GENERAL CONDITIONS OF PURCHASE

1. Definitions

For the purposes of these General Conditions of Purchase, the following terms shall apply:

"BUYER": The company that orders the PRODUCTS;

"SUPPLIER": the company that supplies the PRODUCTS to the BUYER;

"PRODUCTS": the products and/or accessories and/or services purchased by the BUYER and/or provided by the SUPPLIER as specified in the ORDER;

"ORDER": the order issued by the BUYER for the purchase of the PRODUCTS;

"ORDER CONFIRMATION": the order confirmation issued by the SUPPLIER;

"CONTRACT": all contractual documents that govern the relationship between the BUYER and the SUPPLIER in reference to the sale of the PRODUCTS;

"OFFER": the offer of the SUPPLIER relating to the PRODUCTS;

"PARTIES": jointly the BUYER and the SUPPLIER;

"LONG TERM DECLARATION": long-term declaration of the SUPPLIER for PRODUCTS with preferential originating status, in the form defined in Annex 22-16 of the Implementing Regulation (EU) 2015/2447, supplemented with information on non-preferential origin (country of origin) and Combined Nomenclature code of the PRODUCTS;

"SUPPLIER PORTAL" online platform used by the BUYER for the management of the supply chain, accessible via web access or via link received by email

"DECLARATION PER SINGLE SUPPLY": declaration of the SUPPLIER concerning the PRODUCTS with preferential origin status, in the form defined in Annex 22-15 of the Implementing Regulation (EU) 2015/2447, supplemented with information on the non-preferential origin (country of origin) and Combined Nomenclature code of the PRODUCTS included in the shipment.

2. Scope

a) These General Conditions of Purchase apply to all ORDERS of PRODUCTS made by the BUYER and are subject to any dispensation, modification or addition expressly set out in the ORDER.

b) The General Conditions of Sale of the SUPPLIER are not binding on the BUYER, even when the said Conditions are cited in the ORDER CONFIRMATION from the SUPPLIER, unless these are accepted in writing by the BUYER.

c) All agreements between the PARTIES must always be made in writing.

d) By accepting the ORDER, the SUPPLIER acknowledges and accepts all the conditions laid down in this document.

e) The following documents prevail in the order in which they are listed hereunder:

   a. The provisions of the ORDER
   b. The CONTRACT
   c. These General Conditions of Purchase

f) The General Purchasing Specifications and the General Technical Conditions for Product Procurement

g) In case of purchase of services, the General Terms and Conditions relative to the provisions of services will complete these General Conditions of Purchase and prevail on them in case of contradiction.

3. Orders

a) The stipulations indicated in the ORDER, regardless of what is specified in the OFFER, shall be the only binding agreements for the PARTIES. ORDERS must be sent by the BUYER to the SUPPLIER by fax and/or post and/or computerized systems.

b) The date of ORDER issue is the date on which the ORDER is sent to the SUPPLIER, quoted in the ORDER itself.

c) The SUPPLIER cannot make use of subcontractors without informing the BUYER and obtaining his written authorization. The SUPPLIER is fully responsible for all its potential subcontractors.

4. Order confirmation

a) Each ORDER must be confirmed within five working days by the SUPPLIER by fax and/or post and/or computerized systems to the BUYER contact that is mentioned in the ORDER. The BUYER expressly reserves the right to cancel the said ORDER if the BUYER does not receive the said confirmation of the ORDER within five working days of the sending date of the ORDER.

b) Any modification to the ORDER must be requested clearly and in writing by the SUPPLIER to the BUYER and will be subject to written approval by the BUYER.

c) Acceptance of the ORDER by the SUPPLIER implies that the SUPPLIER has verified that the data contained therein are correct and complete.

d) Before acceptance, the SUPPLIER must conduct an ORDER review ensuring its ability to comply with the ORDER requirements. The SUPPLIER likewise undertakes to request from the BUYER any missing data and all the material necessary to fulfill the ORDER.

5. Delivery Times and Inspections

a) The contractual delivery deadline is defined as the day on which the PRODUCTS must be present at the place specified in the contract. Delivery times are calculated starting from the ORDER date.

b) The SUPPLIER must notify the BUYER immediately and in writing of any risk of delays occurring. Such delays must be duly quantified and motivated in the notice.

c) Even if the delay is accepted, the BUYER reserves the right to claim any direct or indirect damage that may be suffered by the BUYER due to the delay.

d) In particular, if urgent shipping is needed, the extra costs shall be charged to the SUPPLIER.

e) The BUYER is authorized at any time during business hours and without any prior notice to perform inspections at the SUPPLIER's site and/or at the premises of subcontractor companies, authorized in accordance with the provisions of point 3 of these General Conditions of Purchase, to assess both the qualitative standards of the supply and the state of progress of the ORDER.

