

# CONNEX ITALIANA S.r.l. – GENERAL CONDITIONS OF PURCHASE

The purpose of the present general Conditions of Purchase of goods and/or services is to define the terms and conditions whereby Connex Italiana Srl entrusts the Supplier, who accepts it, to supply the goods and equipment and/or services.

## 1. GENERAL

1.1 Connex Italiana's Conditions of Purchase shall exclusively apply to all services provided by the Supplier. Any conditions of the Supplier which are contrary to or different from Connex Italiana's Conditions of Purchase shall not be valid unless they have been expressly acknowledged by Connex Italiana in writing. In accepting Connex Italiana's order, the Supplier accepts Connex Italiana's Conditions of Purchase.

1.2 Connex Italiana's Conditions of Purchase shall also apply, without the need for express agreement, to all future business dealings with the Supplier

1.3 The Supplier shall maintain a Quality Management System (QMS) suitable to the products and services provided to Connex Italiana that is certified by an accredited third-party certification body to the latest version. Connex Italiana suppliers are required to be certified to ISO9001, AS/EN/JISQ9100, or for Distributors/Stockists involved in the Aerospace market shall establish and maintain a QMS that is certified to AS9120/EN9120.

## 2. ORDERS

2.1 The extent of the Supplier's service obligations shall be determined by Connex Italiana's order. The order contains a full description of the goods to be delivered together with the price and binding delivery date.

2.2 The supplier has to send an acknowledgment within three (3) working days. After this period, Connex Italiana reserves the right to cancel the PO. Confirmations of orders by the Supplier must be given in writing. The Supplier must advise Connex Italiana in writing of any deviation from the order.

## 3. SUPPLY OF GOODS

3.1 The Supplier shall ensure that the Goods:

- (a) correspond with their description and conform with the Goods Specification and must delivery with the Certificate of Conformity, while for Distributors/Stockists must delivery the Goods with at least the copy of the original manufacturer's Certificate of Conformity
- (b) are of satisfactory quality and fit for any purpose held out by the Supplier or made known to the Supplier by Connex Italiana, expressly or by implication, and in this respect the Connex Italiana relies on the Supplier's skill and judgment;
- (c) are free from defects in design, materials and workmanship;
- (d) comply with all applicable statutory and regulatory requirements and international carriage codes relating to the manufacture, labelling (including CE marking), packaging, storage, handling and delivery, by whatever means, of the Goods. Where the Goods are, or incorporate, dangerous goods or chemicals, the Supplier shall diligently comply with its obligations hereunder and promptly provide all material safety data sheets and SVHC declarations as required;
- (e) are from OEM suppliers, free of second hand, counterfeit and/or replica parts.

3.2 Save for any latent defects, Connex Italiana shall only be able to bring a claim for any defects in materials and workmanship before the expiry of the latter of: (i) twenty-four (24) months from the date of delivery to Connex Italiana; (ii) twelve (12) months from acceptance of the Goods by the Connex Italiana's customer (if applicable); and (iii) any other period stated in the Order.

3.3 The Supplier shall ensure that at all times it has and maintains all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations in respect of the Goods.

## 4. PRICING, CONDITIONS OF TRANSPORT AND PAYMENT

4.1 The price specified in the order shall be binding. Included in the price is statutory value added tax (VAT). In the absence of written agreement to the contrary, the price shall include all transport or delivery costs as well as packaging. Any other costs or charges arising shall be borne by the Supplier.

4.2 Payment shall remain as agreed between Connex Italiana and the suppliers.

4.2.1 Invoices of the Supplier shall be submitted in duplicate. The Supplier is obliged to state on all invoices, dispatch papers and delivery notes the order number, the order date, the respective parts ordered and its supplier number for Connex Italiana. Moreover, electronic copies (in PDF format) shall be addressed to the buyer who issued this purchase order. To the extent that this is not done, Connex Italiana shall not be responsible for resulting delays (e.g. in payment).

