

VOLKSWAGEN

GROUP ITALIA S.P.A.

General Terms and Conditions for Purchase of Goods and Services

1. SCOPE

1.1 These General Terms and Conditions govern the purchase of Goods and/or Services by VOLKSWAGEN GROUP ITALIA S.P.A. (hereinafter Purchasing Company), and its Suppliers (as defined hereinafter). Terms used in these General Terms and Conditions are defined below, unless the context clearly gives rise to another interpretation:

- **VW Group Companies:** any company of the VW Group, i.e. the corporate group to which Volkswagen AG (with registered office in Berliner Ring 2, 38440 Wolfsburg, Germany) belongs (the term Group must be understood as defined by Article 15 of the German Law on Joint Stock Companies); such company is entitled to place new Orders to the Supplier under the same conditions agreed upon between the Supplier and the Purchasing Company, except for variations due to logistics-related costs or different payment terms.

- **General Terms and Conditions of Purchase and/or General Conditions:** these general terms and conditions of purchase for Goods and/or Services.

- **VW Group:** the multinational group of companies to which Volkswagen Group Italia S.p.A. belongs.

- **Purchasing Company:** the company VOLKSWAGEN GROUP ITALIA S.P.A., with registered office in Verona (Italy), Viale Gerhard Richard Gumpert 1, that places a Purchase Order and that intends to purchase Goods or obtain Services from the Supplier.

- **Supplier:** the company that provides Goods and/or Services, including through organisation of the necessary means and management at its own risk.

- **Parties:** Purchasing Company and Supplier defined jointly.

- **Good(s):** the products or goods indicated in the Purchase Order and in the Technical Documentation where available, that are covered by these General Conditions.

- **Service(s):** one or more services covered by these General Conditions, outlined in the Purchase Order and in the Technical Documentation where available.

- **Purchase Order and/or Order:** the order submitted by the Purchasing Company to the Supplier for Goods or Services.

- **Technical Documentation:** each technical specification with which the Goods and/or Services must comply.

- **Request for Proposal:** request made by the Purchasing Company to the Supplier, based on the need for a specific supply of Goods and/or Services, in order that the latter makes an offer. This request includes, inter alia, the conditions as per the terms, the technical and logistic specifications, and the quality and safety requirements that must be met by the supply.

2. VALIDITY AND ACCEPTANCE OF THESE GENERAL CONDITIONS

2.1 Goods or services supplied to the Purchasing Company based on the Orders of the latter shall be made in accordance with these General Terms and Conditions, which shall be considered fully accepted by the Supplier upon acceptance of the Order, as determined by Article 3 below. It is nevertheless understood that: a) the Purchasing Company reserves the right to refuse at any time execution of any Order (and, therefore, to refuse to make payment and/or receive the Services for that order) whenever the Supplier has not signed the General Terms and Conditions of Purchase herein specifically accepting all the terms and conditions set forth therein, including those for which Art. 1341 of the Italian Civil Code requires express acceptance in writing, and that b) the Purchasing Company is under no

obligation towards the Supplier on the basis of the Purchase Order should the Supplier not return these General Terms and Conditions of Purchase signed for acceptance as described above at the earliest of the two following dates: i) the end of the 30th calendar day from the date of the Order ii) the date of commencement of the Order on the part of the Supplier.

2.2. These Terms and Conditions shall remain in effect unless the Parties have expressly and jointly agreed otherwise in writing, and in any case until complete fulfilment of the obligations in place.

2.3 Any amendments to these General Terms and Conditions shall only be valid where they have been expressly provided for in the written Order or, in the case of an Order already in progress, where the amendment is jointly agreed upon in writing by the Supplier and the Purchasing Company; no clause or general condition of sale inserted by the Supplier in the invoices, delivery notes or correspondence that contradicts or limits these General Terms and Conditions shall be considered valid, unless expressly accepted in writing by the Purchasing Company.

2.4 Should one or more clauses of these General Terms and Conditions or of the Order be invalidated or declared invalid or unenforceable pursuant to legislation, the validity of the remaining clauses shall remain unaffected.

2.5 The Order, any amendments to the same and any of its attachments, as well as these General Terms and Conditions, constitute the complete and exclusive agreement between the Purchasing Company and the Supplier: consequently, no other verbal agreement that amends the content of said documents shall be binding.

3. ORDERS

3.1 The Order shall be made using the form issued by the Purchasing Company sent by fax and/or post, or by means of electronic data transmission, which shall be regarded as a written communication.

