

LOMBARDINI "Buyer" TERMS & CONDITIONS

ACCEPTANCE OF CONTRACT

Seller shall be bound by this Purchase Order and its terms and conditions when it executes and returns the acknowledgement or when it delivers to Buyer any of the items ordered or renders for Buyer any of the services ordered herein. Acceptance is expressly limited to the terms and conditions stated herein. Any additional or different terms proposed by Seller are rejected unless expressly assented to in writing and signed by Buyer's authorized agent. All specifications, drawings and data submitted to Seller with this Purchase Order are hereby incorporated herein and made a part hereof.

CONFIDENTIALITY

All information and materials derived from or supplied by the Buyer shall be regarded by the Seller as secret and confidential and should not be published or disclosed to any third Party or made use of by the Seller except for the purpose of performing this Contract.

CHANGES

The Buyer reserves the right at any time to make changes in any one or more of the following: (a) Specifications, drawings and data incorporated in this Contract where the items to be furnished are to be specifically manufactured for the Buyer; (b) Methods of shipping or packaging; (c) Place of delivery; and (d) Time of delivery. Any changes to these terms of the Contract will be reflected in a change order issued to the Seller and the acceptance to Contract terms listed above would apply. Any discrepancy between Seller and Buyer on any of the terms of the Contract will only become binding if a change order is issued by Buyer.

DELIVERY

Time is of the essence in this Contract and, if delivery of items or rendering of services is not completed by the time promised, the Buyer reserves the right without liability in addition to its other rights and remedies to terminate this Contract by notice effective when received by Seller as to stated items not yet shipped or services not yet rendered and to purchase substitute items or services elsewhere and charge the Seller with any loss incurred. Any provisions herein for delivery of articles or the rendering of services by installments shall not be construed as making the obligations of Seller severable. Shipments sent C.O.D without Buyer's written consent will not be accepted and will be at Seller's risk. No charges will be allowed for boxing, crating, or special packaging unless expressly agreed to in writing by Buyer. Seller shall follow Buyer's freight policy for shipping product when utilizing Buyer's freight accounts, if applicable. If freight policy is not properly followed by Seller, Buyer reserves the right to charge back the Seller for freight expenses. If Seller is unable to meet the required due date with normal modes of transportation, Seller is responsible for all costs associated with expedited freight. If Buyer agrees to expedited freight that will be billed by Seller a change order must be issued by the Buyer with the freight charges identified in writing.

NON-CONFORMING GOODS/QUALITY

Please note: Seller is responsible for meeting all specified supplier quality requirements. See Lombardini's "Manuale Qualità delle Forniture". Buyer is not required to perform incoming inspections of any goods, and Seller waives any right to require Buyer to conduct any such inspections. Seller will not substitute any goods for the goods covered by this Contract unless Buyer consents in writing. If Buyer rejects any goods as non-conforming, Buyer may, at its option, (a) reduce the quantities of goods ordered under this Contract by the quantity of non-conforming goods; (b) require Seller to replace the non-conforming goods; and/or (c) exercise any other applicable rights or remedies. Seller must inform Buyer in writing of the manner in which Seller desires that Buyer dispose of non-conforming goods within forty-eight (48) hours of notice of Buyer's rejection of non-conforming goods (or such shorter period as is reasonable under the circumstances). Seller will bear all risk of loss with respect to all non-conforming goods and will promptly pay or reimburse all costs incurred by Buyer to return, store or dispose any non-conforming goods. Buyer's payment for any non-conforming goods will not constitute acceptance by Buyer limit or impair Buyer's right to exercise any rights or remedies or relieve Seller of responsibility for the non-conforming goods.

WARRANTY

By accepting this order, Seller hereby warrants that the articles and services to be furnished hereunder will be in full conformity with Buyer's specifications drawings and data, or Seller's samples, and will be of merchantable quality and fit for use intended by Buyer. Seller agrees that this warranty shall survive acceptance of the items. Said warranties shall be in addition to any express warranties given to Buyer by Seller.

BUYER'S REMEDIES

In the event of Seller's breach of this contract, without Buyer's other rights and remedies and notwithstanding any limitation in Seller's express warranty or otherwise, Buyer expressly reserves that right, at the election of Buyer and without limitation of Buyer's rights to recover its incidental and consequential damages from Seller to "cover" the goods and recover from Seller the difference between the cost of cover and the contract price, to obtain specific performance from Seller, to reject the goods and repudiate the Contract and recover from Seller the difference between the market price and the contract price, or to accept the goods and recover from Seller the difference between the value of the goods and the contract price.

