



**GENERAL CONDITIONS OF CONTRACT FOR THE SUPPLY OF WORKS
OR SERVICES**

ARTICLE 1 – RECITALS

In the event that the Parties stipulating this regulatory agreement stipulate one or more orders/contracts for the supply of works and/or services, signed by a PIAGGIO group company through its legal representative, (in the capacity of CONTRACTING PARTY) hereinafter “PIAGGIO” and by the company [REDACTED] represented by its legal representative (in the capacity of CONTRACTOR), said parties agree that the contract shall be governed according to the General Conditions hereunder, in accordance with article 1341 of the Civil Code.

The PRINCIPAL, which is the PIAGGIO company function requesting the works/services, is indicated by name from time to time in all contracts.

ARTICLE 2 – REGULATIONS GOVERNING THE CONTRACT

In accordance with and for the purposes of article 1655 et seq. of the Civil Code, and article 29, subsection two, of Legislative Decree 276/2003, the CONTRACTOR declares, for the purposes of meeting the obligations in the order/contract:

- a) that his company entirely and independently assumes the business risk, even in relation to claims made by any subcontractors;
- b) that he has his own organisation and operation, in terms of having available his own capital, resources, equipment and personnel;
- c) that in accordance with Article 29 of Legislative Decree 276/2003, he undertakes and agrees to use only personnel with social security/insurance registration and payments made, as provided for by applicable laws, for activities concerning the performance of the order/contract;
- d) that PIAGGIO may immediately stop payment of sums accrued for performance of the order/contract, withholding sums on behalf of persons owed said, until it is ascertained whether or not such sums are actually due, in the event it becomes aware of an amount due and not paid by the CONTRACTOR to any of its personnel or any Welfare Institutes or to the National Institute for Industrial Insurance or relative to tax that should have been withheld from employees' salaries, for services rendered to perform the order/contract;
- e) that PIAGGIO may pay amounts corresponding to any sums due to the Contractor, giving the CONTRACTOR prior notice, in the event it receives a request in relation to its liability for sums due from the CONTRACTOR as of letter d) above, in accordance with Article 29 subsection 2 of Legislative Decree 276/2003 and Article 35 of Law 248/2006. With payment to the requesting party, PIAGGIO will be relieved from the obligation to pay sums stipulated in favour of the CONTRACTOR, for the amount corresponding to the sum paid;



- f) that in the event he objects to the provisions of letter d) above, giving notice in writing within 5 (five) solar days to PIAGGIO, he authorises PIAGGIO to stop payment in accordance with letter c) above. In this case, it is understood that the legal fees incurred by PIAGGIO, for being summoned as a joint and several obligor, will be paid in full by the CONTRACTOR.

The Parties expressly agree that the operational requirements of the CONTRACTOR, as of the aforementioned points a) and b) are to be considered as influencing approval of the order/contract, in the sense that (article 1353 of the Civil Code) if said requirements are not met, even partially, the contract agreement will be automatically terminated, in accordance with article 1360, subsection two, of the Civil Code.

Said termination is provided for by the Parties, by mutual consent, expressly and specifically in relation to the aforesaid requirements not being met, even partially.

The Parties also agree that points c) through to f) above will apply even in the case of claims made by the CONTRACTOR's personnel for damages for which they are not insured against by the National Institute for Industrial Accidents, for which PIAGGIO may be held jointly and severally liable with the CONTRACTOR in accordance with Article 7 subsection 3 of Legislative Decree 626/94 as amended by Law 296/2006.

ARTICLE 3 – CODE OF ETHICS AND GUIDELINES FOR CONDUCT

In performing the activities of the order/contract, the CONTRACTOR undertakes to observe, and have his own staff, employees and any subcontractors observe and sign, the regulations of the Code of Ethics and Guidelines for Conduct of the PIAGGIO Group, approved by the Board of Directors of PIAGGIO & C. S.p.A. by resolution of 12 March 2004, which are designed to prevent offences in general being committed, including the offences specifically referred to in Legislative Decree 231/2001.

ARTICLE 4 – OBLIGATIONS AND UNDERTAKINGS OF THE CONTRACTOR

The Parties establish that the CONTRACTOR undertakes, with the operational procedures as above, in accordance with article 1655 of the Civil Code, to perform the works and/or services, indicated in the order/contract, in a workmanlike manner.

The Parties agree that the CONTRACTOR may not subcontract, even in part, the performance of the work or services of the order/contract, unless authorised in writing by PIAGGIO.