3.2. All Orders shall contain: the order number, supplier code, price, delivery terms, transport if applicable (indicating whether it is included or not), as well as the invoicing and payment terms. Therefore, these General Terms and Conditions are part of the Order for all intents and purpose.

3.3. The Supplier shall provide the Purchasing Company confirmation of having accepted the Order within 8 (eight) days of its receipt, communicating in writing by means of paper or electronic form, and/or via the dedicated portal. In the absence of such confirmation within the above-mentioned deadline, Orders based on these General Terms and Conditions of Purchase shall be deemed fully accepted when the Supplier has started to process the Order placed by the Purchasing Company. The Purchasing Company reserves the right to accept or reject the Goods and/or Services that have been implemented and/or provided in the meantime, charging any expenses incurred to the Supplier.

4. PRICES

4.1 Following a Request for Proposal by the Purchasing Company, the Supplier shall submit a Proposal, formulating it according to the specific requests of the Purchasing Company at the time of issue of each Request for Proposal. The Proposal shall be duly completed with all the related data.

4.2 The price of the Goods and Services is established in the Order. The price of the Goods includes packaging, delivery, transport and export taxes, but excludes any VAT. The price of the Goods and Services is defined to be all-inclusive and not subject to increases for the entire period outlined in the Order, unless otherwise expressly stipulated in the Order between the Purchasing Company and the Supplier.

5. SUPPLY OF GOODS AND/OR SERVICES. ACCEPTANCE

5.1 The supply of Goods and/or Services shall be made on the agreed upon date, in accordance with the conditions set out in the Order. Unless otherwise stipulated in writing, the Goods and/or Services shall be provided at the location specified in the Order, regardless of whether these are premises of the Purchasing Company or of third parties.

5.2 In the event of default or failure to comply with the delivery dates, the Purchasing Company reserves the right to:

a) accept the supply or the continuation of the supply as delivered, applying a penalty of 5% (five percent) of the value of the Service not rendered and/or Goods not delivered on the date specified in the Order and/or within the specified deadline, without prejudice to any rights to further compensation if the delay has caused more serious damage.

b) organise, either directly or through third parties, provision of the Services and/or Goods that have not been rendered and/or delivered or that may reasonably be expected not to be rendered and/or delivered within the established deadline; this decision is binding on the Supplier; should the Purchasing Company choose to exercise this right, the Supplier shall bear all costs that have been directly or indirectly incurred by the same. To this end, the Purchasing Company shall issue the related invoices for the total amount of such sums, and the offsetting provided for by Article 15 of the General Terms and Conditions shall apply.

c) consider the Order cancelled, or the part of the same not executed, providing simple written notice to the Supplier. In this case, from the date of receipt of such notification to the Supplier, the Purchasing Company shall be released from any requirement of acceptance or payment of the Service and/or Goods, without prejudice to the right of the Purchasing Company to take any legal action, including action for compensation of the damages incurred.

5.3 Whenever the Supplier delays or hampers the provision of Service and/or delivery of Goods, the same shall inform the Purchasing Company as soon as it becomes aware of the possible delay.

5.4. Should the execution of the Services fall within the scope of Legislative Decree 81/2008 (Consolidated Safety Act), the Supplier undertakes to provide all the documentation - also concerning possible subcontractors according to article 10 - in compliance with current and applicable legislation, and meet all the requirements provided for by said law. In addition, it undertakes to hold the Purchasing Company harmless and indemnified against any detrimental effect that may arise from failure to comply with said legislation.

5.5. The Supplier declares to have properly fulfilled all obligations relating to the remuneration and social security of its employees. The Supplier also undertakes to indemnify and hold harmless the Purchasing Company from any and all costs or damages or liabilities arising out of any dispute which may arise directly with employees of the Supplier and with the employees of the Subcontractors or with pension and/or social security institutions or any other authority (such as, but not limited to, judicial, administrative, or tax authority) for issues concerning and/or connected with and/or otherwise arising from the relationship with such employees or any accidents or damage howsoever incurred by employees, as well with regard to any damage caused by employees to persons or property, including any and all third parties, including cases of malice or gross negligence.

5.6 The Supplier declares to have taken out a suitable insurance policy with a primary insurance company for civil liability which it undertakes to submit to the Purchasing Company upon request.

6. EXECUTION AND PLACE OF DELIVERY OF THE SUPPLY. QUANTITY

6.1 The supply of Goods and/or Services shall be carried out at the place specified in the Order as provided in Article 5.1 above, unless otherwise expressly stipulated between the Supplier and the Purchasing Company. Goods delivered to the Purchasing Company shall have adequate packaging for the type of product and for their intended use and shall be appropriately labelled for their correct identification.

