

General Purchase Conditions WIT – English version

I GENERAL SECTION

1. **Applicability and definitions**

- 1.1 These general terms and conditions (hereinafter "**Terms and Conditions**") shall apply to every agreement with and every offer or quotation from the other party (hereinafter "**Contractor**") which concerns sales, provision of services, contracting of work and/or any other performance for or for the benefit of Wavin Italia S.p.A. or a company or subsidiary or affiliate belonging to the Wavin group (hereinafter "**Wavin**"), every amendment thereof or addition thereto, as well as all (legal) acts in preparation for and/or execution of that agreement (hereinafter "**Agreement**"). A reference to the Agreement shall also constitute a reference to these Terms and Conditions. Unless expressly derogated by a specific clause contained in Wavin's confirmation of a quotation or order, these Terms and Conditions shall supersede any other conflicting provision contained in the Contractor's general conditions of sale, invoices and/or correspondence.
- 1.2 In these Terms and Conditions, the following terms shall have the following meaning: 1) **Products**: all items which the Contractor supplies or arranges to be supplied to Wavin pursuant to an Agreement, including any associated designs, drawings and models. Where applicable, a reference to Products may also comprise a reference to associated Services; 2) **Services**: all activities which the Contractor performs or arranges to be performed on Wavin's instructions, whether or not in return for payment, such as the provision of (technical) advice, designs or calculations, administrative or consultancy services, etc.; 3) **Work**: all works of a material nature which the Contractor establishes or arranges to be established on Wavin's instructions; 4) **Performance**: any performance which the Contractor delivers or arranges to be delivered to Wavin pursuant to the Agreement, such as Products, Services and/or Works in whatever form and/or the results thereof and/or all activities necessary for that purpose, in executing the Agreement in full. 5) **Termination**: "termination" of the Agreement by Wavin shall mean cancellation ("*risoluzione*") or withdrawal ("*recesso*") at Wavin's discretion, unless explicitly stated otherwise and without prejudice to any right Wavin may have by law.

2. **Formation, amendment and termination of the Agreement**

- 2.1 Requests for a quotation shall not be binding on Wavin, but shall be an invitation to issue a quotation. Quotations shall be irrevocable for a minimum period of 30 calendar days. Any costs attached to issuing a quotation shall not be reimbursed by Wavin.
- 2.2 In the event of apparent errors, incompleteness of or inconsistencies in the Agreement, the Contractor must inform Wavin accordingly before starting the execution or supply thereof. The consequences of failure to do so shall be entirely at the Contractor's expense and risk.
- 2.3 Wavin shall not be obliged to conclude the Agreement, even if the Contractor is quoting the lowest price. Furthermore, Wavin shall not be required to provide information on whether or not it concludes an Agreement with parties other than the Contractor. If no Agreement is formed, all the information which Wavin provided to the Contractor must be returned to Wavin free of charge if the latter so requests.

- 2.4 An Agreement shall only come into force if Wavin accepts a quotation by confirming this in writing. Should Wavin's confirmation of the Contractor's quotation and/or offer contain any modification in respect of said quotation and/or offer, any such modification shall be deemed tacitly accepted by the Contractor once elapsed 8 (eight) days term after receipt of Wavin's confirmation, unless written notice of disagreement is given by the Contractor to Wavin within the same term. Should no quotation and/or offer have previously been sent by the Contractor, the agreement shall come into force only upon receipt of the Contractor's written confirmation of Wavin's order. Should the Contractor's acceptance of Wavin's order contain modifications, conditions or reserves, it will not constitute an acceptance of Wavin's order.
- 2.5 Wavin's acceptance of any Contractor's quotation or placement of an order is limited to said specific acceptance or order and shall not imply any obligation to accept similar quotation or place further orders.

3. Warranty

- 3.1 The Performance to be delivered by the Contractor must comply with:
- a. the description and/or the specification in accordance with the Agreement;
 - b. the reasonable expectations which Wavin may hold as regards (inter alia) the characteristics, quality and/or reliability pursuant to (inter alia) regulations and requirements of good, material and workmanship, these Terms and Conditions, the Agreement and the description(s) in the offer or quotation concerned;
 - c. the requirements and workmanship applying to the relevant sector;
 - d. the timetable and/or execution schedule issued or (tacitly) approved by Wavin;
 - e. the requirement that the persons to be involved by the Contractor are suitable for their duties;
 - f. the requirement that the costs of (obtaining) the permits required for the execution of the Agreement are included;
 - g. the requirement that the costs of the drawings and other preparatory activities and/or development activities to be carried out pursuant to the Agreement are included.
- 3.2 The Contractor shall not be allowed to conclude (direct) Agreements with the client(s) (customers) of Wavin in respect of the Products, Services and/or Works or related products, services and/or works.

