

ANNEX Y – GENERAL CONDITIONS OF PURCHASE OF INTELLECTUAL SERVICES

- Rev. March 2014 -

- Art. 1 PREMISE
This document is an integral part of the ORDER.
- Art. 2 SUPPLIER'S LIABILITY
The SUPPLIER undertakes to execute the SCOPE of the ORDER assigned by PAUL WURTH Italia with best practices and in any case in compliance with the standards currently applied for this type of activities.
Furthermore, the SUPPLIER undertakes to comply with the Discipline Specifications and PAUL WURTH Italia's Unified Standards. The documents produced within the ORDER shall be signed by person with proper power of attorney, based on current applicable laws.
The SUPPLIER shall be held liable for the assigned job and for any error and/or omission which may be found, PAUL WURTH Italia shall have the right to claim for compensation for any damage occurred, as well as for the redoing and/or completion of the SCOPE of the ORDER from the SUPPLIER.
- Art. 3 AUTONOMY
By accepting the ORDER the SUPPLIER binds himself to directly execute the SCOPE of the ORDER with his own staff and equipment.
The SUPPLIER is allowed to perform activities on behalf of a third party, provided that those are not in conflict with the SCOPE of the ORDER assigned by PAUL WURTH Italia.
The SCOPE of the ORDER has got a specific professional nature, consequently, for all intents and purposes, any reliance on PAUL WURTH Italia is excluded.
- Art. 4 PROHIBITION OF ASSIGNMENT OF SUPPLY AND PROHIBITION OF SUBCONTRACTING
The SUPPLIER is held to directly execute the SCOPE of the ORDER.
The total or partial subcontracting of the ORDER, if not duly authorized in writing by PAUL WURTH Italia, is forbidden.
Should the SUPPLIER breach this article, PAUL WURTH Italia is allowed to terminate the ORDER as per Art. 1456 of the Italian Civil Code, without prejudice for damages.
- Art. 5 ORGANISATION STRUCTURE AND PERMANENT EMPLOYEES
Upon request of PAUL WURTH Italia, the SUPPLIER shall notify its latter Company organisation.
Upon request of PAUL WURTH Italia, the SUPPLIER shall submit a payroll and/or the Company's register to show the staff involved in the activities as per ORDER is properly employed and in compliance with all legal requirements, such as:
- wage treatment;
- social security and insurance fees;
- legal and contractual fees.
- Art. 6 INDEMNIFICATION CLAUSE
The SUPPLIER binds himself to keep indemnified and hold PAUL WURTH Italia harmless from any consequences deriving from non-compliance with the provisions of law and regulations.
In particular he undertakes to hold PAUL WURTH Italia harmless from any request for payment of wages, social security contributions, bonuses, withholding taxes and penalties of any kind, compensation for damages caused by negligence or fraud of the SUPPLIER.
The payment of the contractual amounts can be subject to the submission by the SUPPLIER, upon request by PAUL WURTH Italia, of the whole documentation proving the fulfilment of aforesaid obligations.
- Art. 7 INSURANCES
The SUPPLIER shall pay for all insurance fees related to the staff employed for the execution of activities as per ORDER.
The SUPPLIER will hold PAUL WURTH Italia harmless from any claim request for:
- injury and/or death occurred anywhere and caused by anybody, notwithstanding possible negligence affecting the staff due to one of the PARTIES or to third parties who caused or contributed to such events, that shall affect the staff or related to the execution of activities as per ORDER.

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- damage occurred anywhere to things of and/or people working for PAUL WURTH Italia and/or Third Parties for whom PAUL WURTH Italia was deemed responsible, caused by the staff during the execution of activities as per ORDER, both directly and indirectly, both during the execution of activities as per ORDER and in the cases which do not relate to it.

Upon written request of PAUL WURTH Italia, the SUPPLIER shall send the copy of the above-mentioned policies. As far as the T.P.L. (Third Party Liability) cover is concerned, PAUL WURTH Italia reserves the right to check the compliance of the limit of liability and request adjustments.

Art. 8 SUSPENSION, INTERRUPTION AND/OR UNILATERAL TERMINATION OF THE ORDER

PAUL WURTH Italia reserves the right to temporarily suspend the ORDER. PAUL WURTH Italia reserves the right to interrupt or unilaterally terminate the ORDERS already assigned and approved by the SUPPLIER at all times, due to any reason.

Should this happen, the SUPPLIER will solely have the right to be acknowledged with the pro-quota price related to the work already carried out and accepted by PAUL WURTH Italia.

The SUPPLIER shall have no right to request additional fees other than those mentioned above.

Art. 9 VARIATIONS

9.1 During the execution of the SCOPE of this ORDER, PAUL WURTH Italia has the right to ask the SUPPLIER in writing for any variation to be applied to the ORDER.

