

General Purchase Conditions

1. Scope and completion of the contract

1.1 Each purchase by Voith in goods, services and performance is exclusively governed by the following General Purchase Conditions, unless otherwise agreed. General conditions of the Supplier never find application against Voith, even when they have not been expressly rejected or goods, services, or performances ordered have been accepted without reservation.

1.2 These General Purchase Conditions apply exclusively to entrepreneurs pursuant to Art. 2082 It.Civil Code.

1.3 Both order and confirmation (order's confirmation) as well as agreements between Voith and the Supplier to perform the contract shall be in writing. Written form is considered satisfied with the transmission by fax, data transfer and via e-mail.

1.4 The supplier is due to accept the order within two weeks by transmitting the order's confirmation. In default of that, Voith is entitled to cancel the order without any consequence.

2. Delivery, place of performance and consequences of delay

2.1 Agreed delivery terms are binding. Every circumstance which may prevent to meet the deadline shall be immediately notified to Voith. The receipt of goods or completion of service or performance at Voith's premises or at the place specified in the order or ("place of performance") determines whether the delivery time has been met.

2.2 Partial deliveries require approval from Voith.

2.3 In case of delay in delivery or performance Voith shall be entitled to claim for delay damages amounting to a flat-rate of 1% of the delivery or performance value for each full week of delay, however not more than the amount corresponding to 10% of the value of the contract. Voith however, reserves all other statutory rights (termination and compensation for damages). Voith is entitled to demand, by demonstrating it, higher damage; the Supplier is entitled to demonstrate a significantly lower damage or non-existence of the damage.

2.4 The unconditioned acceptance of supply or performance can never be deemed a waiver of Voith to assert its claims for damages.

3. Availability of spare parts.

The supplier must ensure the availability of spare parts for at least 10 years from the series production discontinuation. For the same period the Supplier should store means and drawings necessary for the supply of spare parts. The obligation of storing stops with the expiry of the term and must be confirmed in writing by Voith, which may be refused only on serious reasons.

4. Prices, payment terms; transfer of risk

4.1 The price specified in the order shall be binding. Prices are always ex works/indicated place of delivery (as per DAP Incoterms 2010 ex works Voith) packaging included. VAT not included in the price.

4.2 Invoices indicating the reference number should be sent at the address stated in the order. In the absence of reference invoices will not be payable and shall be returned to the Supplier. The resultant delay will not be responsibility of Voith. Every order creates a specific invoice. The invoice should be structured in accordance with the order. Any payments for down payments, partial invoices and balance bills must be indicated as such causal. Invoices for services must always be accompanied by evidence of performance signed by Voith and the Supplier (working report).

4.3 Invoices shall be settled within 30 days from the date of receipt of the invoice and the delivery of the supply or the performance of services.

4.4 The risk of accidental loss or accidental deterioration of the goods is transferred to Voith at the time of acceptance and in the place where the goods, as per the order, must be delivered.

5. Acceptance

5.1 If the Supplier has to perform a work performance, a formal acceptance of it from Voith is always required. The acceptance is performed at Voith's choice or at the Supplier's work or at the place of performance.

5.2 Payments that could be made without reserve don't entail acceptance, neither partially, neither represent authorization of the supplied goods neither entail quitclaim of warranty claims.

6. Shipment

6.1 The delivery of goods shall be notified to Voith at the latest upon departure from the work of the Supplier.

6.2 The Supplier shall indicate on all shipment documents, waybills the order number and the exact place of delivery, including the item number. Should the Supplier fail to give such information he will be responsible for the delay that may result.

6.3 Shipments for which Voith has to bear the costs should be performed At the lowest freight rate or according to Voith's shipment instruction.

7. Packaging

7.1 The Supplier undertakes to prepare the packaging needed to transport the goods in accordance with the indications of Voith and the applicable legal provisions, in order to, in normal use, avoid damages on goods.

7.2 The Supplier is obliged to take back free of charge all sorts of packaging that can be reused or recycled in authorized waste disposal plants.

8. Notice of defects

Insofar and in the manner and time technically possible, Voith shall provide to check incoming supplies in relation to quantities, damage in transit and obvious defects. Any defects shall be reported to the Supplier within eight working days from their discovery. In any case, the Supplier waives the argument of receiving delayed reporting of defects of supplied goods. The Supplier reserves the right to carry out another thorough check of incoming goods.