6.2 Without prejudice to any customary tolerances or those expressly stipulated and subject to confirmation by the Purchasing Company, the Supplier shall make deliveries in accordance with the quantity provided for in the Order. The Purchasing Company, therefore, reserves, at its sole discretion, the right to reject any quantities exceeding the requested deliveries or those delivered in advance with respect to the agreed upon deadlines (or, alternatively, to hold them with payment terms deferred until they are actually required), as well as to consider the Order fully settled in the case of smaller quantities delivered by the Supplier within the stipulated deadlines, rejecting any late additions (or, alternatively, to reject manifestly insufficient deliveries, cancelling the entire order), without prejudice in any case to the additional measures foreseen in the event of breach within the agreed upon terms.

7. QUALITY AND DOCUMENTATION REQUIREMENTS

7.1 The Supplier undertakes to provide the Goods and/or Services in compliance with the technical specifications and tender documents to manage the related documentation as indicated in the same and/or in the Order. In executing the contract, the Supplier shall meet the standards and measures envisaged to ensure the quality and technical requirements established by the Purchasing Company and provide the Services and/or Goods in accordance with the same. Moreover, the Supplier shall constantly review and align its standards and measures to ensure the quality and technical condition of the Goods and/or Services provided.

7.2 Goods shall be accompanied by appropriate documentation to certify its conformance, in accordance with applicable specifications, including, by way of example but not limited to, the certificate of origin of the same.

7.3 Should the supply be devoid of a certificate of inspection, the Purchasing Company reserves the right to charge the Supplier the amount of €400.00 (four hundred/00) for each individual Good supplied, or any greater costs incurred by the Purchasing Company and/or any compensation for damages.

The Supplier shall maintain records of inspections carried out during the production process of the Goods being delivered.

The Supplier undertakes to promptly inform the Purchasing Company of any case of product or process nonconformity identified during the production of the supply and to reach agreement with the Purchasing Company regarding corrective actions to be implemented.

Any changes to the configuration of the Good and/or Service or to the agreed upon processes shall be authorised in writing by the Purchasing Company.

7.4 The Purchasing Company has the right, at any time, to verify that the Services are provided in accordance with the applicable quality standards and in accordance with the technical conditions of the Purchasing Company.

7.5 The Supplier, should it have requested and obtained authorisation from the Purchasing Company to subcontract, in accordance with Article 10 below, shall ensure that any of its subcontractors meet the same conditions the Purchasing Company requires of its suppliers, without prejudice to the joint and several liability of the Supplier with its subcontractors vis-à-vis the Purchasing Company.

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8. REPORTING DEFECTS AND/OR NONCONFORMITIES. LIABILITY

8.1 Where defects and/or nonconformities are found on the Goods and/or Services supplied, the Purchasing Company reserves the right to request replacement or repair of such defective and/or nonconforming Goods, or to ask for the Service to be re-executed, without prejudice to compensation for any greater damages and to a commitment to adopt the corrective and preventive actions necessary to prevent a recurrence of the defects and/or nonconformities.

Should the defects and/or nonconformities be such as to compromise the reliability of the supply of the Goods and/or Services, the Purchasing Company reserves the right to reject the Goods delivered by the Supplier as well as any stocks of previous batches, and to cancel any further deliveries planned, as well as to refuse execution of the Services.

9. RISK AND OWNERSHIP

9.1 The Supplier shall incur the risk of possible damage or loss of Goods during transport until delivery of the same to the address indicated in the Purchase Order or, failing that, to the address of the Purchasing Company.

Ownership of the Goods shall be transferred to the Purchasing Company upon delivery of the same to the address indicated in the Order or, failing that, to the address of the Purchasing Company.

10. SUBCONTRACTING

10.1 Unless otherwise agreed upon in writing between the Purchasing Company and the Supplier, the latter may not subcontract to third parties (even partially) the activities necessary for the supply of the Goods and/or Services to the Purchasing Company.

11. HEALTH AND SAFETY RISKS

11.1 The provision of Services shall take place in compliance with all safety requirements established by current legislation, as well as with the technical specifications of the Purchasing Company, where included in the proposal conditions or in other documents delivered to the Supplier together with the Request for Proposal or subsequently. The Supplier shall adopt all measures and precautions necessary for the prevention of occupational accidents and for the protection of the physical integrity of personnel in the manner prescribed by current regulations on occupational hygiene, health and safety. With the aim of enabling the execution of any appropriate inspection, the Supplier shall formally communicate to the Purchasing Company any injury / accident that may have involved its personnel within the calendar day of occurrence, specifying the circumstances and causes and keeping the Purchasing Company informed concerning developments relating to investigations and inquiries.

