

ATTACHMENT NO. 1

GENERAL SUPPLY CONDITIONS INCOTERM DDP – CATANIA

1. DEFINITIONS

It is agreed that the following terms and definitions as specified in the contract documents respectively indicate and define as follows:

- **3SUN:** 3SUN S.r.l. an Italian limited liability company ("società a responsabilità limitata") having its registered office in Catania, at Contrada Blocco Torrazze, an issued share capital of Euro 252.576.999 (two hundred fifty two million five hundred seventy six thousand and nine hundred ninety nine), registered with the Companies' Registry of Catania, under No. 06683910969. 3SUN has the purpose to develop, finance, construct, own, maintain and operate facilities for the manufacturing and assembly of multi-junction thin film photovoltaic cells and modules (the "Products") and to sell them (the "Project");
- **CONTRACTOR** (hereinafter also the "Supplier"): The physical or legal person awarded of the Supply Tender Contract, that undertakes to ensure the supply as provided for in the Contract, in the manner and in accordance with the terms thereof;
- **SUPPLY CONTRACT¹:** (hereinafter the "Contract") written Contract between 3SUN and the Supplier for delivering the Supply drawn up in the form of commercial correspondence, which shall include the following documents that constitute an integral part thereof:
 - **Order Letter:** document signed by a competent 3SUN representative, specifying the object of the supply Contract and the contractual terms;
 - **Acceptance letter:** document signed by the Supplier's legal representative accepting wholly and unconditionally the order letter;
 - **Specific Supply Conditions:** document containing the specific terms and conditions of the individual Supply Contract.
 - **General Supply Conditions** (hereinafter also "GSC"): the present document containing the general terms and conditions of the Supply Tender Contract;
 - **Technical Specifications:** documents containing technical provisions relating to supply.
 - **Supplier Bid:** document signed by the Supplier's legal representative proposing the technical and economic terms and conditions of Supply.

The documents indicated above may only be modified with an express and specific written agreement between the Parties.

2. SCOPE OF THE SUPPLY CONTRACT:

The scope of the Contract is that which is defined by the Supply Contract and by all documents that constitute an integral part of the same.

In the event of inconsistency between the Contract documents, the content of each shall have precedence over those following, according to the order indicated below:

- Order letter;
- Acceptance letter;
- Description of supply and prices, where applicable;
- Specific Supply Conditions, where applicable;
- General Supply Conditions;
- 3SUN technical specifications, if any, and all documents relating thereto;
- All other documents cited in or attached to the Order Letter;
- Supplier offer, if expressly referred to in the Order Letter.
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3. OBLIGATIONS OF THE SUPPLIER

In accepting the Contract, the Supplier undertakes to guarantee, for the entire duration of the contract itself, to deliver the supply in accordance with the conditions, methods and restrictions contained in the Contract (including

¹ The Contract may be referred to by different titles according to the type of contract ("Framework Agreement", "Open Order Contract", "Closed Order Contract").

all documents and attachments) as well as to guarantee 3SUN that all activities shall be performed by qualified personnel, using the best available techniques and following the best professional standards required by the practice in the sector

The Supplier also undertakes to:

- Deliver the Supply in full compliance with the terms of the Contract, as well as with all current legislative provisions, rules, regulations and prescriptions issued by competent Authorities in each moment of its execution, as well as to comply with any other provisions that may concern the Contract, and assumes full responsibility for all relevant obligations;
- Complete the Supply in compliance with all legal provisions in force at the time of final delivery;
- Deliver the Supply without interfering with, causing obstruction to, or interrupting the activities being performed in the various buildings, which, unless provided for otherwise in the Contract, shall continue to be used by 3SUN staff for their original purpose;
- Immediately inform 3SUN of any circumstance that may influence the delivery of the Supply as described in the Contract;
- Take all precautions and measures needed in delivering the Supply, to avoid causing damage to persons and property, and to accept responsibility for any work necessary to repair any damage caused and to compensate any damage sustained by 3SUN personnel and/or third-parties;
- Directly manage the obtaining of all permits and authorizations required for the performance of the Supply, with the exception of those for which the Principal is expressly responsible under the law and for which the supplier must provide all necessary assistance and/or documentation, if requested;
- Ensure that the personnel is legally employed, pay to its employees all wages, taxes, insurance and contributions provided for under the law and applicable collective labor agreements.
- Promptly inform 3SUN of any variations relating to information given with regard to its company organization and structure;

The obligations and costs for which the Supplier is responsible include, but are not limited to, those listed above and the Supplier also assumes full responsibility, on its own behalf and on behalf of any sub-suppliers or third parties providing services, for any obligation and costs not included in the Contract documents required for completing the Supply or for ensuring that all obligations are fulfilled in a proper and complete manner.