9. Guarantees / Supplier's liability

9.1 The Supplier guarantees that supplied goods and services are free from defects and malfunctions and free from any limitation due to a legal imperfection in title (even partial eviction; danger of claims, encumbrances of any kind and any nature; limitation of licenses).

9.2 By confirming the order the Supplier further guarantees that ordered goods and services are suitable for the purpose and the place that was communicated by to the Supplier.

9.3 In case of defect or limitation of the use of provided goods and services, Voith is entitled to statutory claims without any restrictions whatsoever.

9.4 Voith shall have the right to choice between the different actions of warranty. In case that the Supplier, notwithstanding a formal notice of Voith, fails to remedy the defects or to replace the defective delivery, Voith shall have the right to carry out the remedy, directly or through third parties, but at the expense of the Supplier and in particular in order to limit the risk of further damage. Voith shall have the same right in case of non-resolving repairs or refusal by the Supplier to eliminate the defects or to replace the delivery.

9.5 Expenses for disassembly and reassembly and transportation costs of spare parts to and from the place of work performance that may occur during activities and works aimed at elimination of defects shall be borne by the Supplier if the elimination of the defect or the defect is in warranty or if the supplier was required to run the assembly.

9.6 By confirming the order, the Supplier undertakes to indemnify and keep Voith indemnified on its first written demand by any alleged breach of third parties' rights relating to the supply of ordered goods and services. The obligation to indemnify is related to any loss, cost, damage or expense or consequences of economic kind that could arise on Voith from actions of third parties by reason of the supply or part thereof.

9.7 Claims for defects shall become time barred - except in cases of intention to deceive - in 36 months starting from the receipt of goods in the place of working or the acceptance of working performance. In case of substitute supplies, the goods delivered as a replacement, are under a new warranty period of 36 months from the date of delivery.

10. Software

10.1 Voith shall obtain the right to use software that is part of the scope of delivery, including the documentation for it, with the agreed features and to the extent necessary for ensuring use of the software in compliance with the contract or permitted by law.

10.2 Before the software is shipped or installed on a Voith's system or its end customers, the Supplier shall check it for viruses, Trojans and other

computer malware using up-to-date, customary antivirus programmes and any such malware shall be eliminated. For the purchase of software, apply also to supplement this, the software purchase conditions in <http://www.Voith.com>.

11. Quality assurance

11.1 The Supplier undertakes to warrant permanent quality assurance for its goods and services by means of installation of an adequate quality assurance system, e.g. DIN EN ISO 9001 ff or similar and undertaking of quality tests and checks that are prescribed by Voith or are otherwise suitable during and after production of its deliverables. The Supplier shall create documentation on these tests and checks with the duty to store them for ten years.

11.2 Voith or any appointed person shall have the right to require proof of the quality of the supplied goods and of the quality control system installed. Voith is however entitled, to satisfy itself in any time of how the quality tests and checks are carried out on site, as well on his supplier or sub supplier worksite, and this even through an audit at the Supplier's expense.

11.3 Without being requested to do so, the Supplier shall immediately inform Voith, in the form stated in Art. 1.3, of changes in the composition of the processed material or design of its deliveries or services. The changes shall require the written consent of Voith.

11.4 If the Supplier supposes to get third parties to perform services or supplies, completely or in a large part, he is requested to give Voith a preventive communication. The assignment of appointment requires Voith's written approval.

11.5 The quality assurance policy of Voith disclosed to the Supplier and the quality assurance agreements concluded with the Supplier shall be part of the contract.

12. Placing of the products in the market; product liability

12.1 The supplier is obliged to observe current regulations in the place where his premises are where the performance takes place.

12.2 If it supplies products which fall under the scope of application of a European Directive for first-time placing on the market, such as the EU Machinery Directive, Pressure Equipment Directive, EMC Directive, etc., the Supplier undertakes that it shall comply with the relevant health and safety requirements and processes specified in them. And it shall prepare the required documentation. In case of partly completed machinery according to the EC Machinery Directive No. 2006/42/EC, the Supplier shall provide Voith with a declaration of incorporation according to Annex II B of the EC Machinery Directive in the form requested by Voith (extended declaration of incorporation) as well as in addition provide instructions for use in accordance with Section 1.7.4 of Annex I of the EC Machinery Directive. If requested by Voith, the Supplier shall at Voith's discretion either allow Voith to inspect the risk assessment created by it or shall provide it to Voith.