12. WARRANTY

12.1 The Services provided to the Purchasing Company shall be covered by the warranty provided for by applicable Italian legislation, specifically Art. 1667 of the Italian Civil Code, without prejudice to the fact that all Services accepted by the Purchasing Company shall be deemed accepted under the specific conditions outlined in Article 14.1.

12.2 Without prejudice to the provisions of Article 5.4 above, should the Purchasing Company be subject to claims for damages for breach of safety legislation or other applicable legislation of any kind whatsoever, the same reserves the right to request reimbursement of all damages, costs, expenses and indemnifications from the Supplier, whenever provision of the Services has not been carried out correctly and has directly or indirectly caused the claim for damages. Should any sum be charged to the Supplier regarding the warranty due by the latter, it

may be claimed by the Purchasing Company or by any VW Group Company.

13. INVOICING

13.1 All invoices shall indicate the Supplier number, order number, reference number of the Good and/or Service, and the delivery note number if necessary, as well as any other information required by the tax laws in force at the time and any additional information that the Purchasing Company deems necessary.

13.2 Invoicing shall be carried out on the basis of the conditions established in the Order.

14. PAYMENT TERMS

14.1 Payment of the supply to Suppliers shall take place in accordance with the conditions contained in the Order. In any case, the fact that the Goods and/or Services meet the quality standards required by the Purchasing Company is an essential condition for payment.

14.2 Payment of the Order shall not imply acceptance of the Services and/or Goods by the Purchasing Company in terms of quality, quantity and price conditions of the same and shall not imply that the Purchasing Company waives any of the rights directly or indirectly arising from these General Terms and Conditions or from applicable legislation.

14.3 Except as provided by current legislation, or as otherwise agreed upon between the Parties, the Purchasing Company shall pay for the supplies received and accepted at 60 days EOM (end of month of invoice date) by bank transfer to the account provided to the same by the Supplier.

The Supplier expressly declares not to consider the payment term indicated above to be in any way unfair and that the same has been agreed upon between the Parties.

In the absence of prior authorisation and/or acceptance at the bank designated by the Purchasing Company, cash orders or equivalent documents issued at the initiative of the Supplier shall be rejected.

The transfer of any receivables to third parties arising from supplies delivered to the Purchasing Company shall be subject, even when waiving legal regulations in force, to the prior approval of the Purchasing Company itself, without prejudice to enforceability vis-a-vis the third party buyer of all claims regarding said receivables, the quantity and quality of the supply and any agreement between the selling Supplier and the Purchasing Company.

14.4 Should the circumstances indicate that the Supplier is unable to meet its immediate obligations, the Purchasing Company may suspend payments until such time as the Supplier appears newly able and willing to meet such obligations in an appropriate manner. It is understood that during the suspension of payments, the Supplier may not suspend the execution of its contractual services.

15. OFFSETTING

15.1 Should the Purchasing Company charge the Supplier any amount on the basis of the provisions contained in these General Conditions or in the Purchase Orders, the Supplier expressly authorises the Purchasing Company to issue the corresponding invoice and to deduct the related amount from the sums due by the Purchasing Company to the Supplier at the time of payment, or to add said receivable to any receivable in favour of the Purchasing Company; all the above shall be duly recorded in the current accounting records. Offsetting shall take place on the basis of the rules laid down by Art. 1243 of the Italian Civil Code.

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16. TRADEMARK PROTECTION. MODELS, DRAWINGS OR KNOW-HOW PROVIDED BY THE PURCHASING COMPANY AND/OR BY OTHER VW GROUP COMPANIES.

16.1 If, as part of the Supply, the Supplier and/or any of its subcontractors use trademarks owned by the Purchasing Company and/or by the Volkswagen Group, and/or trademarks for which the Purchasing Company is a licensee, it is understood that such use shall be exclusively limited to the execution of the supply itself. Such use shall not give rise to any rights on said trademarks in the name of the Supplier – which in any case hereby declares to renounce them.

16.2 It is, in any case, expressly forbidden for the Supplier to modify the trademarks in any way or make any graphic, chromatic or text additions; use distinctive signs incorporating the words, graphics, signs, shapes and colours characterising the trademarks, as well as any other sign that might be confused with the same or that might be considered a derivative of the same.