4. TRACEABILITY OF THE FINANCIAL FLOWS

In order to ensure the traceability of the financial flows and to prevent criminal infiltration, the contractors, sub-suppliers and subcontractors of the collection of companies as well as the grantees of public financing, also European, in any way concerning the employees, the services and the public supplies must use one or more bank accounts, opened with banks, also non-exclusively dedicated to this Agreement.

Moreover, all financial movements related to the work and the services relative to this Agreement, as well as related to the management of the afore-stated financing must be registered on the dedicated accounts and must be effected exclusively by way of bank transfer or postal transfer.

The Contractor is obligated to communicate to 3SUN the identifying details of the dedicated account as per the above, within seven days from its opening, as well as, within the same term, the particulars and the fiscal code of the person delegated to carry out operations on same. The Contractor, the sub-supplier or the that learns of the non-fulfilment of its counterparty of the obligations of financial traceability must immediately terminate the contractual relationship, duly informing.

The Contractor also undertakes to insert in the agreements with its sub-suppliers or subcontractors like clauses with which each of them assumes all of the obligations related to traceability of financial flows. The Contractor additionally undertakes to immediately and legally terminate, pursuant to and as a consequence of art. 1456 of the civil code, the agreement with its sub-suppliers or subcontractors should these violate the aforementioned obligations regarding traceability of financial flows.

In the event in which the transactions relative to the Agreement are carried out without using banks the Agreement is intended as immediately terminated, by rights, pursuant to and as a consequence of art.1456, civil code.

5. ANTI-MAFIA LEGISLATION AND SUBCONTRACTING

The Contract must be executed in compliance with all legal obligations relating to the prevention of organized crime.

The Supplier shall not be entitled to subcontract the Contract or any of its obligations arising hereunder, without the prior written consent of 3SUN. In any case, the Supplier shall retain full liability vis-à-vis 3SUN for any damages caused to it by any subcontractor.

Subcontracting is permitted within the limits established by the Contract and in compliance with current legislation governing the matter.

Any failure on the part of the Supplier or sub-supplier to fulfill their obligations shall constitute grounds for terminating the Contract.

6. INDUSTRIAL AND COMMERCIAL PROPERTY RIGHTS

The Supplier undertakes not to violate the industrial property rights of third parties in relation to products supplied and shall hold 3SUN harmless from any claim of any holder or licensee (o patentee) of patents, licenses, designs, models, production brands or other brands involving the supply as described in the Contract. The supplier is furthermore responsible for obtaining any necessary concessions, licenses or authorizations at its own expense.

If, as a result of a dispute by an owner or licensee of the rights referred to in this article, a modification whether it shall be partial or total, of the materials which are the object of this contract, shall be imposed on 3SUN, these modifications shall be performed by the Supplier at its own expense without prejudice to the quality of the Supply, the functioning characteristics or the warranties. Should the above occur, a new prototype homologation and approval process shall be carried out, if so required for the type of Supply and before there can be any continuation of the supply process.

7. DELIVERY TERMS

Unless otherwise provided for in the Contract, the materials, suitably packaged as per the technical specifications, shall, for all legal purposes, be considered the property of 3SUN upon DDP destination delivery to 3SUN warehouses, offices and/or plants or, for manufacturing materials, to the warehouses of suppliers or other manufacturing companies. It is understood that any unloading activity shall be carried out by the Supplier at its own expense.

The contractual terms for DDP destination delivery shall be specified in the contractual documents and established in function of the type of material:

- a) In the Contract, and/or
- b) In subsequent contractual documents (Drawings from Framework Agreements, Specifications/Purchase Order on Open Contract).

The principal contractual terms, where envisaged in the Contract, shall be:

- SSP (start of scheduled period): the time in which the scheduled period begins relating to the progress of activities covered by the Contract;
- TPW (Time of Test Preparation in Workshop): the time within which the Supply is ready for testing in the workshop;
- DT (Delivery Time): the time within which the tested Supply must arrive at its destination.

8. CHANGES IN CONTRACT TERMS

The supply must be delivered within the contractual time limits.