4.2.2 The Supplier is not entitled to assign claims against Connex Italiana to any third parties unless they result from deliveries with extended retention of title or Connex Italiana expressly agrees with the assignment in writing.

4.2.3 Connex Italiana shall retain any statutory rights of set-off or rights of retention. The Supplier is only entitled to set-off or retention if its counter claims are undisputed or established as final and absolute. The limitation of the Supplier's rights of retention does not apply to the extent that the right of retention results from the same contractual relationship as Connex Italiana's claim.

4.2.4 The INCOTERMS 2020 shall apply in the version effective at the time of conclusion of the contract.

4.3 All parts delivered to Connex Italiana shall be compliant with the last issue of the configuration of the reference. Unless prior written agreement of Connex Italiana, parts will be delivered in the condition "NEW". The delivered products in link with aeronautical standards and specifications must, if applicable, come from sites and manufacturers qualified by the aeronautical authorities and / or contractors.

4.4 Shipment method – in the case the goods would not be delivered as per the instructions in the Purchase order (incoterms), Connex Italiana reserves the right to request a credit note for the difference between what has been invoiced and the price that would have been expected to pay if the instructions were respected.

4.5 The Supplier shall ensure that the Goods are properly classified, labelled and packaged in compliance with the European Union (EU) Directive 94/62/EC and any modification or amendment to it and secured in such manner as to enable them to reach their destination in good condition. Any packaging materials and/or their return to the Supplier shall be at the cost and risk of the Supplier;

## 5. DELIVERY TIME, DELAYED DELIVERY, FORCE MAJEUR

5.1 The delivery time stated in the purchase order shall be binding. Any specified delivery deadlines start from the date of the purchase order. Should the Supplier discover that he is not in a position to comply with the delivery date; Connex Italiana must be immediately notified in writing.

5.2 Partial delivery or performance is only permissible with Connex Italiana's consent.

5.3 In the event of a delay on the part of the Supplier, Connex Italiana is entitled to demand damages for delay; this includes the right to demand any damages for Connex Italiana's liability towards its clients if Connex Italiana cannot deliver in time due to the Connex Italiana's delay as well as contractual penalties customary within the industry that Connex Italiana has to pay to its clients due to the delay. Any further statutory claims shall remain unaffected

5.4 If the expected damages for delay exceed the costs for a replacement purchase, Connex Italiana is entitled to cancel the PO and to purchase the product elsewhere without having specified an additional period for performance. The Supplier shall bear the additional costs arising.

5.5 If in individual cases the parties have agreed on a delivery by a fixed date and if the Supplier does not deliver on time Connex Italiana is entitled to revoke the contract and demand damages in lieu of performance without having specified an additional period for performance. Other statutory rights and the right of Connex Italiana to continue with the contract shall remain unaffected.

5.6 In the event of a force majeure such as war, transportation or operational disruption, industrial action, unforeseeable currency or exchange rate hindrances or other obstruction which is beyond Connex Italiana's control, Connex Italiana is entitled to require performance of the contract at a later date without any claims for damages arising on the part of the Supplier. In the event that the obstruction to delivery is not only temporary or that the obstruction due to force majeure continues more than 2 months each party is entitled to terminate without any claims for damages arising on the part of the Supplier.

5.7 If the market situation in relation to the situation at the time of the conclusion of the Agreement should change and Connex Italiana is affected in a considerable way such that the execution of the Agreement is no longer reasonable for Connex Italiana, the Supplier shall negotiate with Connex Italiana on a reasonable adjustment to the Agreement.

## 6. INSPECTION OF DEFECTS AND SHELF LIFE MANAGEMENT

6.1 Following receipt of the goods, Connex Italiana is obliged within a reasonable time period to examine the goods for any possible deviations as to quality and quantity. Notification of defects shall be deemed to be given in good time

6.2 Connex Italiana is entitled to check for any variations in the quality or quantity of the goods by means of taking significant random samples, provided this corresponds with the regular course of business as well as the nature and extent of the delivery. If the result of the sample tests reveals a defect as to the quality or quantity of the goods, Connex Italiana is entitled to enforce its warranty for defects in relation to the entire delivery.