16.3 The models, drawings or know-how provided by the Purchasing Company shall not be copied by the Supplier. Such models, drawings and know-how, together with those prepared ad hoc by the Supplier in order to provide the Services and/or Goods specifically requested by the Purchasing Company, may not be transferred to other persons or organisations without the prior express and written consent of the Purchasing Company; they may not be used by the Supplier for any purpose other than provision of the Services and/or Goods to the Purchasing Company. Unless otherwise agreed upon in writing, any drawing, model or know-how prepared ad hoc by the Supplier in order to provide the Services and/or Goods specifically requested by the Purchasing Company shall be deemed to be included in the price paid by the Purchasing Company for that which the Supplier provided; consequently, such models, drawings and know-how shall also be deemed to be the property of the Purchasing Company and/or of any other VW Group Company which, depending on the specific case, may act as the buyer. Such drawings or models shall be delivered to the Purchasing Company.

16.4 In the event of breach of the foregoing provisions, the Purchasing Company shall have the right to cancel the Order and request the return of any profit obtained by the Supplier, in addition to compensation for the damages caused.

16.5 Should the Supplier register industrial or intellectual property rights in violation of the terms of this provision, it shall be required to transfer such rights to the Purchasing Company free of charge and at no cost to the same, and in any case without prejudice to all the other rights of the Purchasing Company under the foregoing provisions.

17. COST ANALYSIS

17.1 The Supplier undertakes to analyse with the Purchasing Company, upon request, every reasonable possibility of reducing the costs of the Services and/or Goods. The Supplier also authorises the Purchasing Company, and the persons designated by the same, to carry out at its laboratories and/or premises the appropriate checks concerning all the Services provided to the Purchasing Company.

18. PROHIBITION OF ADVERTISING. INDUSTRIAL SECRETS. CONFIDENTIALITY.

18.1 Under no circumstances may the Supplier mention, publish or advertise on its own behalf or on that of third parties its commercial or industrial activities in favour of the Purchasing Company, or use the trademark, logo or name of the Purchasing Company in any communication media, unless with prior written authorisation of the Purchasing Company. Consequently, Orders and the related commercial and technical details, together with any industrial secrets and confidential information which the

Supplier has become aware of during the supply relationship in favour of the Purchasing Company, shall be treated as strictly confidential by the Supplier up to the fifth year, inclusive, following the termination and/or cessation of the relationship for any reason whatsoever.

18.2 The Supplier agrees that it is essential when subcontracting to another supplier, which acts within the scope of the supply of the Services ordered by the Purchasing Company as a supplier or manufacturer, that the Supplier undertakes to obtain from such subcontractor the commitment to fulfil all the obligations under these General Terms and Conditions, without prejudice to the joint and several liability of the Supplier towards the Purchasing Company; all, of course, provided that the Supplier has previously requested and obtained from the Purchasing Company written authorisation for such subcontracting pursuant to Article 10 above.

18.3 The Purchasing Company requires each Supplier to respect and safeguard any information, news, data and anything else concerning the supply relationship with utmost confidentiality, through an express declaration of confidentiality.

19. INDUSTRIAL PROPERTY

19.1 In all cases and without exception, the Supplier expressly warrants to the Purchasing Company that all Services and/or Goods that are not conceived by the latter have been and shall be supplied in accordance with current legislation and, in particular, that they do not constitute and shall not constitute an infringement of any third party registrations or industrial property rights and are not subject to any disputes or legal proceedings.

19.2 The Supplier shall inform the Purchasing Company of any application or use by said Supplier of its own or third party patents.

19.3 The consequences of violations of the above provisions or any limitation imposed on the Purchasing Company as a result thereof shall be borne directly by the Supplier and the Purchasing Company reserves the right to seek compensation for the damages incurred.

19.4 The Supplier shall comply with the Intellectual Property rights of the Purchasing Company. Should the Supplier become aware of a third party claim with regard to such rights, it shall immediately inform the Purchasing Company and shall refrain from any action against third parties without the prior written consent of the said Purchasing Company. Should the industrial property rights of the Purchasing Company be used for purposes other than those mentioned above without the express consent of the Purchasing Company, the latter shall have the right to claim compensation for all damages incurred.

19.5 Should the Supplier bring technological innovations within the scope of the activity covered by an Order of the Purchasing Company, the same undertakes to ensure said Purchasing Company the relative license in order to allow the latter to produce, have produced and sell the results of said innovation. Payment for this irrevocable and perpetual license without any territorial limits and with the right to sublicense, shall be deemed already included in the compensation.