4. Delivery times

- 4.1 The terms of delivery are those indicated in Wavin's acceptance of the Contractor's quotation or offer, or in Wavin's order, whichever is the case. The delivery times agreed with regard to (parts of) the Performance to be delivered by the Contractor shall be binding and shall be of the essence. If these delivery times are exceeded, the Contractor shall automatically be in breach of contract without notice of default being required to that effect.
- 4.2 For each calendar day by which the aforesaid delivery times are exceeded, the Contractor shall owe Wavin a penalty immediately due and payable of 0.5% of the total price regarding the object of the whole Agreement, with a maximum of 10% of the value of the whole Agreement, without prejudice to Wavin's right to claim compensation of the actual damage according to the law.
- 4.3 The Contractor shall always be obliged to provide Wavin in time, and in all cases within 24 hours after the Contractor became aware of this or should reasonably have foreseen this, with adequate and written notification of its impending failure to meet the delivery time. Execution of the Agreement in partial deliveries shall require Wavin's prior written consent. If Wavin so requests, the Contractor shall be obliged to submit a

written production or execution schedule and/or to cooperate in progress monitoring. Delivery in advance can be effected only if authorized in writing by Wavin and shall not determine any change in the terms of payment.

5. Amendments

- 5.1 Wavin shall be entitled to amend the scope and nature of the Performance to be delivered within reasonable margins. The Contractor must report the amendments necessary to that end in time, and in any case within 8 calendar days of the request, to Wavin in writing. In addition, the Contractor undertakes to execute without delay the amendments required by Wavin, for example in drawings, models, instructions, specifications and activities, even if no agreement was reached about the additional costs, if any.
- 5.2 If, in the Contractor's view, an amendment referred to in Paragraph 1 affects the agreed price and/or the delivery times, the Contractor shall inform Wavin of this in writing as soon as possible, but in all cases within eight calendar days of the request to that end or as much earlier as Wavin explicitly stated as the response period in such a request for amendment. If Wavin considers these effects on the price, the activities or delivery times reported by the Contractor to be unreasonable or not acceptable, Wavin shall have the right to revoke the amendment or to cancel the Agreement. Cancellation pursuant to this paragraph shall not entitle either party to claim compensation of any damage.
- 5.3 If the Contractor has not reported any effects as referred to in Paragraph 2, the Contractor shall be deemed to agree to the requested amendments and the right to any compensation in this connection shall lapse. In case of contract reductions, Wavin shall be entitled to a pro-rata parte reduction of the price.

6. Price

- 6.1 The agreed price shall be fixed and binding. The price cannot be increased as a result of changes in circumstances and factors that are not attributable to Wavin, such as exchange rates, freight rates, import or export duties, excise duties, levies and other taxes, prices of raw materials or semi-finished products, wages and other services owed by the Contractor to third parties.
- 6.2 Unless the Contractor proves the contrary, the price shall also be deemed to include:
- a. import duties, excise duties, levies and taxes (with the exception of VAT);
 - b. charges and other levies or costs incurred when applying for the permits required for the Performance;
 - c. fees for the use of intellectual and industrial property rights, including any software;
 - d. all costs relating to or arising from the delivery of the agreed Performance;
 - e. the costs of packaging, transport, storage, insurance, premiums, installation and putting into operation on location. This also applies to goods made available by Wavin in the execution of the Agreement;
 - f. all other costs borne by the Contractor pursuant to the Agreement or these Terms and Conditions;
 - g. all that is necessary for the proper execution of the Agreement, taking account of the applicable standards, regulations and requirements of good workmanship, even if these were not expressly mentioned in the Agreement.

7. Invoicing and payment

- 7.1 The Contractor shall not invoice the amounts owed by Wavin any earlier than on the date of the delivery of the Performance or the date on which the Performance was accepted by Wavin, whichever is the case. If the Agreement was implemented completely

- and correctly, Wavin shall pay the invoiced amount within 60 days of receiving and approving the invoice, unless otherwise agreed in the Agreement. Payment shall not mean acceptance of the Performance delivered and shall not release the Contractor of any obligation towards Wavin.
- 7.2 If the information which the Contractor must (periodically) submit to Wavin for the execution of the Agreement and/or the agreed security has not been received, or not in the correct form, Wavin may suspend the payment of invoices. The same applies if the documents referred to in Paragraph 7.6 are lacking or have not been signed.
- 7.3 Wavin shall be entitled to offset amounts it owes against amounts it can claim from the Contractor.
- 7.4 Any invoices received more than six months after the delivery of the Products or the date on which Wavin accepted the Performance - whichever is the case - shall not be accepted by Wavin. Failure by Contractor to issue and send Wavin the relevant invoice within the above term shall automatically determine the lapse of the Contractor's entitlement to payment of these invoices.
- 7.5 If Wavin has valid reasons to assume that the Contractor is insufficiently solvent to deliver the agreed Performance in full, Wavin shall be entitled to suspend payment until the Agreement has been implemented in full or until a solvent party has provided sufficient security for compliance, which shall be exclusively at Wavin's discretion.
- 7.6 In the dated and numbered invoices, the Contractor shall in any case state the following details in a clear and orderly fashion. If these details are lacking, any payment obligation on Wavin's part may be suspended until this information is stated correctly:
- a. Wavin's contract number (purchase number) and that of the Contractor relating to the Agreement;
 - b. the Contractor's name, address and place of residence or business;
 - c. the period and the Performance delivered to which the invoice relates;
 - d. the name and the registration number of the social security administration agency with which the Contractor is registered, if this applies to the Agreement;
 - e. all data necessary to effect payment of any necessary tax withhold and the Contractor's VAT number, if this applies to the Agreement;
 - f. a reference to the "VAT reverse charge mechanism" if this applies to the Agreement. The same applies to the amount of VAT;
 - g. the Contractor's bank account number;
 - h. the gross wage costs, if applicable;
 - i. the acceptance note and/or the intervention sheets signed by Wavin, if applicable.
- 7.7 If Wavin owes interest to the Contractor, this interest shall be simple and equal to the six-month Euribor rate increased by a surcharge of 100 basis points. This shall be based on the one-month rate applicable on the due date of the invoice. No compound interest shall be paid.
- 7.8 If Wavin exceeds a payment term or does not pay an invoice, the Contractor shall not be entitled to terminate or suspend the agreed Performance.
- 8. Duty of disclosure and checks**
- 8.1 The Contractor shall inform Wavin immediately and in writing of any circumstance that is likely to affect or prevent the execution of the Agreement. Wavin shall be entitled, at its reasonable discretion and at the Contractor's expense, to take necessary and reasonable measures and/or demand amendment of the Agreement in order to prevent disadvantages or damage as a result thereof. In addition, Wavin may on these grounds terminate the Agreement. The foregoing shall also apply if Wavin suspects on other reasonable grounds that such a circumstance exists.