PROPERTY FURNISHED TO SELLER BY BUYER

Unless otherwise agreed in writing, all special dies, molds, jigs, fixtures, inventory and any other property furnished to the Seller by the Buyer or specifically paid for by the Buyer for use in the performance of this Contract, shall be and remain the property of the Buyer shall be subject to removal upon the Buyer's instruction, shall be marked or tagged showing it is the property of the Buyer's shall be used only in filling orders from the Buyer. Buyer shall perform such tests as are necessary to determine that the tooling can produce parts in accordance with the drawings, samples and/or specifications as provided by the Buyer. After successful acceptance testing and part approval, Buyer shall make final payment to Seller of the amount specified on this Purchase Order. Buyer does not authorize any other usage of Lombardini owned tooling for the manufacture of items to third parties or the use products made to Buyer specifications for third parties without written authorization from Buyer. It is the responsibility of the Seller to provide an annual written confirmation listing the tooling that is Lombardini's property and stating that Lombardini has the right to retrieve all of those tools at any time Lombardini deems necessary. Sell agrees to maintain (including repair) all tools (at Seller's expense) capable of producing (Products) for as long as Buyer orders such products.

PATENTS

Seller undertakes and agrees to defend at Seller's own expense, all suites, actions, or proceedings, in which Buyer, any of Buyer's distributors or dealers, or the users of any of Buyer's products are made defendants for actual or alleged infringement of any Italian or foreign letters patent resulting from the use or sale of the items purchased hereunder (except infringement necessarily resulting from adherence to specifications or drawings, other than those of Seller's design or selection originally submitted to Seller by Buyer and further agrees to pay and discharge and all judgments or decrees which may be rendered in any such suit, action or proceedings against such defendants therein.

PRICE

Buyer shall not be billed at prices higher than stated on this Purchase Order unless authorized by a Purchase Order Change Notice issued and signed by Buyer. Seller represents that the price charged for the items or services covered by this order, is the lowest price charged by the Seller to Buyers of a class similar to Buyer under conditions similar to those specified in this order and that prices comply with applicable government regulations in effect at the time of quotation, sale or delivery.

PAYMENT

Buyer's Vendor Code and Purchase Order number must appear on all invoices for payment. Buyer will not pay for shipping and transportation unless expressly authorized by this order. Seller agrees to provide Buyer with copies of bill of lading or express receipt evidencing the shipping charges. Payment terms are defined in this Purchase Order issued by Buyer to Seller. Payment will be executed in the next available payment run after due date. It is understood that the cash discount period will date from the receipt of goods or the invoice whichever is later. In no event is Buyer obligated to make payment prior to its normal payment cycle. Standard payment terms are 120 days from the end of the month of the invoice date.

COMPLIANCE WITH LAWS

In accepting this Purchase Order, Seller represents that it has and will continue during the performance of this Purchase Order, to comply with the provisions of all environmental, occupational, health and safety laws as well as all laws and regulations from which liability may accrue to Buyer from any violation hereof.

SELLER CODE OF CONDUCT

By accepting this purchase order Seller agrees to abide by Buyer's Seller Code of Conduct located at the URL address <https://rehiko.com/conducting-business>.

TERMINATION

Buyer may terminate this order for its convenience, in whole or in part, by written or telegraphic notice at any time. If this Purchase Order is terminated for convenience, any claim of Seller shall be evaluated on the basis of reasonable costs it has incurred in the performance of this order.

FORCE MAJEURE

Delays resulting from any and all causes outside the reasonable control of either party, including but not limited to acts of God, acts or requests of government or governmental agencies in their non-commercial capacity, not or civil commotion, sabotage, accidents, fire, flood, explosion damage to plant or facilities, epidemics, typhoons, quarantine restrictions, or absence of normal means of communication or transportation shall extend the time of performance for a period not to exceed 30 cumulative calendar days ("Force Majeure Period"). Neither party shall be liable for any loss damage, detention or delay resulting from any of the foregoing causes. Buyer may terminate this purchase order for force majeure events that continued beyond the Force Majeure Period.

INDEPENDENT CONTRACTOR

Seller shall perform the work necessary for performance of this Contract with Seller's employees and agents under the control of Seller. Buyer's Standard Contractor Clauses are incorporated herein by reference whenever they are attached hereto, or the goods are to be installed or serviced or the services are to be performed on Buyer's premises or using tools or material supplied by Buyer.

PRODUCT LIABILITY

Seller hereby indemnifies and agrees to defend Buyer against all claims for property damage and personal injury which may arise out of the performance of the services or the use by Buyer or other persons of the articles or completed services furnished hereunder.

TITLE AND RISK OF LOSS

Unless otherwise stated on the face of this order, the risk of loss and expense of transportation shift to Buyer at Buyer's dock with the title at Buyer's dock. The Seller undertakes to insure the goods to destination at Buyer's facility.

TAXES

Unless the purchase is subject to sales and/or use taxes as indicated on the front of this Purchase Order, this price shall not include sales, use, excise or similar state or local taxes applicable to the goods or services furnished hereunder or to the materials used therein. Where such taxes are applicable, they shall be shown separately on Seller's invoice Other State Taxes: Buyer's Exemptions Certificate (if applicable) is included in the purchase order or has previously been sent to Seller. Any questions concerning taxes should be referred to Buyer's Tax Department.

APPLICABLE LAW

For resolution of any controversy, competency shall remain at the Reggio Emilia Court of Justice.