20. ASSIGNMENT

20.1 The Supplier may not sale the Orders received from the Purchasing Company.

20.2 It is expressly agreed that the receivables arising from the supplies to the Purchasing Company may not be sold or transferred in any way by the Supplier, without the same having requested and obtained written consent from the Purchasing Company. Moreover, as the Order is an integral part of the documentary evidence of such receivables, pursuant to Article 1262 of the Italian Civil Code, this clause shall be presumed to

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be known by the buyer at the time of the sale and to prevent the purchase in good faith by the latter of such receivables based on Art. 1260, paragraph 2, of the Italian Civil Code.

20.3 The Purchasing Company may assign any rights arising from the Order, from these General Terms and Conditions and/or from the documents that may replace or supplement the same, to any VW Group Company. Similarly, the Purchasing Company may replace a VW Group Company in any claim that the same may have vis-a-vis the Supplier for any reason. Consequently, the Supplier accepts such replacement to all intents and purposes and without limitations of scope and therefore undertakes to accept any claims made by said Companies in relation to the supply to the Purchasing Company or to any other VW Group Company and to accept the sums which in this capacity the Purchasing Company or any other VW Group Company may charge the Supplier within the scope of the current credit and debit relationship with the latter for the purposes provided for by any Order or relationship of any kind entered into with said Supplier. To this end, the Supplier expressly authorises the Purchasing Company and any other VW Group Company to issue, where applicable, the corresponding invoices, and to offset the amounts of such invoices with all amounts owed by the Supplier to such Companies based on any existing relationship.

20.4 The Supplier undertakes, as an essential condition to resort to any other supplier acting within the scope of the supply process of the Services and/or Goods ordered by the Purchasing Company, as a supplier or manufacturer, to obtain from such additional figure express acceptance of the assignment and offsetting pursuant to Articles 20.2 and 20.3 above, so that the Purchasing Company and any other VW Group Company may, by virtue of the provisions of these General Terms and Conditions, claim from the Supplier or directly from the subcontractors and/or suppliers of the Supplier payment of the full amount for whatever reason due, and make the appropriate offsettings and appropriate charges within the scope of the respective credit and debit relationships at that time in place with the Supplier or with the sub-contractor of the latter. Failure by the supplier or subcontractor of the Supplier to accept the assignment and offsetting described above shall entitle the Purchasing Company to immediately cancel the Order, without prejudice in any case to the right of the latter to claim from the Supplier reimbursement of the costs incurred and compensation for the damages caused by said cancellation.

20.5 The provisions of this Article shall apply to the Supplier and to any entity participating at any level in the Services and/or Goods supply process; it is the responsibility of the Supplier and any of its suppliers to ensure that all those involved in the Services and/or Goods supply process accept the provisions of this Article in their entirety as well as the rest of these General Terms and Conditions.

21. CIVIL LIABILITY

21.1 The Supplier undertakes to comply with all legislation as well as the internal regulations of the Purchasing Company in the event that, within the scope of the Order fulfilment process, it provide its services on the premises of the Purchasing Company or use resources owned by the Purchasing Company inside or outside the premises of the latter; the Supplier, therefore, shall be deemed liable for all damages caused to persons, property, plant or equipment, installations, and finished, semi-finished or stored products, resulting from its negligence or fault or that of its subcontractors or their respective employees.

21.2 In the above cases, the Supplier shall relieve the Purchasing Company of any liability and undertakes to compensate the same for any damages or expenses incurred as a result of such damages.

21.3 The Supplier, moreover, shall relieve the Purchasing Company of any liability arising from breach of the obligations of said Supplier as an employer, with regard to Social Security, Health and Safety legislation or any other legislation in force.

21.4 The Supplier undertakes to comply with all applicable legislation concerning compulsory insurance and to take out additional insurance against the risks of civil, professional and product liability with a primary insurance company to cover accidents or damage that may occur in the course of its activity. Such insurance policy shall be sent to the Purchasing Company, upon request, together with the certification of subsequent renewals.

22. CODE OF ETHICS. SUSTAINABILITY

22.1 The Supplier declares to be aware of and to comply with and require its employees and/or collaborators to comply with the principles of the provisions of Legislative Decree no. 231 of 8 June 2001 on the administrative liability of entities, as amended and supplemented, as well as to have read, know, accept and undertake to comply with - also for its employees and/or collaborators pursuant to Art. 2049 of the Italian Civil Code - the Code of Ethics, in the version from time to time updated, adopted by the Purchasing Company pursuant to the above-mentioned Decree, and published on the website www.volkswagengroup.it.