12.3 In case of product liability that causes damages outside the supplied goods or injuries or health damages the Supplier shall be liable without limitation as per product liability law. If claims are asserted against Voith pursuant to product liability law, the Supplier shall be obliged to indemnify Voith in this regard against claims for damages by third parties at the first time of request.

12.4 As part of its liability under Section 12.3, the Supplier is also obliged to reimburse any expenses incurred by Voith from or in connection with a warning issued or recall conducted by Voith.

Where possible and reasonable, Voith shall inform the Supplier of the content and scope of the measures to be performed and coordinate them with the Supplier.

12.5 The Supplier is obliged to undersign a product liability insurance to cover the risks from Sections 11.2 and 11.3, with coverage of at least 1,000,000.00 Euros per damaging event. The said insurance shall not prejudice any other further claim for damage by Voith.

13. Safety; protection of the environment; conflicts of chemicals

13.1 The Supplier shall ensure that its deliveries and services in Voith's site or wherever the performance takes place meet the environmental protection, accident prevention work safety regulations and that they are in compliance with any further or relevant regulations in order to avoid or reduce harmful impacts on human beings and environment in force at the premises of Voith or other by the Supplier known place of performance. To this end, the Supplier shall install and enhance a management system, e.g. DIN EN ISO 14001 or similar. Voith shall have the right, if applicable to require proof of the management system installed at the Supplier and to conduct audits at the Supplier's site.

13.2 The Supplier guarantees to observe the requirements of EC Regulations about the dangers of chemicals (REACH Regulation 1907/2006/EC) and provides in particular to have completed the registration of sub-

stances. Voith need not to require a permit for the products supplied by the Supplier.

13.3 The supplier also guarantees that does not provide products containing the substances listed in the Annexes 1 to 9 of REACH Regulations of Council Decision 2006/507 / EU (Convention on Stockholm on organic pollutants, of Regulation 1005 / 2009 / EC on substances that reduce the ozone layer, the Global Automotive Declarable substance List (GADSL) and the RoHS Directive (2002/95 / EC) on the restriction of certain hazardous substances in electrical and electronic equipment, in the version valid at the time.

13.4 If the products supplied were to contain substances which under REACH Regulations are included in the Candidate List of Substances of Very High Concern (SVHC list), the Supplier shall immediately notice it. This also applies in the case of continuous supplies in the situation where some not previously included substances should be indicated in the list. The delivered products must be free of asbestos, biocides or radioactive materials.

13.5 If in the delivered goods were present substances referred to precedent points 13.3 and 13.4, the Supplier must give written notice to Voith before delivering indicating the substances, the identifying number (eg. CAS-Nr.) and attaching a document with the updated safety data. The Supply of such products requires a special release by Voith.

13.6 The supplier is obliged to ensure, through appropriate precautions in his organization and across the supply chain, not to supply Voith with products containing dangerous chemicals pursuant to section 1502-1 1504 Dodd-Frank US -act (especially coltan from Democratic Republic of Congo and neighboring states, wolframite and gold and its derivatives).

13.7 The supplier shall hold harmless Voith from any liability descendant from the failure to observe the rules and regulations mentioned above, or hold it harmless against any damage that may be caused to the lack of compliance with laws and regulations indicated above.

13.8 The supplier is also obliged to observe all the rules in force in relation to waste disposal and treatment of waste and educate Voith in order to specific methods of treatment, storage and disposal of products.

14. Retention of title; Models and tools; confidentiality

14.1 The retention of title rights of the supplier are not acknowledged by Voith.

14.2 Voith reserves the right of retention on each material, component, container etc. should be at the Supplier disposal. The processing and transformation are done in the interest of Voith. If the goods with retention are joined or processed with other goods not belonging to Voith, Voith acquires ownership on the new goods in proportion to the value of Voith goods with the value of the other goods at the transformation time.

14.3 Any models and tools which are produced by the Supplier by order and at Voith's expense, once paid, become property of Voith and can be used exclusively to produce the ordered goods. They shall be treated with care by the Supplier, indicated as property of Voith and – where possible – stored separately from the other products of the Supplier, as well as insured at the expense of the Supplier against disasters such as fire, water, theft, loss and other damage. The supplier is obliged to perform promptly and at his expenses all maintenance intervention on molds, inspection and storage. The resale of goods produced with models and molds of Voith can be made only by prior expressed written permission of Voith.