6.3 Unless otherwise specified in writing all products shall be delivered to Connex Italiana within 80% of the product's shelf life at the date of delivery.

## 7. OBSOLESCENCE

7.1 The Supplier must notify Connex Italiana in writing without delay of any actual or potential obsolescence issues affecting the Orders, that it identifies from time to time, such notice to include complete and accurate details of: (a) the obsolescence issue identified; (b) its impact on the performance of the orders; and (c) any actions that could be taken in mitigation (including the cost of such actions). The Supplier shall comply with the relevant internal procedures referred to in the Order, as applicable. All relevant non-recurring and extra-recurring costs, if any, resulting from obsolescence issues during the performance by the Supplier of the Contract shall be fully borne by the Supplier.

## 8. QUALITY ASSURANCE AND SPECIAL REQUIREMENTS PURSUANT TO EN9120

8.1 The goods supplied must correspond with the respective domestic and foreign statutory provisions which are in force, regulations and directives of public authorities, government safety organizations and trade associations, and with the latest technology as well as the specifications, data, standards and quality requirements set out in the purchase order specially for export control (ITAR, EAR, EU) or national regulations and environmental regulation (REACH, ROHS, CONFLICT MINERAL, LEAD FREE...). The Supplier is obliged to advise Connex Italiana in writing of possible limitations on use and declaration duties for the supplied goods.

8.2 In order to fulfill and to implement the quality standards for aviation distributors according to AS/EN9120 in the version effective at the time of conclusion of the contract the following provisions shall apply. Connex Italiana shall in each individual case ensure the adequacy of requirements according to this clause 8.2 and its sub-clauses as well as their execution

8.2.1 Connex Italiana reserves the right to request depending on the product the compliance with the following requirements:

- Requirements for approval of products, procedures, processes and equipment
- Quality management system requirements
- Requirements for a certificate of conformity, test reports and/or airworthiness certificate
- Requirements for design, test, inspection, verification, use of statistical techniques for product acceptance and related instructions for acceptance by Connex Italiana
- The identification and revision status of specifications, drawings, process requirements, inspection / verification instructions and other relevant technical data

As far as Connex Italiana has set the Supplier requirements according to this clause, 8.2.1 in an individual case the Supplier shall make available to Connex Italiana at the moment of delivery the documentation necessary for the proof of compliance with the requirements made by Connex Italiana.

8.2.2 As far as the obligation to make the relevant documentation available under clause 8.2.1 does not apply the Supplier shall make available to Connex Italiana all documentation necessary for Connex Italiana upon first demand. This includes in particular – to the extent available for the respective product - descriptions, specifications, certificates, test records and reports, operating and maintenance guidelines, drawings, airworthiness certificates, other necessary approvals of the products, proofs of qualification of personnel and of quality management. In any case the Supplier shall make available to Connex Italiana at the latest by delivery a certificate of conformity (CoC) according to the applicable Directives of the European Union or other statutory provisions. (ex.: AS/EN9102).

8.2.3 The Supplier shall retain the relevant documentation regarding a delivered product for a period of 10 years from delivery, unless another period is usual for corresponding products.

8.2.4 Any modification of the product, the production process or the production facility, any change in the source of the goods to be supplied as well as the involvement, the change of any sub-contractors/ sub-suppliers shall be notified to Connex Italiana and requires the express written consent of Connex Italiana. Furthermore, the Supplier shall notify to Connex Italiana nonconforming products and product recalls as quickly as possible and shall obtain Connex Italiana's approval for nonconforming product disposition. Connex Italiana's approval shall be subject to its sole discretion.

8.2.5 The Supplier shall only employ such employees for services in relation to Connex Italiana who have the required qualification. Upon request, the Supplier shall make corresponding proof available to Connex Italiana. (special process, etc.).