Any change in contractual time limits shall be agreed upon in writing between 3SUN and the Supplier.

The Supplier shall provide 3SUN with timely notification of any delay resulting from force majeure.

Deliveries prior to the contractual dates or partial deliveries shall not be accepted, unless otherwise authorized by 3SUN.

3SUN reserves the right to request postponement of the contractual dates of FOB destination delivery; this shall be done via formal and timely notification sent to the Supplier.

In such a case, upon the expressed written request by 3SUN the Supplier undertakes to store and make adequate arrangements to protect the material which is ready for delivery, on its own premises, or on the premises of third parties. In this event, unless it is not expressly stated otherwise, the Supplier may send its invoice upon the registration of the material in the consignment inventory. 3SUN must be provided with written notification of any such registration.

In such a case, the Parties shall agree the appropriate compensation, which shall also consider the duration of postponement.

9. PROHIBITION OF SUPPLY SUSPENSION OR DELAY

The Supplier may not – for any reason, including disputes – suspend or delay on its own initiative the execution of the Supply that is the object of the Contract.

Should the Supplier act in the manner described under this paragraph, 3SUN reserves the right to terminate the Contract for breach of contract, and shall be entitled to indemnification for any damage sustained.

10. CONTRACTUAL PRICES

Unless otherwise indicated in the Order Letter and in derogation of Art. 1664 of the Civil Code, contractual prices shall be fixed and invariable for the entire duration of the Contract.

With the acceptance of the Contract, the Supplier acknowledges that:

- The remuneration provided by overall contract prices is sufficient to cover the Supplier's costs, fees and risks related to the supply as well as a profit to the Supplier;
- that it has evaluated it and considers itself remunerated for any charges whatsoever related to unforeseen payments, awards, indemnities, reimbursements and supplies or exceeding those established in the collective labor agreements, having fully evaluated the actual labor costs including on the basis of working conditions, as well as all costs relating to overtime, holiday work and night-work that may be required to ensure the delivery of the Supply within the agreed deadlines

11. FINANCIAL EVALUATION OF CONTRACTUAL AMEDEMEMENTS

3SUN shall have the faculty of requesting amendments to the agreed upon supply throughout the period in which the supply contract is in force. These shall be indemnified, taking into account the prices and terms set out in the Contract.

In the absence of specific contract prices concerning the Supply which is the object of the amendments, prices shall be determined by comparing them to contractual prices established for similar supplies, or, should this prove impossible, by analyzing, on an item per item basis, the cost of labor, rentals and materials.

The Supplier's offer must be accompanied by technical and economic documents which can allow 3SUN to assess variations in the quantities of the Supply as well as the costs arising from the effect of the introduction of the aforesaid variations. Such documents must be analogous (also as concerns the level of detail) to those prepared by the Supplier on the occasion of the Supply being awarded.

12. INVOICING AND PAYMENT

Contract amounts must be invoiced according to the procedures set forth in the Contract. The related invoices must be submitted to the 3SUN Departments responsible for the administrative and technical management of the Contract.

Payment of invoices shall be made, in a currency set by the beneficiary, via bank draft to the current account of the Supplier that is signatory to the Contract, on the last business day (unless otherwise established in the Contract) of the month in which the 90 (ninety) day period following receipt of invoice

expires; payment is dependent on contract completion and verification of the contract stage to which each invoice relates.

In the event of payment delays beyond the terms established above, where this delay is imputable to 3SUN, late payment interest will be paid whenever higher than Euro 5.00 (five and no cents Euros) in accordance with the legal interest rate set by Article 1284 of the Italian Civil Code for the first sixty days of delay and from the sixty-first day on, by the arithmetic average of one-month Euribor quotations calculated for the month preceding the one in which the sixty-first day from the due date of the invoice falls, increased by two percentage points.

In the case of Temporary Association of Enterprises, each member company of the Association shall invoice the amounts for their own services.

Invoices issued by individual principal companies sent to 3SUN must be accompanied by the approval of the lead company representing the association.

It is understood that, in the event of sub-contracting or jobbing, where 3SUN has not declared that it shall arrange to directly pay the amount due to the subcontractor or jobber for services rendered by the same, 3SUN shall suspend payments to the Supplier if the aforesaid Supplier fails to send, in accordance with the terms set out by the law, a copy of the invoices from the subcontractor or jobber with proof of them being paid in full by the Supplier containing indications of the guarantee deductions carried out.