- 8.2 Wavin shall have the right but not the obligation to check the manner in which the Contractor implements the Agreement. To this end, Wavin may take all reasonable measures which Wavin considers necessary, such as inspecting the locations where the Performance is executed wholly or in part (whether or not accompanied by experts) and checking or auditing the Contractor's accounts with regard to the execution of the Agreement.

9. Failure

- 9.1 Every failure in the fulfillment of the Contractor's obligations shall give Wavin the right, without any notice of default or judicial intervention being required, unilaterally to terminate the Agreement either wholly or in part, to suspend payment obligations or to entrust the execution of the Agreement either wholly or in part to third parties, without Wavin being obliged to pay any compensation in this context, without prejudice to any other rights to which Wavin is entitled, including Wavin's right to claim full compensation and, in case of material breach, terminate the Agreement either wholly or in part.

10. Remedies and guarantees

- 10.1 In case of any faulty Performance, the Contractor shall, at its expense immediately rectify the faulty Performance or, at Wavin's discretion, carry out a new Performance free of defects in substitution of the previous faulty one, without prejudice to Wavin's right to claim damages and other compensation under the law and/or termination of the Agreement. In case of failure of fulfillment by the Contractor of its obligations to rectify such faulty Performance and/or carry out a new Performance free of defects, Wavin shall be entitled to assign such performance to another contractor at the risk and the costs of Contractor. If the Products supplied or the result of the Services or Works provided should be wholly or partly lost or appear to be unsuitable for the purpose for which they are intended within the statutory time limit, this shall be regarded as the result of failure in the execution of the Agreement, unless the Contractor proves the contrary.
- 10.2 Any further warranty granted by the Contractor to Wavin shall be construed as an additional and conventional warranty granted by the Contractor, to be added to the guarantees set forth under paragraph 10.1 above and provided for by the applicable laws. If the Contractor fails in the execution of the Agreement, Wavin, in urgent cases, for example in which the repair of the defect cannot reasonably be postponed, or in cases in which it must reasonably be assumed that the Contractor cannot or will not arrange the repair or replacement, or cannot or will not do so properly or in time, shall have the right to carry out the repair or the correct execution, or arrange for this to be done, at the Contractor's expense. Whether a case is urgent shall be exclusively at Wavin's reasonable discretion. In the cases referred to, a breach shall be deemed to have occurred without a notice of default being required. If it should afterwards appear that the situation was not urgent, this shall not affect the operation of this provision.
- 10.3 If Wavin is of the opinion that it reasonably needs to take action to prevent further damages (for example by executing a product recall) Wavin shall be entitled to compensation by Contractor of all connected costs.

11. Suspension

- 11.1 Wavin shall be entitled to oblige the Contractor to suspend the execution of the Agreement at Wavin's own reasonable discretion for the duration of a period to be specified by Wavin. Wavin shall reimburse the actual direct and reasonable costs demonstrably

incurred as a result thereof by the Contractor, unless the suspension is attributable to the Contractor. No further damages or other compensation shall be paid to Contractor.

- 11.2 The Contractor shall be obliged to keep the costs arising from such a suspension to a minimum by taking appropriate effective measures.

12. Termination of the Agreement

- 12.1 Without prejudice to the other provisions regarding (early) cancellation, Wavin may terminate the Agreement immediately in the following cases:

- a. if the Contractor or the third party that guaranteed the Contractor's obligations or provided security applies for a provisional moratorium. The same applies if the Contractor is declared insolvent, is wound up voluntarily or involuntarily, ceases substantial business activities, decides to wind up its business, or files a winding-up petition or applies for a moratorium, in the limit permitted by the applicable laws;
- b. if there are changes in the Contractor's shareholders, insofar as this, in Wavin's reasonable opinion, entails a considerable increase in risks for Wavin;
- c. if an attachment is made against the Contractor or if the Contractor's assets are threatened with attachment or other judicial measures.

In those cases, a notice of default shall not be required and a breach shall be deemed to have occurred.

- 12.2 Wavin shall be entitled, in addition to the cases that may be specifically mentioned in the Agreement, to cancel the Agreement prematurely at any time while paying for any Performance already delivered by the Contractor and accepted by Wavin, increased by a reasonable fee. This fee shall be no more than 10% of the remaining agreed price and shall cover the damage and costs sustained by the Contractor as a result of the Agreement not being completed. Wavin shall not be obliged to state its reasons for such cancellation.