8.2.6 Employees or representatives of Connex Italiana or its customers as well as representatives of public authorities have after notice access to all applicable business premises and working areas of the Supplier at all times during regular business hours for auditing purposes or to verify legal requirements. They may inspect all order-related documents. The Supplier may refuse the inspection of documents to the extent that business secrets of the Supplier are affected.

8.2.7 The Supplier shall impose the requirements and obligations according to this clause 8.2 and its sub-clauses as well as the customer requirements communicated to the Supplier by Connex Italiana on its subcontractors and sub-suppliers. The Supplier shall commit its subcontractors and sub-suppliers to flow down the requirements to the supply chain.

## 9. EXPORT LICENCES AND CONSENTS

9.1 The Supplier shall obtain, at its own cost, all such export licences and other consents in connection with any Goods and/or Services as are required from time to time prior to the dispatch of the relevant shipment or provision of the relevant Services (as applicable) and shall promptly provide copies of the same to Connex Italiana on receipt thereof together with accurate and complete details of: (i) all authorised third parties (to include the end user) and their role; (ii) the Goods and/or Services, part or item export classification number; (iii) the country of origin; (iv) the country of manufacture; (v) export licence number; and (vi) export license date of issue. Connex Italiana may withhold all further payments under this Order until the Supplier has fully complied with its obligations under this clause 9.1.

9.2 Should the Supplier not be able to deliver the Goods and/or Services on the agreed delivery date as a result of non-availability of any export licences and/or consents the Supplier shall use its best endeavours to secure the required export licences and/or consents without further delay and shall indemnify Connex Italiana against all liabilities, costs, expenses,

damages and losses suffered or incurred by Connex Italiana arising out of or in connection with such delays save where such failure and/or delay is beyond the reasonable control of the Supplier.

## 10. WARRANTY

10.1 Statutory warranty claims due to material or legal defects shall be fully available to Connex Italiana at all times.

10.2 In the event of a breach of warranty, the Supplier is obliged to bear all necessary costs to remove the defect in question or to replace the defective goods. These shall include disassembly and reassembly costs and all other costs that are linked to the issue at matter. The Supplier is also obliged to bear such costs that are caused or increased because the subject has been moved to another place than Connex Italiana's place of business.

10.3 Connex Italiana has an absolute unqualified right to claim compensation for damages including those arising from breaches of collateral duties.

10.4 Claims in relation to defects are subject to a limitation period of 24 months after delivery of the goods to the customer from Connex Italiana, but at the latest within three (3) years of the date of delivery of the goods to Connex Italiana. Claims for product liability remain unaffected. They shall be subject to statutory limitation periods and shall be extinguished according to statutory regulations.

## 11. LIABILITY

11.1 Upon Connex Italiana's first demand, the Supplier holds Connex Italiana free in respect of all third party claims that are raised against Connex Italiana by reason of a breach of an obligation on the part of the Supplier, in particular due to material or legal defects, provided that and to the extent that the Supplier is obliged to compensate Connex Italiana as per their internal relationship. The Supplier shall reimburse Connex Italiana for all necessary expenses incurred by Connex Italiana owing to breaches of obligations on the part of the Supplier, in particular material or legal defects.

11.2 If Connex Italiana is held liable for a product liability claim due to a fault in an item delivered by the Supplier, the Supplier must hold Connex Italiana free upon Connex Italiana's first demand for the product liability resulting from the fault insofar as the cause of the fault originates from the Supplier's sphere of control and organization and the Supplier is liable in relation to third parties. The Supplier is obliged to maintain sufficient product liability insurance. Connex Italiana's further claims for damages shall remain unaffected.

11.3 In the context of liability for damages under clause 11.2 above, the Supplier is also obliged to reimburse any necessary charges arising out of or in connection with Connex Italiana's recall of the goods. Connex Italiana shall, as far as it is possible and reasonable, inform and provide the Supplier with the opportunity to comment on the content and extent of the recall measures to be implemented. Other statutory claims of Connex Italiana shall remain unaffected.