13. PENALTIES

Without prejudice to the right to indemnification for additional damage, in the event that specific contractual obligations are not fulfilled, 3SUN shall apply the penalties established in the Contract.

Should the sum of penalties exceed the contractual limits, 3SUN reserves the right to terminate the Contract at any time as per Art. 1456 of the Civil Code.

Penalties may be applied by proceeding to the payment, either partial or in whole, of the Performance Bond given in surety.

14. TERMINATION AND ENFORCEMENT

3SUN reserves the right to carry out supervision and control activities to verify the fulfillment of contractual obligations, both by the Supplier and any possible sub-suppliers, and – in the event of a breach – to rescind the Contract as per the provisions set forth in the Civil Code, without prejudice to the right to indemnification for damage.

In all cases of a contractual breach, 3SUN may assign the Supplier, via registered letter with return receipt, a time limit of not less than fifteen days within which to remedy the breach. This time limit may be reduced on the basis of the specific subject of the Contract.

In the event that the breach is not remedied within the aforesaid time limit, 3SUN, unless it exercises its faculty to rescind the Contract (as per Art. 1454 of the Civil Code), may proceed to the performance of the activity by either directly using its own organization or that of third parties for such purposes.

In these cases, the Supplier shall only be entitled to payment for those activities which have been fully performed as indicated in the state of progress report regarding the completed activities which shall be drawn up following a joint assessment by both Parties, subject to offsetting indemnification from the amounts owed by the Supplier as penalties and this however without prejudice to indemnities 3SUN may seek arising out of the stipulation of a new Contract or by the direct performance by 3SUN.

In the event of the assignment of Supply to third parties with claims for damage must be communicated to the defaulting Supplier via registered letter containing the new terms of execution for the assigned Supply and related amount.,

The defaulting Supplier is liable for any additional costs sustained by 3SUN with respect to those envisaged for proper performance of the annulled contract. These costs shall be deducted from the performance bond or deposits, without prejudice to the right to indemnities for possible additional damages.

Discharge by breach does not exempt the Supplier from liabilities it may incur as a result of the events justifying the termination of the Contract.

Unless in cases of willful misconduct or gross negligence or otherwise provided for in the Contract, the maximum responsibility of the Supplier for the breach of its contractual obligations and the consequent obligation to indemnify 3SUN shall not exceed 100% of the value of the Contract, including variations, options and tolerances.

15. WITHDRAWAL

Pursuant to Art. 1373 of the Civil Code, 3SUN has the faculty to withdraw from this Contract, in part or in whole, at any time, whatever the progress made in performing the activities, by notification to be sent via registered letter with return receipt.

If this occurs, 3SUN shall inform the Supplier as to which activities must be completed and which must be immediately interrupted, and the Supplier shall not be entitled to compensation.

The activities properly performed up to the date of withdrawal shall be remunerated as per the contract prices.

Interrupted and non-performed activities shall be remunerated by indemnifying all documented costs relating to commitments already undertaken which cannot be revoked without economic consequences, or the documented amount of such consequences, whichever is more advantageous to 3SUN.

In the case of bankruptcy or compulsory winding-up orders on the part of the Supplier, the Contract shall be dissolved as per Art. 81 of the bankruptcy law.

In the event that the Liquidator or Provisional Liquidator declares, within the times established in the same Art. 81, that they wish to succeed to the relationship, 3SUN has the right to withdraw from the Contract notifying the Liquidator or Provisional Liquidator within thirty days following the receipt of the statement of succession.

In the event of transfer of the business or a branch 3SUN has the faculty to withdraw from the Contract and shall notify the Supplier of withdrawal via registered letter with a return receipt.

16. PERFORMANCE BONDS

Unless otherwise provided for in the Contract, the Supplier – for the purposes of guaranteeing the proper fulfilment of all contractual obligations and without prejudice to the right to indemnities for possible additional damage – must provide a performance bond in 3SUN's favor for an amount expressly indicated therein.

The guarantee must consist of a bank or insurance guarantee or surety stood by an authorized Credit Institution or Insurance Institution, exclusively using only the specimen attached to the Contract.

Should the surety being stood be from a foreign Credit Institution, 3SUN may request that said surety (for non-EU Credit Institutions) be confirmed by leading Italian Credit Institutions as indicated by 3SUN.

Should the surety be stood by a foreign Insurance Company, 3SUN may require that said surety be matched by an analogous "excess insurance" issued by an Italian Insurance Company.