- 12.3 If Wavin, based on the circumstances known at that moment, concludes on reasonable grounds that it can exercise a right of suspension, cancellation, offsetting and/or nullification in a legally valid manner, Wavin shall not be obliged to pay statutory interest and/or damages if it should subsequently be established that Wavin did not exercise the aforesaid right or rights in a legally valid manner.

13. Intellectual property rights

- 13.1 Intellectual property rights that may be exercised in respect of the Products, Services and Works to be supplied by the Contractor under the Agreement, including - where applicable - patent rights and the required software, shall be vested exclusively in Wavin if those Products were developed for Wavin's benefit or were produced in accordance with Wavin's specifications and/or instructions. These rights shall be transferred to Wavin in advance and free of charge pursuant to these Terms and Conditions and/or the Agreement.

- 13.2 The Contractor guarantees that the Products, Services and Works to be supplied do not infringe intellectual property rights or any other absolute right of third parties. The Contractor shall indemnify Wavin against all third-party claims that are based on any (alleged) infringement of such rights and shall compensate Wavin for all damage sustained as a result thereof and for the costs of Wavin's putting up its own defence against such a claim and shall grant Wavin all cooperation requested by the latter in such defence.

- 13.3 If the transfer referred to in Paragraph 13.1 is not possible, the Contractor shall grant Wavin a worldwide, exclusive and non-cancellable licence with the right of sublicensing in respect of such intellectual property rights regarding the Products or Services and

Works to be supplied by the Contractor. The fee for this licence shall be deemed included in the agreed price. Wavin may enter the licence in the appropriate registers or arrange for this to be done at Contractor's expense in which the Contractor shall cooperate as required. If it appears that a deed is required for the transfer of intellectual property rights as referred to in Paragraph 13.1 or the grant of a licence as referred to in the present paragraph, the Contractor shall cooperate without reservation and bear all relevant costs.

- 13.4 The Contractor shall inform Wavin immediately if third parties (are about to) infringe Wavin's intellectual property rights.

14. Secrecy

- 14.1 The Contractor shall maintain strict confidentiality in respect of information which is or becomes known to the Contractor from or about Wavin, its customers, the Products, Services and Works, direct contacts of Wavin or any further information become available to the Contractor in the context of the Agreement (the "**Information**"). The Contractor shall not cease, disclose or give third parties the disposal in any form of, or access to the Information, and shall only disclose these to its staff insofar as this is necessary for the execution of the Agreement. The Contractor shall impose these secrecy provisions in writing on its staff and on any third parties engaged by the Contractor in the execution of the Agreement.

- 14.2 After the Agreement has been implemented in full, this article shall remain in full force until the moment when Wavin releases the Contractor in writing from the above duty of secrecy.

- 14.3 If the Contractor fails to fulfill the obligations of this article or fails to do so in full, the Contractor shall by this mere fact forfeit to Wavin per event a penalty immediately due and payable for an amount equaling 5% of the agreed price under the Agreement, with a maximum in all cases of EUR 20,000, without any demand or notice of default being required and without prejudice to Wavin's right to claim full compensation of all actual damages.

15. Force majeure

- 15.1 Neither Party shall be under liability to the other Party on account of any loss, damage or delay caused by the elements, embargoes, insurrection, war-like acts, war, strikes, acts of God or any other cause beyond its reasonable control. Insofar as fulfillment is not yet permanently impossible, the Parties' obligations shall be suspended for the duration of the force majeure. Each Party must inform the other Party immediately of the occurrence of the force majeure, stating its reasons and the envisaged duration. If the period during which fulfillment is impossible owing to force majeure exceeds or is expected to exceed 2 (two) months, each Party shall be entitled to cancel or terminate the Agreement without being obliged in that case to pay compensation.

- 15.2 Force majeure shall in any case not be understood to mean: staff shortages, strikes, staff illness, delayed delivery and/or unsuitability of materials, raw materials or semi-finished products or services, liquidity or solvency problems..

16. Transfer, third parties

- 16.1 The Contractor shall not be entitled to transfer, pledge or entrust the execution of the Agreement either wholly or in part to third parties without Wavin's prior written consent, which consent shall not be withheld on unreasonable grounds.

- 16.2 The Contractor shall be fully responsible for any performance by third parties in the execution of the Agreement, as if this were its own Performance. The Contractor gua-

rantees that (sub-)contractors and third parties will comply with the Agreement, these Terms and Conditions and all other regulations and provisions declared applicable by Wavin.

17. Liability

- 17.1 Without prejudice to the provisions of the Agreement, to any interest due as a result of late payment or other explicit obligation of compensation as set forth in these Terms and Conditions, Wavin shall not be obliged to compensate Contractor for any direct or indirect damage of whatever nature, including loss of profits and damage to movable and/or immovable property.
- 17.2 The Contractor shall be liable for and shall indemnify Wavin against any damage directly or indirectly resulting from non-performance, late performance or improper performance of the Agreement or from the breach of any contractual or non-contractual obligation towards Wavin or third parties. For the purpose of this article, third parties shall also include Wavin staff, third parties engaged directly or indirectly by Wavin or their staff.
- 17.3 Inspection, purchase and/or payment by or on behalf of Wavin shall not release the Contractor from any obligation or liability.