22.2 The Supplier undertakes to submit, at the request of the Purchasing Company, all the information and documentation that the same shall deem necessary to demonstrate compliance with the Code of Ethics by the Supplier, for the purposes of subsequent verification and evaluation at the discretion of the Purchasing Company.

22.3 In the case that the Supplier is responsible for violations to any of the provisions of the Code of Ethics, VGI can rightfully and immediately terminate - according with the article 1456 of the Italian Civil law, and with article 25.1 and 25.2 below - these General Terms and Condition and, if necessary, the contractual relationship, effective, by simple written notice sent to the Supplier's registered office by registered mail with receipt of delivery, and seek any other applicable legal remedy including the right to sue for damages and legal expenses that VGI incurs in its defence.

22.4 The Purchasing Company aims to achieve sustainable development objectives, particularly with regard to the environmental compatibility of its products, reduction of its consumption of natural resources and protection of the rights and personal development of its employees, both locally and globally.

22.5 The Purchasing Company also expects its Suppliers to pursue environmental and social sustainability objectives, adequately complying with the Volkswagen Group requirements concerning sustainability in relations with business partners. The full text is available on the website vwgroupsupply.com, at the links Cooperation -> Sustainability. The Supplier declares to have read, to know and to be properly informed with regard to the aforementioned requirements.

22.6 The Supplier undertakes to submit, at the request of the Purchasing Company, all the information and documentation that the same shall deem necessary to demonstrate compliance by the Supplier's company with the environmental and social sustainability standards and requirements as identified above, for the purposes of subsequent verification and evaluation at the discretion of the Purchasing Company.

23. FORCE MAJEURE

23.1 The Supplier shall not be liable for failure to deliver the supply, in whole or in part, or for a delay in the provision of Services and/or Goods should such failure or delay be caused by force majeure (including general, regional or sectoral strikes

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involving not only the Supplier, with the exclusion of strikes within the same).

23.2 Should the Supplier be unable to provide the Services and/or Goods, in whole or in part, due to the existence of force majeure, the same shall notify the Purchasing Company of the existence of force majeure with the utmost timeliness, and in any case no later than 24 hours from the moment in which the event occurred. Furthermore, the Supplier shall provide a detailed justification of the nature and scope of the cause, of the expected delay in provision of the Services and/or Goods and of the new circumstances arising in terms of supply possibility, and shall remedy the aforementioned situation as soon as its cause ceases to exist.

23.3 Throughout the duration of such situation, the Supplier and the Purchasing Company shall agree upon the supplementary measures necessary for continuation of the supply; the Supplier shall be responsible for the adoption of each of these. The impossibility of the Supplier to ensure the supply, even after adoption of all the appropriate supplementary measures, shall not be considered a breach of its obligations. Nevertheless, should the supply not resume normally within 15 calendar days from the date on which it was totally or partially interrupted or not fulfilled for reasons of force majeure, the Purchasing Company may consider the Order as terminated with immediate effect, even if the Supplier has successfully adopted the aforementioned supplementary measures.

23.4 The Purchasing Company may suspend receipt and payment of the Services and/or Goods ordered from the Supplier, without any obligation of compensation, in the event of flooding, fire, strikes or other industrial action, riots, official measures, the impossibility of communication or other interruptions within the Purchasing Company such as to cause a reduction of activities or suspension of work in its production or commercial facilities, and other similar incidents, including events due to force majeure.

24. WITHDRAWAL

24.1 Without prejudice to force majeure events and the other cases of termination pursuant to these General Terms and Conditions, the contractual relationship arising from an Order may be terminated, including only in part, at any time by the Purchasing Company with written notice that shall be communicated to the Supplier with 30 (thirty) days' notice, unless otherwise stipulated between the Parties.

25. EARLY TERMINATION

25.1 The causes described below and all those expressly mentioned in the context of the individual provisions of these General Terms and Conditions shall constitute grounds for termination of the Order and of all contractual relationships between the Parties based on these General Terms and Conditions:

- acceptance by the competent Judicial Authorities of the request for suspension of payments of the Supplier or initiation of a liquidation procedure, declaration of insolvency by the Judicial Authorities; effective insolvency; public and private sale of goods to creditors or distribution of assets at the request of creditors, regardless of whether this constitutes unavailability; seizure, attachment or other constraints on such assets.

- total or partial breach by the Supplier.

- non delivery and/or lack of updated, within the terms provided by the applicable law and within the respective deadlines, the documents indicated in article 5.4, also referred to the subcontractors.