If the amount of the surety stood in 3SUN's favor decreases as a result of the application of penalties or for any other reason, the Supplier must restore the amount of the surety within 10 days following the receipt of the relevant request from 3SUN; failure to do so shall mean 3SUN is eligible to rescind the Contract.

17. FACTORING

Receivables deriving from the execution of this Contract shall not be transferable to third parties, pursuant to Art. 1260, section 2, of the Italian Civil Code. Receivables may not form the object of any act of disposition by the Supplier, including for guarantee purposes, nor may they be received by subjects other than the Supplier, other than those that the latter has invested with representative and/or management powers. For illustrative purposes, demand warrants and collection notes are, among others thus excluded.

In accepting the Contract and as a waiver of the above, the Parties expressly agree that the transfer of receivables and/or factoring contracts and/or any other contract for which 3SUN Factor S.p.A. is the assignee shall be fully valid and effective and shall be understood to have been authorized by 3SUN.

The Parties expressly agree that violation of the above provisions grants 3SUN the right to terminate the relationship pursuant to Art. 1456 of the Civil Code, and further grants 3SUN the right to seek indemnification for damage.

18. INFORMATION PROVIDED BY 3SUN

3SUN undertakes to provide, upon request, all the data necessary to perform the activities that are the object of the Contract. Should the data provided by 3SUN prove insufficient or incomplete, the Supplier undertakes to request timely the missing data.

19. CONFLICT OF INTERESTS

In discharging the Contract, the Supplier undertakes to act solely in the interests of 3SUN and to guarantee that no circumstances exist that may give rise to any conflict of interests with regard to activities to be performed.

For the duration of the Contract, the Supplier undertakes to behave in such a way as to avoid any conflict of interests. Should a situation emerge which may give rise to a conflict of interests, the Supplier undertakes – without prejudice to 3SUN's right to terminate the Contract – to promptly notify 3SUN of the aforesaid situation in writing and to follow all reasonable instructions issued by the latter, which shall be given after having consulted the Supplier and assessed the explanations and evaluation of the motivations presented.

20. TEMPORARY ASSOCIATIONS OF ENTERPRISES

Unless otherwise provided for in the Contract, if the Contract is awarded to a Temporary Association of Enterprises, the Supplier must send 3SUN the contract the Association stipulated by notarial act (as per the specimen attached to the Contract) containing the joint power of attorney granted to the lead company of the association, describing: the duties, function and technical responsibilities of each member company of the Association, with specific reference to technical coordination between the companies and representation towards 3SUN, order organization, management structure and control system.

In signing the TAE Contract, the companies assume a joint and several responsibility towards 3SUN for all obligations arising out of the Contract.

The lead company shall liaise with 3SUN with regard to all contractual relationships and shall be responsible for the general coordination of Contract-related activities for which it and the principal companies are responsible and related to the various phases of supply, including, but not limited to:

- project;
- procurement;
- manufacture;
- transport;

The Lead Company shall also guarantee that only persons from its company shall liaise with 3SUN, as well as the homogeneity and full conformity of the products with contractual requirements.

The member companies of a Temporary Association of Enterprises must perform the percentage of services as per their share of participation in the association as indicated in the TAE Contract.

The Lead Company shall, upon request from 3SUN, provide a TAE Quality Plan that includes a description of the methods used to ensure operational and effective general coordination and which defines the communication and liaison channels with 3SUN and the other TAE member companies.

In the event of a declaration of a winding up application is made, a receiver is appointed or any other arrangements or proceedings are entered into for the purpose of insolvency administration in relation to the Lead Company, or in the cases provided for under anti-mafia legislation, 3SUN has the faculty of either pursuing the activity which is the object of the Contract with the other company of the TAE that has been appointed lead company with joint power of attorney and which meets 3SUN's approval, as long as the company meets the requirements to for delivering the Supply, or of withdrawing from the Contract.

In the event of a declaration of a winding up application is made, a receiver is appointed or any other arrangements or proceedings are entered into for the purpose of insolvency administration in relation to one of the companies of the Temporary Association or in the cases provided for under anti-mafia legislation, the Lead Company if it does not indicate another successor Company with prior 3SUN approval, shall be responsible for executing the activities that are the object of the Contract, either directly or through the other principal companies which satisfy the requirements for the remaining supply activities to be performed.