18. Insurance

- 18.1 The Contractor shall be obliged to take out and retain adequate insurance at its own expense for its liability in the widest sense of the word towards Wavin and third parties with regard to the obligations and risks ensuing from the Agreement. Such liability shall include professional liability, product liability and third-party (strict) liability. At Wavin's request, the Contractor shall be obliged to submit the insurance policy or policies and evidence of the insurance premiums having been paid.
- 18.2 Wavin shall have the right to demand that the insurance policy or policies state Wavin as the co-insured, principal and beneficiary, with insurers simultaneously renouncing the right of recourse, and that insurers have the right to compensate Wavin and/or third parties to be specified by Wavin directly. The Contractor undertakes to assign all claims relating to payment(s) of insurance money to Wavin - immediately after having been held liable by Wavin - if the latter so requests.

19. Applicable law and dispute settlement

- 19.1 The Agreement shall be governed exclusively by Italian Law.
- 19.2 All disputes relating to the Agreement or any legal relationship arising from it shall be submitted exclusively to the competent court of Rovigo, Italia. As partial derogation to the above Wavin shall be entitled, at its sole discretion, to institute proceedings before the competent Courts of the place where the Contractor is domiciled.

II SALE AND SUPPLY OF PRODUCTS

If the Agreement concluded between Wavin and the Contractor also covers the supply of Products, the following provisions shall apply in addition to the above provisions (Articles 1 to 19 inclusive). In the event of conflict between the above provisions and the following provisions, the latter shall prevail insofar as they concern the supply of Products.

20. Quality and description of the Products to be supplied

- 20.1 The Products to be supplied (and their production process) must:

- a. be in agreement with what is stated in the Agreement in terms of quantity, description and quality;
 - b. in all respects correspond to and comply with the specifications declared applicable and the samples and examples shown;
 - c. be accompanied by the necessary instructions to Wavin or the latter's staff, so that they can use the Products independently;
 - d. be made of sound new materials and be well constructed;
 - e. be fit and ready for the purpose for which they are intended;
 - f. be made of components and raw materials of which the origin can be traced;
 - g. not contain asbestos or other carcinogenic substances other than those explicitly agreed;
 - h. be accompanied by the necessary documents, such as packing lists, (warranty and quality) certificates, attestations, drawings, instruction manuals, lists of spare parts and maintenance regulations;
 - i. comply in all respects with all the applicable statutory requirements, regulations and European directives (such as the CE and EMC hallmarks and rules regarding REACH) in terms of their design, composition and quality;
 - j. bear a type, serial and machine number and an indication of the country of origin in the form of an adequate mark applied by the manufacturer or importer. If this is not possible, the packaging of the supplies shall bear such marks;
 - k. be accompanied by an invoice to Wavin which also states the names of the manufacturer and the importer, as well as the type and production number, if this involves a party other than the Contractor.
- 20.2 Contractor shall at any time during the Agreement ensure that all substances (in its own, or as an ingredient in preparations or in articles) as defined in the Reach regulation (published at www.echa.europa.eu) delivered to Wavin are (pre)registered at and authorized by ECHA in due times according to the REACH regulation. Upon request Contractor shall provide proof thereof. Contractor shall ensure that Wavin's use of the delivered substances is included in any registration and request for authorization at ECHA and in the Safety Data Sheets and Exposure Scenario's belonging to substances (in itself, in preparations or in Products) delivered to Wavin. Contractor guarantees that the delivered Products shall not contain SVHC as defined in the Reach regulations above 0,1 % in weight. In case Contractor decides to terminate the sale of a certain substance (in its own, or as an ingredient in preparations or in articles), Contractor shall inform Wavin beforehand with a six months written notice. In case Contractor decides no longer to include a certain substance in a preparation or a Product without notifying Wavin, Contractor warrants this shall not be of any influence of the quality of the preparation and/or the Product. Contractor shall be liable for all damages of Wavin including penalties as a consequence of the non-fulfilment by Contractor of the obligations as mentioned in this clause 20.2 and Contractor shall indemnify Wavin of all third party claims to this respect.
- 21. Inspection and testing**
- 21.1 Wavin shall be entitled to subject the Products to be supplied to inspections, tests and checks (hereinafter "**Inspection**"), or to arrange for this to be done, before, during and after delivery, whether or not in the presence of the Contractor. The Inspection shall be carried out in the manner to be determined by Wavin.
- 21.2 If a specific acceptance test has been agreed between Wavin and the Contractor ("**Acceptance Test**"), the Contractor must present the Products supplied or installed for this Acceptance Test at the agreed location and on the agreed date, and if no date has

been agreed, within 5 working days from Wavin's relevant request. Unless otherwise agreed between the Parties, the Acceptance Test shall be carried out according to the methods and procedures customarily used in the acceptance test of products similar to the relevant Products. Should the Acceptance Test be successfully executed, the Contractor shall receive a written communication to this effect from Wavin within the following 60 days, together with the relevant acceptance certificate signed by Wavin. If the Products are fully or partially rejected during the Acceptance Test, Wavin shall report this in writing to the Contractor, stating the claimed defects and/or malfunctioning. The Contractor shall, within 5 working days following the receipt of the above communication, repair or replace the defective Products and Wavin shall execute a second Acceptance Test at Contractor's expenses. Should this second Acceptance Test not be successful, paragraph 21.3 and 21.4 shall apply. Should the Parties not have agreed to carry out any Acceptance Test, Wavin shall communicate the Contractor any defects or malfunctioning of the Products within 60 days of receipt thereof. Patent defects or defects not detectable during the Acceptance Test shall be communicated to the Contractor within 60 days of discovery thereof.