f) Delivery before the scheduled deadline must be authorized in writing by the BUYER.

g) If PRODUCTS are supplied more than one week ahead of the deadline specified in the ORDER CONFIRMATION, the BUYER reserves the right to send the PRODUCTS back to the SUPPLIER at the SUPPLIER’s expense. Should the BUYER decide not to send back the PRODUCTS delivered early, he reserves the right to charge the SUPPLIER for related transport and storage costs determined in a lump-sum amount equal to 1% of the value of the PRODUCTS for each week of advance with respect to the agreed delivery terms, up to a maximum of 10% of the value of the PRODUCTS.

h) Contractual obligations undertaken with regard to the agreed delivery deadline (payments, warranties, etc.) must be met by the deadline set originally in the ORDER.

6. Prices and Payment Terms

a) The applicable prices are those specified in the ORDER calculated without VAT and are to be understood as fixed prices for the PRODUCTS indicated in the ORDER.

b) The prices are understood to be inclusive of the cost of the packing material necessary to provide adequate protection during storage and shipping of the PRODUCTS.

c) Any invoices with prices that do not match those laid down in the ORDER shall be rejected by the BUYER. Any changes in the price must be authorized in writing by the BUYER.

d) The payment shall be settled by direct transfer no later than 90 days, unless other specific agreements exist between the PARTIES. For payments made within 10 calendar days, we are entitled to deduct a 2% cash discount. However, the payment is contingent on the acceptance of the PRODUCTS on the part of the BUYER as per the provisions of point 12.

7. Delivery, shipping and packing terms

a) In case of supply at the SUPPLIER’s warehouse, the SUPPLIER must make the PRODUCTS available for pick-up by the date specified in the ORDER, by sending the collection note to the BUYER's Shipping Office by fax and/or post and/or computerized systems.

b) In case of supply at the BUYER’s premises or in a different location specified by the ORDER (e.g. in the field), the risks and costs related to transport and/or delivery will remain the responsibility of the SUPPLIER until the actual delivery of the PRODUCTS unless the Incoterm of the ORDER stipulates to the contrary.

c) Each supply must be accompanied by a delivery document providing the following information:

d. Address/Destination;
e. Date;
f. ORDER number;
g. Codes list;
h. ORDER date;
i. Precise description of the PRODUCTS;
j. Number of packages;
k. The non-preferential origin (country of origin) of the PRODUCTS
l. The Combined Nomenclature code
m. batch or serial number if PRODUCTS have specific traceability requirement

d) A copy of the delivery document must be attached to the packing inside a closed plastic envelope.

e) The LONGTERM DECLARATION shall include information on preferential origin, non-preferential origin (country of origin) and the Combined Nomenclature code of the PRODUCTS subject to the ORDER. If the SUPPLIER is unable to fill out the LONG TERM DECLARATION for all PRODUCTS, because the information may vary from shipment to shipment, after agreement with the BUYER as an alternative to the LONG TERM DECLARATION, the SUPPLIER may issue a DECLARATION FOR EACH SINGLE DELIVERY, which must include information on the preferential origin, non-preferential origin (country of origin) and Combined Nomenclature code of the PRODUCTS included in the delivery. The DECLARATION FOR EACH SINGLE DELIVERY must be included in the commercial invoice or in the delivery document of the shipment.

f) Should the delivery refer to several different ORDERS, a single shipping document can be issued provided that this makes clear reference to the ORDER or ORDERS involved in the delivery.

g) If PRODUCTS are supplied in a quantity greater than that specified in the ORDER and in the specifications of the BUYER, the latter shall send the SUPPLIER a written declaration of the difference in quantity within five working days from the delivery, communicating in addition its intention to avail of the right to:

g1. accept the quantity of PRODUCTS in excess as an advance on the next delivery. In this case, the BUYER may charge the SUPPLIER a lump sum to offset logistical costs for transport of the PRODUCTS equal to 1% of their value for each week of advance and up to a maximum of 10% plus 100 Euros for administrative expenses; or,

g2. reject the quantity of PRODUCTS in excess and, if the SUPPLIER fails to pick up the goods at his own expense within five working days from the receipt of the prior notice sent by the BUYER, send them back to the SUPPLIER at the latter's expense and risk. The SUPPLIER shall be charged 100 Euros for administrative and logistical expenses.

h) All deliveries must comply with the specifications of the ORDER.

i) Delivery can only be complete if the PRODUCTS are delivered with relating quality documentation as required in the ORDER or the specifications mentioned in the ORDER.