If the Lead Company is unable, for any reason, perform in part or in whole the activities that are the subject of the Contract, the principal companies shall be responsible for continuing the activities that are the object thereof within the same terms and conditions, without prejudice to 3SUN's right to withdraw from the Contract if, in 3SUN's opinion, the other companies of the Association are unable to complete the contractual activities without the aid of the representative company.

21. POOLING

The individual, consortium or associated supplier may use the technical, economic, organizational or financial services of another entity provided it has requested to do so within the terms and manner provided for under the relevant regulations and within any limits of scope previously established by 3SUN in relation to the specific Contract².

The Supplier and the auxiliary company assume a joint in responsibility in their relations with 3SUN.

22. SUPERVISION

3SUN reserves the right to monitor and verify the proper observance on the part of the Supplier of all contractual terms and all provisions issued by 3SUN, as well as the correct and timely performance by the Supplier of all activities required for the completion of the supply according to best practices and within the foreseen time limits and conditions.

It is understood that, in the event of any errors or irregularities in the activities commissioned by 3SUN, the Supplier shall remedy such errors or irregularities without prejudice to contractual deadlines.

Unless otherwise provided for under the Contract, 3SUN and/or if necessary, authorized third-party personnel thereby shall be granted free access to the production premises for the purposes of supervising the manufacturing and testing phases and shall be informed as to relevant working cycles.

The fact that 3SUN does not raise observations or disputes in regarding the Supply on the occasion of supervision and verification does not release the Supplier from its obligations and responsibilities under the Contract.

Any observations or exceptions made by 3SUN and/or its presence at the production premises of the Supplier or any sub-suppliers may not be invoked by the Company as interfering in the performance of the activities that are the object of the Contract, nor freeing the Supplier from the obligations and responsibilities assumed by signing the Contract.

23. INSURANCE

The Supplier shall be responsible for any injury or damage caused to persons or property in the course of executing the Supply.

The Supplier shall stipulate, with a leading insurance institution, a suitable insurance policy to cover any and all risks associated with the performance of the Supply for damages the Supplier may cause to 3SUN, its employees and collaborators, or third parties.

The limits of liability of the insurance policies shall relate to the damages and/or accidents that may be claimed within the period of executing the Contract and in the subsequent guarantee period for the goods supplied.

² The call for tenders/request for bids may, on the basis of the type and value of the Contract, provide that participating companies may only make use of technical or economic services, or that they may integrate a technical or economic service already existing in the company to the extent or percentage indicated.

The insurance policy must provide for a waiver on the part of the insurer towards 3SUN for any dispute, with specific reference to risk coverage in the event of failed or partial payment of insurance premiums.

It is understood that the existence, validity and effectiveness of the insurance policy described in this article is a basic condition for 3SUN and, if the Supplier is unable to provide evidence of insurance coverage at any time, 3SUN may cancel the Contract as per Art. 1456 of the Civil Code and consequently to the excussion of the surety stood as a penalty, without prejudice to the right to indemnification for the additional damage sustained.

24. WARRANTY

The Supplier, unless otherwise provided for in the Contract or attachments thereto, shall warrant the goods for a period of 12 (twelve) months from the date of delivery.

The warranty shall cover defects resulting from faulty design, workmanship, hidden defects and anything else that may be specified in the Contract.

On the basis of said warranty, the Supplier shall, in the shortest possible time and at its own expense, repair and, replace any defective parts if necessary, including their removal and shipping in both directions.

The warranty as per paragraph 1 of the present article shall also cover replacement parts, while the warranty period for remaining parts shall be extended for a period equal to the duration of the suspension caused by repair and replacement.

Positive inspection results, even when carried out in the presence of 3SUN inspectors, shall not release the Supplier from its warranty obligations.

Other forms of guarantees (e.g. performance guarantees, etc.) may be expressly indicated in the contract documents.

25. VENDOR RATING

3SUN has instituted a Vendor Rating system for the purpose of monitoring and evaluating performance related to the supplies and/or services received from each Contractor, as well as their quality level.

The evaluation relevant to the contractor-type combination of services supplied, is based on a vendor rating indicator that expresses the level of quality offered and takes into account the quality of the supplies and/or services rendered over a pre-established period of time.

3SUN, in fact, proceeds with the objective and systematic observation of the information relevant to the conduct of the Contractor during the procurement phase as well as during the execution of the contractual supplies and/or services, and in particular evaluates:

- technology;
- quality;
- responsiveness;
- delivery;
- cost.