- 21.3 The Contractor hereby guarantees that the Products conform to the conditions provided for under these Terms and Conditions, the Agreement, the applicable specifications and/or the samples and are free from defects in material and workmanship for the whole duration of the warranty period provided for by the applicable laws. In addition to the guarantees provided for by the applicable laws and notwithstanding the results of any Inspection and/or Acceptance Test, for the period of 2 years from the Acceptance Test or the delivery of the Products the Contractor shall be under the obligation to repair or, at Wavin's sole discretion, substitute any defective or malfunctioning Product (DDP Wavin facilities (Incoterms 2010), within 5 working days of Wavin's relevant request, without prejudice to Wavin's right to claim for compensation of further damages and/or terminate the Agreement.
- 21.4 If Wavin terminates the Agreement and the Contractor does not collect the rejected Products within 10 working days of the date of Wavin's written communication to this effect, Wavin shall have the right to return the rejected Products to the Contractor at the latter's expense and shall be entitled to a refund of any amounts already paid within 14 days.

22. Transport, packaging, storage and installation

- 22.1 Delivery shall take place at the time agreed between the parties, DDP Wavin's facilities (Incoterms 2010). Delivery dates shall be deemed to be final. Regardless of what agreed upon with respect to transport and/or duty costs, and also in any case in which same are for Wavin's account, delivery and the relevant transfer of risks shall be deemed effected at Wavin's facilities or at any different place of destination at the moment of the Products' unloading from the means of transport of the carrier entrusted therewith.
- 22.2 The Contractor shall be obliged to provide proper packaging, security and proper transport in conformity with all applicable regulations. The costs of packaging, transport, storage, insurance and installation of Products, including the items made available by Wavin, shall be borne by the Contractor. Damage caused during loading, transport and/or unloading shall be at the Contractor's expense, even if the damage is detected at a later time. The Contractor shall be responsible for removing or processing packaging materials, dirt, waste and superfluous material at its own expense insofar as these result from or relate to the supply of Products or performance of activities falling under the Agreement, in doing so, the Contractor shall observe the laws and regulations applica-

ble at that time.

- 22.3 The Contractor shall be obliged to keep a stock of spare parts for the items supplied during the customary lifespan of these items, in any case during a period of at least 10 years after the supply of the Products concerned, to be sold and delivered on identical terms.
- 22.5 If Wavin requests the Contractor to postpone the delivery, the Contractor shall store, secure and insure the Products to be supplied appropriately packed and clearly marked as intended for Wavin, whereby only reasonable costs which must be incurred within reason by the Contractor shall be eligible for reimbursement.

23. Transfer of ownership and risk

- 23.1 The ownership of the Products shall pass to Wavin at the moment when delivery takes place in conformity with the provisions of Article 22. In the event that Wavin makes payments prior to delivery, the ownership (title) of the Products, in proportion to the amount paid, shall pass to Wavin at the moment of payment. In that case, the Contractor must ensure that the Products are identified and kept identifiable as much as possible as Wavin's properties and the Contractor shall count as the holder for Wavin in respect of those Products. No retention of title or any other security interest shall exist for the Contractor after the delivery to Wavin.
- 23.2 The risk of loss of or damage to the Products shall only pass to Wavin at the moment when both the actual delivery and the transfer of title to Wavin have taken place in accordance with the Agreement. If the installation of the Products has been agreed, the Contractor shall bear all the risk in respect of the Products until these have been installed and accepted or put into operation by Wavin, regardless of whether Wavin already has full title to these Products.
- 23.3 If Wavin makes items available to the Contractor for the execution of the Agreement (including raw materials, semi-finished products, materials and components, models, specifications, drawings, software and information carriers), these items shall remain Wavin's property. Subject to Wavin's written consent, the Contractor shall refrain from acting or failing to act in such a way with regard to these items that Wavin loses the ownership thereof, whether by specification, accession, confusion of property or in any other way whatsoever. Furthermore, the Contractor shall guarantee that the items are not encumbered or burdened with third-party rights. The Contractor shall have no right of retention or right of suspension in respect of these items. After the execution of the Agreement, these items must be returned in good condition.

24. US Export

- 24.1 If the Products incorporate (American) technology that comes under the US Export Administration Regulations and/or US export control laws, the Contractor shall be obliged to notify Wavin of this in time in accordance with the relevant provisions, failing which the consequences shall be for the risk and account of the Contractor.

III SERVICES & CONTRACTING OF WORK

If the Agreement concluded between Wavin and the Contractor also covers the supply of Services and Work, the following provisions shall apply in addition to the above provisions (Articles 1 to 24 inclusive). In the event of conflict between the above provisions and the following provisions, the latter shall prevail insofar as the supply of Services or Work are concerned.