14.4 Documents, drawings, plans and sketches and other know-how of Voith which Voith entrusts to the Supplier for producing the ordered delivery and/or service, in whatever form shall remain the property of Voith. They are trade secrets of Voith and shall be treated confidentially. The Supplier undertakes to treat them with care, to make them available only to employees who need them for fulfilling the contract and who are in turn obligated to maintain confidentiality, not to make them available to third parties, to make copies only for the purpose of executing the order, and to return all documents, including copies of them, to Voith upon completion of delivery, or, upon request of Voith, to destroy them.

15. Personal Data treatment

As per Decree Dlgs. 196/2003 (personal data protection code) Voith may collect and process personal data of the Supplier to perform the agreement. By signing these general terms and conditions, the Supplier confirms that he was fully informed of the rights stated in art. 7 of the above mentioned code. The data processor is Voith Paper Srl via Daniele Manin 16/18 I-36015 Schio (VI) in the person of its legal representative pro-tempore of the responsible, or treatment from time to time in office. The collected data will be shared with companies in the same group or with third parties such as, e.g., financial institutions, provided that the purpose of treatment is limited to the performance of the agreement.

16. Origin of goods and Export Control

16.1 If requested to do so by Voith, the Supplier shall submit free of charge a declaration regarding the origin of product that complies with the rules in force at the time of the request. If long-term Supplier declarations are used, the Supplier must notify Voith of any changes in originating status. The actual country of origin must be stated on commercial documents in all cases, even if no preferential status applies.

16.2 The Supplier must inform Voith of any approvals required on the (re-)export of its goods by internal, European, US or other applicable export or customs regulations. For this purpose the Supplier will, insofar as this was not already provided in its offer, supply the following information next to the relevant item references at Voith's request when an order is confirmed and on every delivery note:

- The commodity code

- The AL number in accordance with EC Dual-Use Regulation No. 428/2009 in the version time to time in force, in accordance with Part I of the export list (Annex AL of the German Foreign Trade and Payments Regulation and the ECCN (Export Control Classification Number) in accordance with US export law.

16.3 At Voith's request, the Supplier shall be obliged to inform Voith in writing of all further foreign trade data related to the goods and its components, as well as inform Voith immediately in writing of all changes to the data specified in Section 16.1 and 16.2.

16.4 If details in accordance with the previous sections are not provided or are provided incorrectly, Voith shall, without prejudice to further rights, be authorised to rescind the contract.

17. Termination and withdrawal rights

In addition to cases provided by law for termination Voith can be entitled to withdraw when financial conditions of the Supplier become or risk to become liable to endanger the proper performance of the supply or if it is filed for bankruptcy or other insolvency proceedings, or if he fails to meet regularly with his payment obligations. Voith is also entitled to withdraw from the contract if the Supplier is under the legal or asset influence of a competitor.

18. Entrepreneurial responsibility; Code of Conduct, respect for minimum wages

18.1 The Supplier declares its commitment within the scope of its entrepreneurial responsibility to ensuring that it complies with legal provisions, including environmental protection laws, regulations relating to labour law and laws on the safety of employees, and does not tolerate child or forced labour in or in relation to the production and sale of its goods or the provision of its services. Upon accepting the order, the Supplier further confirms that it shall not commit or tolerate any form of bribery and corruption. For this reason, reference is made to Voith Group "VOITH

Code of Conduct", downloadable at <http://www.Voith.com>. Voith demands the Supplier to acknowledge to have to comply with the there stated rules and principles and demands the Supplier to sustain Voith in the observance of them.

18.2 The supplier also guarantees to observe the laws on minimum wages from time to time in force, and undertakes to ensure that even its sub-suppliers recognize them. At the request of Voith he will have to give evidence. In case of breach of this guarantee, the supplier is required to keep Voith harmless from any claims of third parties and will reimburse Voith any economic sanctions that were imposed.

19. Final provisions

19.1 People who work for the performance of the contract in the site of Voith or those that together with Voith manage businesses of the Voith Group, they are due to observe the provisions of their respective companies. For accidents that happen in the working site of Voith, the liability of Voith is excluded, if the accident is not caused by gross negligence or wilful violation by the legal representative of Voith or his bodies.