8. Quality

a) The SUPPLIER hereby acknowledges that the BUYER is certified with an ISO9001 quality system to assure a high quality standard for all of its products. The SUPPLIER therefore undertakes, with reference to the PRODUCTS supplied, to comply with the strict safety and quality requirements laid down by the ISO9001 quality system.

b) The SUPPLIER shall provide the BUYER at its own initiative all quality certifications and their renewals as soon as they are available.

c) The SUPPLIER is aware that the PRODUCTS are used in the construction of systems and facilities for passenger transportation and/or vehicles and machines which could cause potential injury risks if they are not manufactured with the utmost care. The SUPPLIER therefore declares to be fully aware that it is of the utmost importance for the purpose of safety and the relevant liability that the stipulated controls relating to the choice of materials for the construction of the PRODUCTS as well to their production and shipping be performed with the utmost attention and diligence in compliance with the BUYER's specifications.

9. Invoicing

a) The invoice must be sent to the BUYER at the address agreed and must provide the following information:

a. Company Name;
b. Order number;
c. Packing list number;
d. List of the article codes plus their names;
e. Quantity;
f. VAT reg. no.;
g. Unit prices and total;
h. Any reference to the VAT exemption document;
i. Swift address, IBAN code.

b) The purpose of complying with the requirements in the previous paragraph is to make the automatic cross-checking of the order and invoice as easy as possible.

c) In the case of non-compliance with what is set out above, the SUPPLIER must cancel the incorrect invoice and issue a new invoice with all the required information.

10. Transfer of credit

The credit that the SUPPLIER is owed by the BUYER cannot be transferred either in full or in part unless explicitly authorized in writing by the BUYER.

11. Delivery delays /Cancellation of the Contract

a) The delivery terms agreed between the PARTIES must comply strictly and are considered essential within the meaning of the related ORDER. The SUPPLIER must implement all the measures necessary to assure that the deliveries are carried out within the contractually envisaged time frames.

b) In case of delay or incomplete delivery of one or more PRODUCTS of the ORDER, in respect to each first delivery date confirmed by the SUPPLIER to the BUYER, the BUYER is authorized, regardless of any SUPPLIER liabilities or any damage suffered and without in any way considered to be in default, to apply a penalty in the amount equal to 0,5% of the total value of the PRODUCTS for each working day of delay up to a total maximum of 10% of the total value of the ORDER, by withholding the amount directly from the invoice, without prejudice to the right to claim any further damages. In case of more delayed positions in one single ORDER, the total sum of the applied penalties should not exceed the 10% of the total value of the ORDER, without prejudice to the right to claim any further damages. The SUPPLIER hereby gives consent to a settlement between the amount owed to the BUYER by way of payment of the price and the amount that the SUPPLIER owes to the BUYER by way of penalty.

c) Should it emerge that the SUPPLIER is not able to fulfill the obligations in the agreed time frame, the BUYER is entitled to carry out whatever measures are reasonably necessary, at the expense of the SUPPLIER, in order to respect the terms of the contract.

d) In case of delays owing to force majeure, the SUPPLIER must notify the BUYER immediately in writing both at the moment that the force majeure arises and on its cessation.

12. Acceptance of Products and Transfer of Ownership

a) On delivery of the PRODUCTS, the BUYER verifies their identity and quantity according to the specifications of the related ORDER. This inspection shall be performed by the Quality Control Services of the BUYER and the result of the inspection shall be binding for the acceptance of the PRODUCTS and for the subsequent transfer of ownership, which is completed on the subsequent acceptance of the PRODUCTS by the BUYER.

b) Acceptance of the PRODUCTS by the BUYER does not exempt the SUPPLIER from manufacturer's liability.

c) Each supply must meet the provisions of the order and of any standards and documents therein referred to.

13. Declarations and guarantees on the products

a) The SUPPLIER guarantees a PRODUCT of the highest quality, without defect and manufactured in accordance with the ORDER and with the BUYER's specifications. The SUPPLIER also guarantees that the PRODUCTS were designed, manufactured, built and assembled according to state-of-the-art technologies using first-class materials considering they shall be used in the passenger transportation sector and/or in vehicles and machines which could cause potential injury risks if they are not manufactured with the utmost care.

b) The PRODUCTS are guaranteed for a minimum period of two years that begins at the moment in which the transfer of ownership to the BUYER is completed, unless specifically indicated otherwise in the specific ORDER, for particular types of PRODUCT.

c) During said period the SUPPLIER shall be obliged to repair or, if necessary, replace the PRODUCT, or parts of it, and take over all additional costs, within ten working days of the BUYER’s written complaint. Such complaint must be made within 30 days of delivery of the PRODUCT, except for the case of hidden defects in which case the this period shall begin from their discovery

d) On PRODUCTS or parts of products replaced and/or repaired within the meaning of the previous paragraph a new period of guarantee of at least 2 years will begin from their delivery, which must be carried out at the location specified by the BUYER.