25. **Provision of data**

- 25.1 Should the Italian Legislative Decree no. 81/2008 be applicable to the Performance of Service and/or Work, the Contractor shall immediately submit the following to Wavin if the latter so requests:
- a. the certification of its registration with the Chamber of Commerce or an excerpt of the Chamber of Commerce attesting that the Contractor has the necessary professional requirements to carry out the Services and/or Works (article 28 of the Legislative Decree 81/2008);
 - b. the so called D.U.R.C. (Documento Unico di Regolarità Contributiva) provided for by the Ministerial Decree dated 24 October 2007 (a document attesting the regular payments by the Contractor of the social security contribution for its employees) and the insurance policy covering Contractor's civil responsibility (indicating the number of the policy, expiration and maximum compensation);
 - c. declaration of the Contractor (company or independent contractor) certifying the its professional and technical ability according to article 47 of the Decree n. 445 dated 28 December 2000).
 - d. the information regarding the specific health and safety risks in the execution of Services and/or Works with particular reference to the risk of interference, including the so called D.U.V.R.I. (article 26 first sentence, letter "b" of the legislative Decree 81/2008);
 - e. a list of the workers who shall perform the Services and/or Works at Wavin's facilities, indicating the matriculation number of each worker and the social security numbers (INAIL and INPS numbers), the appointment of each person for the Performance of the Service and/or Works;
 - f. certification that Contractor's workers are trained and informed regarding the specific health and safety risks in the execution of Services and/or Works, with particular reference to the risks of the works at Wavin's facilities, and regarding Wavin's procedure to avoid health and safety risks and proof that they have been provided with all the necessary protection means;
 - g. list of sub-contractors, if authorised by Wavin in writing;
 - h. the name of the so called *Datore di Lavoro*, *R.S.P.P.* and *Responsabile dei Lavori*, including their telephone numbers.
- 25.2 If Wavin has not received one or more of the requested documents within 10 days of making the request, Wavin shall be entitled to suspend payment until the moment of receipt, or to terminate the Agreement without any liability
- 25.3 Every change in the data listed under Article 25.1 must be immediately reported to Wavin in writing.

26. Execution schedule

- 26.1 If Wavin so requests, the Contractor shall submit an execution schedule showing, inter alia, the start and completion times of the successive parts of the Services and the Work and the staff members deployed. If it has been agreed that Wavin will deploy equipment, the times of this deployment shall also be stated in this execution schedule. After approval by Wavin, the execution schedule shall form part of the Agreement.
- 26.2 The Contractor shall report on the progress of the Services and the Work and all related aspects as agreed, and in the absence of such an agreement on a regular basis in order to enable Wavin to monitor the progress sufficiently.

27. Contractor's staff

- 27.1 The Contractor shall be obliged to identify its staff members operating at Wavin's facilities, giving its workers an appropriate badge with photo ID, employee's data and employer's name and control that the badge is always shown by its workers. The following details must be provided: family name, given name(s), address, date and place of birth, nationality, tax registration number, number and nature of identity document(s). In addition, copies must be submitted of the identity document and (where applicable) the residence permit and work permit.
- 27.2 The Contractor shall be responsible for the day-to-day management and the supervision of the execution of the Services and the Work. The number of authorized and competent supervisors which the Contractor makes available for this purpose must be in agreement with the scope and nature of the Performance and the reasonable requirements set by Wavin in this respect.
- 27.3 The Contractor guarantees that the Performance to be executed by its staff shall be carried out in an expert and professional manner, without interruptions. The staff members shall comply and continue to comply with the agreed and in all cases the required level of training, expertise and experience.

28. Health, safety, and the environment (HSE)

- 28.1 The Contractor shall be responsible for health, safety and adequate environmental conditions at the location where the Work is carried out and for compliance with all the applicable HSE statutory regulations, standards and local HSE regulations in the execution of the Performance.
- 28.2 The Contractor further undertakes to:
- a. take all safety measures provided for by the health and safety at work laws and regulations and the so called D.U.V.R.I.;
 - b. inform and train its employees on the specific health and safety risks in the execution of Services and/or Works, taking into account all the information received by Wavin; the Contractor acknowledges to have received from Wavin detailed information on the specific risks existing in the place where the Services and/or Works are to be performed and on the emergency, health and safety of workers measures taken by Wavin for the worker's performance of their activities;
 - c. comply with and have its employees comply with the health and safety of workers laws and regulations and any measure appropriate to the specific Service and/or Work to be performed by providing an adequate surveillance;

- d. use machinery and equipment conforming to health and safety of workers laws and regulations and adopt any appropriate measures to optimize safety and functionality of such machinery and equipment;
 - e. adopt and take all appropriate and protective measures in order to prevent accidents at the workplace and workstation, taking into account the nature of the activities to be performed;
 - f. defend and hold Wavin harmless from any consequence arising out the breach by the Contractor of any of the above obligations.
- 28.3 During the execution of the Services and/or Works the Contractor shall immediately and promptly inform Wavin of any accident occurred to its workers, specifying circumstances and causes thereof and keeping Wavin constantly informed on the evolution of the consequence of the accident.