The Vendor Rating Index (so-called VRI), obtained as a result of the above observations, is used by 3SUN in its qualification system, in order to formulate a comprehensive evaluation of each Contractor, with reference to the various types of supplies and/or services rendered.

26. CONFIDENTIALITY AND DATA PROTECTION

All elements that 3SUN may make available for the realization of the Contract, including all documents, information, and knowledge however collected, processed and developed within the framework of the Contract itself, in addition to being able to be used exclusively for the purposes of this Contract, and shall be considered confidential and therefore may not be disclosed without the prior explicit written consent by 3SUN, except in the case that the Supplier must comply with legal obligations or requests by Public Authorities which cannot be legitimately denied. Information disclosed by 3SUN itself or which is included in official documents is excluded from confidentiality requirements.

The Supplier, in addition to ensuring integrity of information and data, shall be responsible for the conduct of personnel entrusted with performing activities related to this contract. It being understood that information and

data acquired may only be used within the framework and for the purposes of the performance of the activities be treated in the Supply Contract pursuant to current regulations on personal data protection. (Leg. Dec. 96, 30/6/2003).

The Supplier furthermore undertakes to devise and implement data logic and physical security measures to ensure their protection against destruction, manipulation, unauthorized access or reproduction. The Supplier furthermore undertakes to return to 3SUN upon the date on which this Contract expires, all data, documents and information supplied by 3SUN or which have come into the Supplier's possession in the course of performing the activities, and to destroy all copies and records thereof, unless otherwise authorized by 3SUN in writing.

The obligations deriving from this article shall also continue to apply after the execution of the Contract, or its termination, for whatever reason and shall only cease when the relevant data and information enters the public domain, in accordance with current laws.

In the event of failure to comply with confidentiality requirements, 3SUN reserves the right to terminate the Contract as per Art. 1456 of the Civil Code, and 3SUN shall be entitled to compensation for associated damages.

27. PERSONAL DATA PROTECTION - INFORMATION

Pursuant to Art. 13 of Leg. Dec. 196, 30/8/2003 (Code governing the protection of personal data), personal data which is acquired as a result of awarding the Contract shall be collected and processed, electronically and in paper form, for the purposes of stipulating and managing the Contract as well as for commercial promotion services, or for the purposes of fulfilling legal obligations. Such data shall be preserved for the duration of the Contract and subsequently at its expiration, for a period not exceeding the time limits provided for under the law.

In this regard we specify that:

- The acquisition of all data that may be requested for the purposes of stipulating and managing the Contract shall be presumed to be indispensable for establishing, developing and managing the relationships described above. The acquisition of data for the purposes of promoting commercial services is optional; the failure to obtain the consent for their treatment shall imply the impossibility to realize such an activity;
- Personal data acquired and processed shall only be communicated to Companies controlled and coordinated by 3SUN S.r.l. and shall not be communicated/disclosed to third parties unless otherwise permitted by the law;
- The Supplier may exercise its rights pursuant to Art. 7 of Leg. Dec. 196/2003 with respect to the existence and treatment of personal data relating to it.
- The owner of the data in question is the 3SUN Company on whose behalf the procurement procedure is conducted and for whom the Contract is signed.
- The owner of the data is 3SUN Chief Executive Officer with domicile for the appointment in Contrada Blocco Torrazze 95121 Catania.

28. COMMUNICATIONS BETWEEN THE PARTIES

All communications between 3SUN and the Supplier relating to the Contract shall only be considered valid if sent in writing to the legal domicile of the Parties, as indicated in the Contract.

The Supplier shall promptly inform 3SUN of any change of legal domicile, without which communications shall be understood to be valid once sent to the address indicated.

The Supplier shall promptly inform 3SUN of any changes to its personal data (e.g. VAT number, address, company name, etc.) or any changes to ownership/company structure.

Failure to communicate the above information may result in suspension of payments for invoices containing non-updated data.

29. CODE OF ETHICS, ANTI-CORRUPTION PLAN AND ORGANISATIONAL MODEL AS PER LEG. DEC. 231/2001

3SUN Group, in the conducting of business and in the management of relationships refers to the principles contained in its Code of Ethics, Zero Tolerance Plan against corruption and the Organizational Model pursuant to Legislative Decree 231/2001, which may be consulted under section "Company" of the website www.3SUN.com.

