not

prejudice to the Supplier's liability as provided for by article 8 and ISAF S.p.A. will be entitled to compensation for damages and losses. ISAF S.p.A. cannot be held liable towards the Supplier for any direct or indirect damages or loss of profits arising out of or in connection with the termination or the suspension of the purchase order due to the Supplier's fault.

10. FORCE MAJEURE Force majeure means an occurrence beyond the control and without the fault or negligence of the party affected and which by exercise of reasonable diligence is unable to prevent or to provide against. The party claiming to be affected by force majeure cannot be held liable for non-performance of its contractual obligations. This party shall notify the other party in writing without delay force majeure circumstances.

11. INTELLECTUAL PROPERTY RIGHTS All drawings, samples, products and technical documents submitted by ISAF S.p.A. to the Supplier shall remain property of ISAF S.p.A. These products and the documents shall not be used for any other purposes than those indicated in the purchase order. The Supplier shall be liable for any breach to intellectual property rights caused by the delivered products or by the relevant documents. The Supplier shall guarantee ISAF S.p.A. against any third-party claim arising from the performance of the purchase order. The Supplier undertakes to indemnify, defend and hold ISAF S.p.A. completely harmless.

12. PACKAGING The Supplier undertakes to deliver the supply properly packed and protected. The Supplier shall be held liable for all damages resulting from unsuitable packaging of the delivered products. The packaging costs are included in the price.

13. TRANSPORT The means of transport used for products' delivery are stated in the purchase order unless otherwise agreed by the Parties in writing. In the absence of details in the purchase order or contract the INCOTERMS DDP shall apply.

14. OWNERSHIP AND RISKS The risks are transferred according to INCOTERMS unless otherwise agreed by the Parties in writing. The ownership is transferred to ISAF S.p.A. upon invoice.

15. SUBCONTRACTING AND ASSIGNMENT The Supplier shall not subcontract nor assign to third parties the purchase order without prior written agreement of ISAF S.p.A. In case of subcontracting or assignment of the purchase order, the Supplier shall remain liable for the performance of the purchase order.

16. GOVERNING LAW AND SETTLEMENT OF DISPUTES All the purchase orders are governed by and constructed in accordance with the Italian law. The application of Vienna Convention, dated 11 April 1980, is expressly excluded. Any dispute or claim arising out or in connection with the purchase order, its performance or interpretation will be submitted to the exclusive jurisdiction of the Court of Verona (Italy).

17. CODE OF ETHICS AND ORGANIZATIONAL MODEL The Supplier declares to know the Code of Ethics and the Organizational Model adopted by ISAF S.p.A., available on the following website <http://www.isaf.it/ita/pagine/mod-org.html>, and undertakes to comply with the relevant provisions.

18. CODE OF CONDUCT. RESTRICTIVE MEASURES The Supplier has to comply with the Air Liquide "Code of conduct" policies in areas such as respect for the environment, social and ethical commitment (safe working conditions, respect for all people and rejection of any form of discrimination) and anti-corruption. These policies are available on the internet site <http://www.airliquide.com/en/company/ethics/principles-of-action-of-group-1/our-suppliers-and-business-partners.html>. In the fulfilment of its obligations, the Supplier undertakes to comply in particular with the laws and regulations in force regarding anti-corruption laws (<http://www.airliquide.com/en/company/ethics/anti-corruption-code-of-conduct.html>).

Dual Use: The Supplier undertakes to comply with the regulations of the European Trade Policy and the Dual-Use Export Regulations (http://ec.europa.eu/trade/import-and-export-rules/export-from-eu/dual-use-controls/index_en.htm).

Restricted Parties: It is forbidden to sell products directly or indirectly to the following countries: Iran, Cuba, North Korea, Sudan and Syria.

Restrictive Measures: The Supplier is aware of the fact that it is forbidden to sell Products to the parties registered in the Restricted Parties List. Any restrictive, European, USA or UN measure regarding export, import or payment (such as, for example, embargoes, blacklists, Restricted Parties Lists), whether foreseeable or not, which involves the Supplier, its personnel, its bank, its commercial and financial intermediaries, automatically suspends the fulfilment of the related purchase obligations, constituting an event of force majeure that entitles ISAF S.p.A. to cancel the purchase order with immediate effect at its sole discretion, without any obligation to give notice and without any liability towards the Supplier.

In acceptance

Date and Place

THE SUPPLIER (Stamp and Signature)

Pursuant to and for the purposes of articles 1341 and 1342 of the Italian Civil Code, the Supplier hereby declares to expressly accept the following articles: art. 6 (Delivery date and penalties for delay), art. 7 (Warranty), art. 8 (Liability) art. 9 (Suspension and termination), art. 11 (Intellectual property rights), art. 14 (Ownership and risks), art. 15 (Subcontracting and assignment), art. 16 (Governing law and settlement of disputes), art. 17 (Code of Ethics and Organizational Model) and art. 18 (Code of Conduct and Restrictive Measures).

In acceptance

Date and Place

THE SUPPLIER (Stamp and Signature)