- delay in the provision of the Services and/or Goods with respect to the agreed upon delivery times, should the Supplier be responsible for such delay.

- lack of quality of the Services and/or Goods.

- change in the business name of the Supplier; change in the shareholding or control structure, transformation, merger, demerger or sale of a business unit of the same.

- change in the prices or other specific conditions relating to the Services and/or Goods.

- violation of the Code of Ethics adopted by the Purchasing Company and/or of the principles contained in the Legislative Decree 231/2001.

25.2 In all the above cases, early termination shall be effective as from the date of receipt of notification - which shall be sent by registered letter with notification of delivery - in which the Purchasing Company notifies its intention to make recourse to this clause.

26. DAMAGES FOR BREACH OF CONTRACT BY THE SUPPLIER

26.1 In the event of total or partial breach of any of the obligations arising from the Order, these General Terms and Conditions and/or from any other document supplementing or replacing them, the Supplier shall compensate the Purchasing Company for all damages incurred.

27. LANGUAGE AND INTERPRETATION

27.1 The authentic text of these General Terms and Conditions of Purchase is in Italian, regardless of the fact that they may be translated into other languages for information purposes; consequently, in the event of conflict of interpretation, the version that prevails and is therefore valid and binding on the Parties is the Italian version.

28. APPLICABLE LAW. JURISDICTION

28.1 These General Terms and Conditions are governed by Italian law.

28.2 The Supplier expressly accepts that any disputes that may arise between the Parties relating to the interpretation and/or execution of Orders and of these General Terms and Conditions shall be referred to the court of Verona (Italy).

29. AUDIT

29.1 The Supplier shall allow the Purchasing Company, or a third party company appointed by the latter, access to its registered/business offices at the simple written request of the Purchasing Company, and with 3 (three) working days' notice. The Purchasing Company also reserves the right, during auditing, to request from the Supplier a copy of accounting and tax records and other documents related to the execution of the supply which shall be indicated by the Purchasing Company or its representatives.

29.2 In the event that breaches on the part of the Supplier emerge from such audit in relation to contribution and remuneration obligations towards its employees and/or collaborators for whatever reason, the Purchasing Company shall be entitled to charge the costs incurred for said audit by the Purchasing Company, as well as to terminate the contractual relationship pursuant to Article 25 above.

29.3 The Parties mutually agree that the right of audit referred to above can also be exercised by the Purchasing Company after termination of the contractual relationship for any reason whatsoever.

30. PERSONAL DATA

30.1 For the purposes of Italian law relating to the processing of personal data, the Purchasing Company informs the Supplier of the fact that the personal data (birth, identity, fiscal and economic data) of the persons or bodies having dealings with the Purchasing Company shall be collected, recorded, processed,

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stored and processed for administrative, commercial and accounting reasons. In particular, the aforementioned purposes include the following activities: order, invoice and payment management; conclusion of the management of any contracts with third parties (including those relating to third party subcontracting of warehouse management of the Purchasing Company and services related to goods receipt and shipment); supply administration; customer relations, fulfilment of legal or contractual obligations, subcontracting of administrative activities. The aforementioned data may be disclosed to third parties for the reasons for which it was acquired and collected. Unless otherwise stated in writing, the aforementioned data shall be stored at the main offices of the Purchasing Company, which represents the party authorised to perform the aforementioned processing as well as the data processor.

30.2 By signing these General Terms and Conditions, the Supplier declares to have received the information mentioned above relating to the processing of personal data, to be informed of the rights that Legislative Decree 196/2003 grants to data subjects whose personal data is processed and provides its consent, for all legal purposes, to the processing of such personal data by the Purchasing Company.

Place _____ date _____

(Supplier stamp and signature)

For the purposes of Art. 1341/1342 of the Italian Civil Code, the Supplier declares to specifically approve the following clauses: Art. 2 Validity and Acceptance of these General Terms and Conditions; Art. 3 Orders Art. 5 Supply of Goods and/or Services; Acceptance; Art. 7 Quality and Documentation Requirements; Art. 10 Subcontracting; Art. 11 Health and Safety Risks; Art. 12 Warranty; Art. 14 Payment Terms; Art. 15 Offsetting; Art. 16 Trademark Protection. Models, drawings or know-how provided by the Purchasing Company and/or by other VW Group Companies; Art. 21 Civil Liability; Art. 23 Force Majeure; Art. 25 Early Termination; Art. 28 Applicable Law. Jurisdiction; Art. 29 Audit.

Place _____ date _____

(Supplier stamp and signature)