e) Specific PRODUCT requirements (e.g. material properties, weld quality, compliance with tolerance values, etc.) must be documented by the SUPPLIER by means of appropriate certificates complying with the legislation and standards in force and with the BUYER’s specifications, the SUPPLIER remaining responsible for the absolute correctness and completeness of these certifications.

f) All of the certificates required by law shall be submitted by the SUPPLIER to the BUYER according to the contractual terms and procedures and in any case no later than the final deadline for the delivery of the PRODUCTS.

g) The full costs of issuing all of the certifications referred to in these General Conditions of Purchase and sending them to the BUYER shall be borne by the SUPPLIER.

h) The BUYER is entitled to send the End Customer any information requested and/or technical explanations issued by the SUPPLIER in whatever form they are provided (by fax and/or post and/or computerized systems)

14. Insurance

a) The SUPPLIER undertakes to take out an appropriate insurance policy covering any third-party liability that may result from the failure to perform its obligations either in full or in part.

b) The SUPPLIER undertakes to specify the BUYER as beneficiary of the insurance policy referred to in the previous paragraph.

c) The SUPPLIER undertakes to take out an appropriate decennial liability insurance policy if applicable to the scope of the ORDER.

d) The SUPPLIER shall provide at its own initiative a copy of the insurance policies and their renewal for each period of validity.

15. Third party rights

The SUPPLIER shall guarantee the BUYER from any right by third parties on the PRODUCTS and held harmless the BUYER in case of claim by third parties against the latter.

16. Modifications

a) Should the BUYER request the SUPPLIER to make any modifications to the goods entailing a difference in the price and/or changes to the delivery terms, the related request must be made in writing through the BUYER’s Purchasing Contact.

b) Should the SUPPLIER request to make any modifications to the PRODUCT entailing a difference in the price and/or changes to the delivery terms, these must be authorized in advance in writing through the BUYER's Purchasing Contract.

c) Should the modifications referred to by the previous paragraphs a) and b) be of a technical nature, they must always be authorized in writing by the Head of the BUYER's Technical Office.

17. Confidentiality and Industrial Property

a) All of the machinery and tools belonging to the BUYER and used by the SUPPLIER to fulfill an ORDER, as well as the working drawings, plans and documents in general necessary for the manufacture of the PRODUCTS, as well as all materials and packaging units made available by the BUYER, are and shall remain the BUYER's exclusive property, and he may use them as he sees fit.

b) The SUPPLIER must return the machinery, tools, drawings, plans and documentation, as well as all the materials mentioned in the previous paragraph, at the BUYER's request.

c) The maintenance and use of everything specified in paragraph a) are at the expense of the SUPPLIER, who is also liable within the limit of their proper use for any damage to materials or injury to people caused by the PRODUCTS.

d) The SUPPLIER undertakes even after termination of the CONTRACT to refrain from disclosing and to treat as confidential all of the technical information, drawings, models, formulas and market knowledge communicated and/or received from the BUYER. The SUPPLIER undertakes to extend this obligation to its subcontractors as well, if they have to deal with the said information.

e) The BUYER shall have the right of use of software and of the relative documentation delivered with the PRODUCT as established by law and shall have the right to produce a security backup also without written consent of the SUPPLIER.

18. Correspondence

All correspondence between BUYER and SUPPLIER must be addressed exclusively to the representative of the BUYER's Purchasing Office indicated in the ORDER and must always bear the ORDER number to which it refers.

19. Governing Law and Jurisdiction

a) The CONTRACT and these Terms and Conditions of Purchase are governed by Swiss law, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (Vienna Sales Convention).

b) The courts of the City of Zurich (Switzerland) shall have exclusive jurisdiction over all disputes arising out of or in connection with the Contract and these General Terms and Conditions. If the Commercial Court of Zurich has subject-matter jurisdiction, it shall haveexclusive jurisdiction.

20. Miscellaneous

a) Any reference to Incoterms contained in the ORDER shall be understood as a reference to the version of Incoterms published by the International Chamber of Commerce in force on the date when the ORDER is made by the BUYER.

b) The existence of one or more null or voidable clauses shall not affect the validity of the CONTRACT as a whole.

c) If applicable, the SUPPLIER undertakes to respect the principles and provisions contained in the Organization and Management Model and the Code of Ethics adopted by the BUYER and published on the BUYER's website.

d) The BUYER shall have the right to withdraw from the CONTRACT by communicating this in writing to the SUPPLIER, should the SUPPLIER be declared bankrupt or subject to insolvency proceedings or if he doesn't respect the principles and conditions set forth under article 20 c) hereinabove.

e) If the SUPPLIER intends to make significant technical or economic modifications to its own structure, he shall give advance written notice of this to the BUYER.