29. Intervention in the activities

- 29.1 If, in Wavin's reasonable opinion, the activities are progressing in such a way that the agreed date for the Performance to be delivered or a part thereof will be exceeded, Wavin shall notify the Contractor of this in writing. The same applies if, in Wavin's opinion, the Work and connected activities are not or have not been carried out in accordance with the provisions of the Agreement and/or the requirements of good workmanship. The Contractor cannot derive any rights from the absence of such a notification.
- 29.2 The Contractor must, within one week of receiving a notification as referred to in Paragraph 1 of this article 29 or as much earlier as is necessary in view of the circumstances, take such measures as to ensure clearance of the backlog and full compliance with the terms and conditions of the Agreement. If - in Wavin's reasonable opinion - this does not happen, Wavin may take all measures that are necessary in its own reasonable opinion to ensure compliance with the Agreement, without judicial intervention being required. Thus, Wavin or third parties acting on its instructions can take over the activities from the Contractor. In that case, the Contractor shall give Wavin and those third parties its full cooperation.
- 29.3 All external and internal reasonable costs which Wavin incurs in connection with the provisions of article 29.2 above shall be borne by the Contractor. The latter shall reimburse Wavin for such costs immediately, including a payment for supervision and overheads.

30. Completion, acceptance, putting into operation and risk

- 30.1 Completion and acceptance shall be deemed to have taken place only after Wavin has accepted the Work carried out or the Service concerned in writing.
- 30.2 Wavin shall be entitled to put the Work into operation or a part thereof, or arrange for this to be done, before it is completed. Actually putting the Work into operation shall not mean that the Work or the part concerned is regarded as completed or accepted. If the Contractor, by virtue of the Work being put into operation, is required to do more than may reasonably be expected, the consequences of this shall be arranged within reason by the parties. Until completion, the Contractor shall bear the risk in respect of the Work,

31. Transfer of rights and obligations and outsourcing

31.1 The Contractor shall not (a) outsource the execution of the Agreement or any part thereof to third parties or (b) engage third parties or borrow staff from third parties for this purpose except where Wavin has given its prior written consent. Wavin may attach conditions to such consent. Third parties shall include inter alia; independent workers without employees, directors and major shareholders, subcontractors and employment agencies. Subject to Wavin's written consent, the Contractor shall include the same risk-limiting measures in its agreement with one or more third parties as have been laid down in these Terms and Conditions and in the Agreement.

32. Materials, attestations, drawings and similar items made available by Wavin

32.1 The Contractor shall insure all the items which the Contractor receives from Wavin in connection with the execution of the Agreement against risks of total or partial loss or damage as a result of fire, theft or vandalism at its own expense and on the usual conditions.

32.2 Upon receipt of the items referred to in this article, the Contractor must check whether these are in agreement with the applicable specifications. The Contractor shall notify Wavin in writing within a period of seven days of receiving these items that the items referred to in this article were not made available to the Contractor in good condition and in accordance with the required specifications, failing which those items shall be deemed to have been provided in good order.

33. Wages and Salaries Tax and National Insurance Contribution

33.1 The Contractor shall:

- a. comply with all obligations and formalities provided by the applicable laws and regulations and collective agreements regarding employment, hire, social security, health and safety and forward the relevant documentation to Wavin.
- b. grant its employees wages not inferior to those provided for in the relevant collective agreements in force.
- c. performs its obligations under the agreement executed with Wavin only with workers, being duly hired employees or free lance workers or third parties bound by a duly signed work, tender, supply or subcontracting agreement (when authorised in accordance with the provisions of these Terms and Conditions). The workers shall have the appropriate skills and knowledge to perform the requested Works and/or Services.
- d. use its own machinery, equipments and tools.
- e. appoint its representative to deal with Wavin, who shall always be available during the execution of the Services and/or Works, and whose name shall be communicated to Wavin before the beginning of performance of the Works and/or Services.
- f. effect waste and materials management (including disposal) in strict compliance with all applicable laws and regulations, including without limitation the rules for disposal of special and/or hazardous waste and packaging.
- g. comply with applicable laws and regulations and, more in general, town-planning and building rules as well as with any other rules and regulation applicable to the execution of the Services and/or Works.

33.2 The Contractor shall defend and hold Wavin harmless of and/or compensate Wavin for any amount it may be under the obligation to pay, even in case of joint liabilities, to any worker or third party, and hereby undertakes to reimburse Wavin in whole for any prejudice the latter may suffer, including, without limitation, all damages deriving from fine, penalty any suspension and/or prohibition of Wavin's business, suspension or withdrawal of authorisations, licenses and concessions, bans on contracting with a public administration authorities, exclusion from funds, contributions, allowances or benefits or withdrawal of any such benefit already granted and/or received and bans to advertise specific goods or services as well as for all cost and expenses incurred, including legal costs for the defence of Wavin and its board members, officers and employees, even derogating - should this be the case - the principles contained in articles 1299 and 2055 of the Italian Civil Code and any further applicable laws.

The Contractor

Wavin Italia S.p.A.

In accordance to articles 1341 and 1342 of the Italian Civil Code the Contractor acknowledges and declares to have taken note and to specifically approve the following paragraph contained in these Terms and Conditions: 5.2 (withdrawal), 7.2, 7.5 and 7.6 (Suspension of payments), 7.8 (*solve et repete*), 9.1 (Suspension of payments) 12.2 and 12.3 (withdrawal) 15.1 (Force Major), 17.1 (Limitation of responsibility) 19.2 (Competent Court), 23.3 (Waiver to the right of retention) e 25.2 (Right to suspend the execution the obligation and right of withdrawal).

The Contractor