In the latter case, the CONTRACTOR shall be held liable in any case, by PIAGGIO and the PRINCIPAL for meeting all obligations in full, in relation to performance of the work/services by the SUBCONTRACTOR(S).

In the same case, the Parties specifically agree that the CONTRACTOR undertakes to include the clauses as of articles 2, 3, 5, 8, 9, 10, 17, 18, 19 and 20 of this regulatory agreement in the subcontract agreement.

The Parties also agree that the CONTRACTOR may not however, in relation to the contract, transfer the contract or assign credit, unless, in the latter case, PIAGGIO gives prior authorisation in writing, and without prejudice to Article 14 hereunder of this regulatory agreement.



The CONTRACTOR undertakes to accurately meet all his obligations in the order/contract, in accordance with articles 1218 and 1453 of the Civil Code, and therefore, to perform said in good faith (article 1375 of the Civil Code), with the diligence required by the nature of the services and observing principles of fairness as of Articles 1176 and 1175 respectively of the Civil Code.

The CONTRACTOR undertakes to perform the order/contract using suitable equipment that meets specifications and sufficient numbers of professionally trained personnel.

In the event the order/contract concerns the supply of logistics services, the CONTRACTOR, in applying the provisions of Legislative Decree 286/2005, undertakes to:

- a) Perform his activity in compliance with the provisions of Legislative Decree 286/2005, using, in particular, for transport purposes, companies established in Italy and registered with the National Association of Hauliers, or companies not established in Italy, but licensed to operate as international hauliers and as hauliers on the Italian road network.
- b) Receive and keep statements, from his own carriers, with information on the work of drivers, conformity to collective and individual labour agreements, welfare regulations and regulations concerning the transport of goods for third parties, as well as the loss of or damage to transported goods.
- c) Supervise the transport of goods by road, to ensure that Carriers comply with laws and regulations on road traffic safety and public safety, and be held liable if said are infringed.

ARTICLE 5 – COMPLIANCE WITH ENVIRONMENTAL CRITERIA

5.1 COMPLIANCE WITH THE LEGAL REQUIREMENTS OF LEGISLATIVE DECREE 152/06

The CONTRACTOR undertakes to comply in full with legal obligations in force concerning environmental matters, as regulated by Legislative Decree no. 152 of 03/04/2006, as a minimum requirement for stipulating and maintaining the contract. PIAGGIO reserves the right to request the supplier, at any time, to provide objective evidence of compliance, such as for example waste identification forms (FIR) and/or a copy of environmental authorisation of hauliers and waste disposal firms. The CONTRACTOR also undertakes to comply with PIAGGIO's own environmental procedures and to properly manage environmental aspects (waste, noise, emissions, etc.).

5.2 COMPLIANCE WITH THE PROVISIONS OF REGULATION (EC) NO. 1907/2006

If the CONTRACTOR, in performing his activities, needs to use and therefore bring to PIAGGIO's site, products or substances included in the scope of EU laws as of Regulation (CE) no. 1907/2006, he shall meet all requirements of the aforesaid regulation and provide PIAGGIO with evidence.

5.3 USE OF SUBSTANCES AND PREPARATIONS WITH PARTICULAR RISK PHRASES



If the CONTRACTOR, in performing his activities, needs to use and therefore bring to PIAGGIO's site, substances or preparations with particular chemical or biological risk phrases (in particular R39-40, R45-49, R60-64, R68) he shall inform PIAGGIO in advance, in order to obtain express authorisation to use said substances at the site, and to this end, shall send PIAGGIO in advance relative safety datasheets, enclosing operating details on use (procedures, times, technical measures). PIAGGIO may refuse the use of substances at its site, which it has prohibited based on company policies concerning the safety of workers and the environment, and wherever technically possible, may request that the aforesaid substances are replaced with other, lower risk, substances, available on the market.

5.4 COMPLIANCE WITH THE DIRECTIVE ON PACKAGING 2004/12/EC AND ANNEX E TO PART FOUR OF LEGISLATIVE DECREE 152/06

For the purposes of meeting the recovery and recycling obligations and objectives set out in the above documents, the CONTRACTOR, when choosing and using packaging material, shall:

- ◆ opt for packaging materials and/or products obtained from recycled waste packaging;
- ◆ opt for packaging materials and/or products with a reduced environmental impact, which do not contain for example carcinogenic substances that may be released during disposal/incineration and/or which have chemical/physical requirements certified by marks or certificates (biodegradability, recyclability, low weight/surface ratio, etc.)
- ◆ opt for packaging which has been “designed for disassembly” in order to promote the recovery and recycling of different components when the packaging is disposed of.