19.2 The use of offers, orders and related correspondence with Voith for advertising purpose is forbidden. The Supplier can advertise the business relationship with Voith or use it as a reference only by prior express written consent of Voith.

19.3 The transfer of Supplier's receivables to third without prior written consent of Voith is forbidden.

19.4 Each contract with Voith regulated by these General Purchase Conditions shall be exclusively subject to Italian Law. The U.N. Convention on International Sale of Goods and conflicts of laws shall not apply (Vienna, April 11, 1980).

19.5 As an exception to the provisions of the Italian Civil Procedure Code and international conventions on judicial competence, any dispute arising from and/or related to the contractual relationship governed by this Terms and Conditions, including disputes relating to extra contractual claims, the place of jurisdiction with territorial competency is the one in which Voith has its registered office. Voith, however, shall have the right to commence legal proceedings in the courts with territorial competency for the registered office and / or the operative headquarter of the Supplier.

19.6 If one or more provisions of these general conditions of purchase be or become even partially false or unenforceable, the remaining provisions shall remain valid and binding.

As per articles 1341 and 1342 It. Civil code, the Supplier expressly declares to accept the following conditions: 1.1 (scope, exclusion of other people's terms and conditions); 1.3 (mandatory written form); 1.4 (obligation of acceptance in certain target date); 2.1 (terms in the interests of Voith); 2.2 (need for approval of partial deliveries); 2.3 (penalty of delays; right to compensation for greater damage); 2.4 (right to claim compensation even in the event of acceptance of the late delivery); 3. (obligation to maintain the long-term availability of goods sold / spare parts); 4.1 (immutability of the price; price "delivered to destination"); 4.4 (transfer of risk); 6.1 (obligation to communicate the shipment of goods); 7.2 (obligation of free collection of packaging); 8.1 (waiver to raise the plea of decadence for delayed reporting of faults and defects); 9.4 (choice of enforcement actions; faculty to provide itself or through third parties at the supplier's expense); 9.5 (obligation of the Supplier to support assembly costs, dismantling and transportation of spare parts); 9.7 (three-year limitation period and time of commencement of the term of the warranty period on the replaced parts); 11.1 (obligation to maintain quality standards; verification faculties obligation decade preservation of documents); 11.2 (right to demand proof of the quality / of the control system even at the supplier / his sub suppliers at the supplier's expense); 11.3 (obligation of reporting in writing of material variations); 11.4 (prior consent for sub supply appointment); 12.3 (obligation of compensation at first request for claims of third parties); 12.4 (expense reimbursement obligation for alert campaigns and withdrawal defective products); 12.5 (obligation to stipulate insurance policy for product liability); 13.1 (obligation to requirement to have a supply management system DIN EN ISO 14001 or equivalent) 13.4 (obligation of prompt notification of products containing substances included in Candidate List of Substance of very high concerned (SVHC List) 13.5 (requirement for prior written notification of substances and document transmission security data; need to consent of Voith for the supply of some products) 13.6 (Supplier's obligation to prevent the supply of products containing hazardous chemicals) 13.7 (obligation to hold harmless from any damage to the supply of products containing hazardous substances); 13.8 (obligation to instruct Voith on the treatment, storage and disposal of products); 14.1 (excluding the retention of title by supplier), 14.2 (reservation of ownership of Voith's assets); 14.3 (mandatory use of models / molds exclusively for the production of goods ordered; obligation to warranty, custody and maintenance and proper storage at the expense of the supplier; ban on the resale of the goods without the written consent of Voith); 16.1 (obligation to provide free certification of origin of products / indications of the change in the original; obligation to indicate on each document the country of origin); 16.4 (right to withdraw from the contract in case of failure, incorrect or incomplete communication of data for export); 18.1 (right of withdrawal in case of deterioration of the financial conditions of the supplier / omission of payments / relapse under the legal or asset influence of a competitor); 18.2 (obligation to hold harmless Voith by third parties' claims / repay any financial penalty for violation of the minimum wage); 19.1 (limitation of liability for wilful misconduct or gross negligence); 19.2 (prohibition of advertising / written authorization requirement to advertise the business relationship with Voith); 19.3 (prohibition of transfer of receivables without consent of Voith); 19.4 (application of Italian law, excluding laws of conflicts / UN Convention); 19.5 (place of jurisdiction; right to choice of Voith);

Signature

The Supplier (stamp and signature)