3SUN wants its suppliers to refer to equivalent principles in its business dealings and in managing relationships.

The Contractor declares to acknowledge the undertakings assumed by 3SUN in the Code of Ethics and in Mod. 231/01 and declares to undertake to respect the legal obligations relative to protecting juvenile labourers and women; equal treatment, prohibition of discrimination, abuse and harassment; the freedom to unionize, to associate and to have representation, forced labour, the safety and protection of the environment, health and sanitary conditions, and to comply with the applicable laws in force regarding retribution, contributions, insurance or fiscal matters (the obligation to deposit fiscal withholdings from employees' income) and such with reference to all employees in any way involved in the execution of the Agreement.

In such context, 3SUN reserves the right to carry out any controlling or supervisory activity aimed at verifying respect of the obligations provided for in the preceding paragraph, both the Contractor as well as its possible sub-contractors/sub-suppliers and to immediately terminate the Agreement in case of ascertained violation of the preceding paragraph.

It is also pointed out that 3SUN joined Global Compact and, in compliance with the tenth principle of GC, intends to pursue its commitment to fight against corruption of any kind. Therefore, 3SUN prohibits the making of promises, illicit offers or request for payment, in cash or other means, for the purpose of taking advantage in relationships with its own stakeholders and such prohibition is extended to all 3SUN employees. The Contractor declares to acknowledge 3SUN's commitments and to commit itself to not resort to any promise, illicit offers or requests for payment during the execution of this Agreement, in the interest of 3SUN and/or to the benefit of its employees.

In case of violation of the preceding paragraph, 3SUN, in addition to its right to claim for damages, has the right to terminate the Agreement, pursuant to and as a consequence of art. 1456 of the civil code.

30. FISCAL REPRESENTATIVE

The supplier is responsible for customs and excise operations for goods entering the EU. Suppliers not residing in a European Community Member State and must appoint, for the purposes of overseeing customs and excise operations, a fiscal representative residing in Italy to whom the provisions of Presidential Decree 633 of 26 October 1972 as modified and/or amended shall apply.

The appointment of a taxable representative must be by public deed, by certified private deed or, alternatively, by letter entered in the appropriate register with the VAT Office or competent Inland Revenue Office and must be communicated to 3SUN at least 1 month prior to the start of delivery and must be valid for the duration of delivery.

31. FORUM AND APPLICABLE LAW

Unless otherwise specified in the Contract, the Contract is governed by Italian law and the Forum of Catania has exclusive jurisdiction to hear any dispute between 3SUN and the Supplier.

32. ARBITRATION

The Parties can establish in the Contract that - for all and any dispute that may constitute the object of a compromise - to appeal to a Board of Arbitrators consisting of three arbitrators, one of whom shall be appointed by 3SUN, one by the Supplier and a third, acting as President, by the other two arbitrators or, should the latter two fail to agree, by the President of the Arbitration Court of Rome on the basis of the petition of first Party to make such as request.

Should either Party intend to bring a dispute before a Board of Arbitrators, it must notify the other Party by deed containing, in addition to the matter in dispute, the name of the arbitrator appointed by it and an invitation for the other Party to appoint its own arbitrator.

If the other Party does not send a deed containing its own queries and appointing its own arbitrator within sixty days of receiving the deed, the request shall be understood to be denied.

The Board of Arbitrators shall have its seat in Rome and shall express its majority decision within ninety days following the acceptance of the third arbitrator, except in the event of postponement agreed upon by both Parties. The arbitration panel shall choose the procedure it deems most appropriate to reach a decision.

The arbitrators shall decide in accordance with the rules of law.

33. DECLARATION OF SUPPLIER

The Supplier declares that it is fully aware of and approves all the conditions, regulations, provisions and prescriptions contained herein.

The Supplier declares that it has read carefully the articles of the General Conditions herein listed below and acknowledges its full and unconditional consent as per Art. 1341 of the Civil Code:

Art : 3 Obligations of the Supplier
Art : 4 Traceability of the financial flows
Art : 6 Industrial and Commercial Property
Art : 8 Changes to Contract terms
Art : 9 Prohibition of Supply Suspension or Delay
Art : 10 Contractual Prices
Art : 13 Penalties
Art : 14 Termination and Enforcement
Art : 15 Withdrawal
Art.: 17 Factoring
Art : 23 Insurance
Art : 24 Warranty
Art : 26 Confidentiality and Data Protection
Art : 31 Forum and Applicable Law