Should the SUPPLIER deem that the variations may jeopardise the compliance with its own contractual obligations or in case they might imply a variation in the total price of the ORDER, it shall be immediately notified to PAUL WURTH Italia in order to find an agreement before the SUPPLIER goes ahead with the implementation of the required variations.

In any case, the execution of activities which are not subject to the variation shall not be suspended or delayed.

9.2 Any variation the SUPPLIER intends to apply to the scope of the ORDER shall be subject to prior written approval by PAUL WURTH Italia and shall not be carried out before such approval has been received by the SUPPLIER.

Art. 10 ASSIGNMENT OF CREDIT

The credit deriving to the SUPPLIER from this ORDER cannot, under any form, undergo partial or total assignment to or be commissioned to collection or delegation to Third Parties.

Therefore, every invoice shall show the following:

'The credit relevant to the present invoice cannot undergo assignment to or be commissioned to collection or delegation to third PARTIES'.

Should the SUPPLIER fail to comply with this Article, PAUL WURTH Italia will be entitled to ask for the reimbursement of the incurred damages.

Art. 11 FISCAL TREATMENT

The issued as per ORDER invoices are subject to the following fiscal treatment:

- VAT as per current legislation, chargeable to PAUL WURTH Italia.

Any other tax and fiscal duty are a sole responsibility of the SUPPLIER and chargeable to the latter, as it is understood as included in the agreed price.

Art. 12 BANKRUPTCY AND INSOLVENCY OF THE SUPPLIER

Should the SUPPLIER go bankrupt, be subject to judicial settlement, enter arrangements with creditors, compulsory winding up or in any case is clearly unable to pay his dues, as per Art. 1456 of the Italian Civil Code, PAUL WURTH Italia will have the right, with no prejudice to other rights entitled to the SUPPLIER, to terminate the ORDER before the expiry date via a written notification.

Art. 13 PROPERTY AND CONFIDENTIALITY

All documents forwarded by PAUL WURTH Italia to the SUPPLIER, in any form, for the purpose of executing the activities as per ORDER, are sole property of PAUL WURTH Italia and as such, they shall be handed back to the latter upon completion of such activities.

The SUPPLIER undertakes to treat them as confidential and not to disclose to anybody their content, data or document received from PAUL WURTH Italia.

The SUPPLIER shall forward to any of its subcontractors authorised by PAUL WURTH Italia all information, data or documents received from PAUL WURTH Italia which are strictly relevant to the execution of the scope of the subcontract, provided that all subcontractors undertake to treat them as confidential and not to disclose any information, data or document they received.

Should the SUPPLIER breach the obligations as per this article, this will allow PAUL WURTH Italia to terminate the ORDER, via written notification, as per Art. 1456 of the Italian Civil Code, without prejudice to its own right to claim damage fees.

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- Art. 14 NON COMPLIANCE
Should the SUPPLIER breach one or more Articles hereby and not remedy such breach nor take the required action to remedy within 15 days from the date of formal notice to do so, PAUL WURTH Italia, without prejudice to any other right from the SUPPLIER, will have the right to terminate the ORDER before the expiry date via a written notification.
- Art. 15 APPLICABLE LAW & DISPUTES
The ORDER shall be governed by Italian law. Any dispute arising between the PARTIES in relation to the interpretation and/or execution of the ORDER shall be exclusive competence of the Judicial Court of Genoa.
- Art. 16 LANGUAGE AND REFERENCES IN THE SUPPLIER'S DOCUMENTS
Documents in charge of SUPPLIER as per ORDER shall be in English language, if not differently specified in the ORDER, under penalty of the non conformity of such documents for contractual purposes.
- Art. 17 COMPLIANCE WITH THE ORGANIZATION, MANAGEMENT AND CONTROL MODEL OF PAUL WURTH Italia ACCORDING TO LEGISLATIVE DECREE 231/2001
PAUL WURTH Italia has adopted its own Model of Organization, Management and Control ("Model"), including a Code of Ethics, which responds to the need to prevent the commission of offenses which are a condition for the application of Legislative Decree 231 / 2001.
The Model with its Code of Ethics are available on request to pwit@paulwurth.com .
The SUPPLIER must be aware of the contents of Legislative Decree 231/ 2001, the Model and the Code of Ethics adopted by PAUL WURTH Italia and commits for itself to behave in accordance with the provisions contained therein.

In the case of behaviors that conflict with the principles of the above-mentioned Model and Code of Ethics as well as in the event of conviction or application of a an interdiction measure for offenses under the Legislative Decree 231/2001, PAUL WURTH Italia will be entitled to terminate the ORDER and to resolve to the same in accordance with and as purposes of article 1456 of the Civil Code, without prejudice to compensation for any damage suffered by PAUL WURTH Italia.

This document is made of 17 Articles.

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