## 12. INDEMNITY

12.1 The Supplier shall keep Connex Italiana indemnified against all liabilities, costs, expenses, damages and losses suffered or incurred by Connex Italiana as a result of or in connection with any claim made against Connex Italiana:

- (a) for actual or alleged infringement of a third party's Intellectual Property Rights arising out of, or in connection with, the manufacture, supply or use of the Goods, or receipt, use or supply of the Services, but only to the extent that the claim is not attributable to acts or omissions of Connex Italiana;
- (b) by a third party for death, personal injury or damage to property arising out of, or in connection with, defects in Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Supplier, its employees, agents or subcontractors; and
- (c) by a third party arising out of or in connection with the supply of the Goods or the Services, to the extent that such claim arises out of the breach, negligent performance or failure or delay in performance of the Contract by the Supplier, its employees, agents or subcontractors.

## 13. TERMINATION

13.1 Without limiting its other rights or remedies, Connex Italiana may terminate the Contract/Order in whole or in part at any time with immediate effect by giving written notice to the Supplier, whereupon the Supplier shall discontinue all work on the Contract/Order so terminated and shall immediately repay to Connex Italiana any advance payment(s) paid by Connex Italiana to the Supplier relating to the Contract/Order (or part thereof) so terminated.

13.2 Subject to clause 13.3, Connex Italiana shall pay the Supplier fair and reasonable compensation for any work in progress on the Goods at the time of termination and/or for any Services already performed, but such compensation shall not include loss of anticipated profits or any consequential loss. The Supplier agrees to accept such sum in full and final satisfaction of all claims arising out of such termination and it shall use its best endeavors to minimize the direct loss arising from such termination. In no case will the amount payable by Connex Italiana for the terminated work exceed the price that would have been payable if that work had been completed. Connex Italiana reserves the right to recover any completed part of the Goods and/or Services and any relevant documentation related thereto.

13.3 The provisions of clause 13.2 shall not apply where Connex Italiana has terminated the Contract/Order for any of the following reasons:

- (a) the Supplier commits a breach of any term of the Contract/Order and (if such a breach is remediable) fails to remedy that breach within fifteen (15) days of receipt of notice in writing to do so;
- (b) the Supplier is unable to pay its debts as they fall due or is deemed unable to pay its debts;
- (c) the Supplier makes a proposal for or enters into any compromise or arrangement with its creditors or it enters into liquidation or it suffers the appointment of an administrator or receiver;
- (d) the Supplier (being a company) is subject to a winding up petition or (being an individual) is the subject of a bankruptcy petition or order to the extent permitted and subject to article 72 of the Legislative Decree 9th January 2006, n. 5 or any other equivalent law on the matter;
- (e) the Supplier suspends or ceases, or threatens to suspend, or cease, to carry on all or a substantial part of its business, and in such circumstances Connex Italiana shall have the right to recover any costs, charges, or expenses incurred, including those sustained to procure the Goods and/or Services elsewhere in addition to any further damages or losses that Connex Italiana may suffer as a consequence of such termination. Termination of the Contract/Order, however arising, shall not affect any of the parties' rights and remedies that have accrued as at termination.

13.4 Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect, including but not limited to clause 12 (Indemnity) and clause 15 (Confidentiality).

13.5 On termination of the Contract/Order for any reason, the Supplier shall deliver to Connex Italiana, immediately upon request, all Deliverables whether or not then complete, and return all company Materials. Until they have been returned or delivered, the Supplier shall be solely responsible for their safekeeping and will not use them for any purpose not connected with this Contract/Order.

## 14. ETHICAL CONDUCT AND ANTI-BRIBERY COMPLIANCE

14.1 The Supplier shall:

- (a) comply with the Connex Italiana's Codes of Ethics and Anti-corruption Code and Control Model pursuant to Legislative Decree 8th June 2001 n. 231 ("Law 231/2001") in force from time to time, regarding which the Supplier declares its thorough knowledge and acceptance;
  - (b) comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption including but not limited to Law 231/2001 as amended from time to time;
  - (c) not engage in any activity, practice or conduct which would constitute an offence;
  - (d) promptly report to Connex Italiana any request or demand for any undue financial or other advantage of any kind received by the Supplier in connection with the Contract/order;
  - (e) are compliant with any anti-mafia normative (just for the Italian suppliers)
- 14.2 The Supplier shall ensure that any person associated with it who is performing services or providing goods in connection with the orders does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Supplier in this clause 14.

14.3 Connex Italiana shall be entitled to suspend a Contract/Order where it reasonably suspects a breach of clause 14 until the matter is resolved to Connex Italiana's satisfaction.

## 15. CONFIDENTIALITY

15.1 The Supplier is obliged to treat all technical and commercial information that becomes known to the Supplier from the relationship with Connex Italiana as a business secret. The obligation of confidentiality concerns all documents, drawings, drafts, patterns, models, tools and other information which the Supplier receives from Connex Italiana. They remain the exclusive property of Connex Italiana and may not be used nor be passed on to third persons without Connex Italiana's consent. At Connex Italiana's option they have to be completely destroyed and deleted or returned to Connex Italiana upon termination of the contract. A right of retention is excluded. The Supplier has to impose equal obligations on its employees and subcontractors. The obligation of confidentiality and the prohibition of use are not applicable to such information that was already known to the Supplier or generally known upon conclusion of the contract or that later became generally known without a breach of contract of the Supplier.

## 16. COMPLIANCE WITH LAWS AND RULES

16.1 In its performance of the Contract/Order the Supplier shall comply with:

- (a) all applicable laws and regulations including, but not limited to, the Relevant Regulations as may apply. The obligation contained in this clause 19 is in addition to all other Conditions requiring the Supplier to comply with all applicable laws;
- (b) Connex Italiana's Quality Requirements for Suppliers as may be in force from time to time;
- (c) Law 136/2010, if the final Customer is an Italian public entity. In this case the parties undertake to trace and record the financial flows related to the performance of the supply. In particular the Supplier is committed to:
  - ensure that contracts and/or orders contain the provision under this article;
  - use payment methods to ensure full traceability of every financial movement related to the Order;
  - communicate the bank details in compliance with the law provisions;
  - indicate in the invoice the number of C.I.G. and/or CUP sent by Connex Italiana.

Connex Italiana reserves the right to require, at any time, even by fax or via e-mail the documentation providing the fulfilment of the obligations stated in this article. In the event of unfulfilment by the Supplier of the present provision, Connex Italiana may suspend any payment to the Supplier.

## 17. PROCESSING OF PERSONAL DATA

17.1 The Supplier acknowledges and consents that personal data (hereinafter Data) provided to Connex Italiana - as Controller as defined by Legislative Decree 196/03 and EU Regulation 2016/679 (hereinafter jointly Privacy Regulation) - even during the negotiation stage, will be processed for administration-accountability purposes, to comply with legal obligations and for purposes related to proper execution of the Order, as well as preserved in writing and/or on magnetic, electronic or telematic support.

17.2 The Supplier agrees that the consent to Data processing is considered compulsory and any refusal may determine Connex Italiana's inability to discharge contract relationships.

17.3 The Parties also acknowledge that, whether in the performance of the Services the Supplier has access Connex Italiana personal data, the Supplier - as External Processor - undertakes, with the subscription of the Order, to comply with any directive made at his own charge by the Controller, in compliance with the obligations provided for in Privacy Regulation

## 18. GOVERNING LAW AND JURISDICTION

18.1 The relationship between Connex Italiana and the Supplier shall be governed by Italian law.

18.2 The Contract/Order, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the laws of Italy and each party irrevocably submits to the exclusive jurisdiction of the court of Milano, Italy.