5.5 RESPONSIBILITY FOR DISPOSING OF WASTE PRODUCED BY THE SUPPLIER

If the CONTRACTOR, in performing his activities, produces waste of any kind, he shall handle and dispose of the waste produced in compliance with laws in force, as he is considered the "producer and/or holder" of the waste in accordance with article 183, subsection 1, letter b) of Legislative Decree 152/2006. Any waste produced shall be disposed of in compliance with laws in force, with the CONTRACTOR being fully responsible. PIAGGIO may request the CONTRACTOR to provide objective evidence of the proper handling and disposal of waste, even requesting that waste identification forms issued are produced. In the event the CONTRACTOR transports the waste he produces from PIAGGIO's site, he shall provide evidence of registration with the Association of Environmental Operators. Likewise, if the CONTRACTOR uses external companies, he shall provide evidence that they are registered with the Association of Environmental Operators.

5.6 AUTHORISATION TO ENTER THE PIAGGIO PLANT

If the CONTRACTOR, on his own behalf or through third parties, transports waste produced from his activities outside PIAGGIO's site, he shall give the waste manager the registration number with the above Association, a list of vehicles used for transport and authorisation for the type of waste. PIAGGIO may check that the vehicles sent match those in the list of vehicles authorised to enter the plant, so that the site may only be accessed and consequently waste transported by authorised, registered vehicles.



ARTICLE 6 – VERIFICATION OF CONTRACT PERFORMANCE

The Parties agree that the PRINCIPAL may verify the performance of activities to ensure that the work or services are performed in compliance with accident prevention regulations as of Legislative Decree 626/94 and subsequent amendments thereto, in a workmanlike manner and according to the conditions set out in the order/contract.

If PIAGGIO issues a warning that safety prevention is inadequate, the CONTRACTOR shall immediately put in place all measures according to law and any instructions from PIAGGIO.

In the event of a nonconformity in performing the work/service, PIAGGIO may give the CONTRACTOR a deadline by which the CONTRACTOR shall take action to realign performance to meet contract obligations.

Therefore, in the case of failure to observe PIAGGIO's warning concerning safety issues, and failure to realign contract performance, as above, PIAGGIO may terminate the order/contract with immediate effect, giving the CONTRACTOR notice, without prejudice to PIAGGIO's right to claim compensation for further damages.

ARTICLE 7 – ACCEPTANCE OF CONTRACT WORKS/SERVICES

The Parties agree that the PRINCIPAL, on termination of performance of the order/contract, has the right, in any case, to verify and test the completed work, prior to its final acceptance, in accordance with article 1665 of the Civil Code.

The Parties establish that the CONTRACTOR will allow for the PRINCIPAL to carry out the above controls and testing and that the PRINCIPAL may, in any case, act in order to accept the completed work.

Acceptance considered effective, for the purposes of the order/contract, shall be explicit, excluding all unspoken references, but shall be granted with “Approval” for Incoming Goods.

The Parties expressly agree that pro-rata allocations from PIAGGIO do not, in any case, constitute total or partial acceptance of the work by the PRINCIPAL.

ARTICLE 8 – CONFIDENTIALITY OF INFORMATION

The CONTRACTOR undertakes to keep all technical, sales or other information (hereinafter “Information”) given to it to perform the order/contract or which comes to its knowledge during performance of the order/contract as strictly confidential and shall refrain from using said information to the detriment of the PRINCIPAL or other company belonging to the group of the PRINCIPAL.

The CONTRACTOR undertakes that all employees, representatives, consultants and third parties working for him to perform the order/contract shall observe and comply with said obligation.

It is understood that the above will not apply to technical information in the public domain or whose disclosure is required by laws and regulations or as instructed by public authorities.

ARTICLE 9 – INTELLECTUAL PROPERTY

The partial or final developments and results of the contract performed by the CONTRACTOR in relation to the order/contract, will remain the exclusive property of the PRINCIPAL, along with all related or resulting rights without restrictions on time or territory.



In particular, whenever the order/contract results in product and/or process inventions for which a patent may be registered, or in any case, which may be used on an industrial scale, the PRINCIPAL will hold all rights, including the right to register a patent in Italy and abroad, as well as transfer to third parties, either wholly or in part, the rights of the PRINCIPAL relative to the aforesaid products/processes.

It is therefore understood that the manufacture by the PRINCIPAL, or licensing, of products resulting from studies and suggestions made by the CONTRACTOR to the PRINCIPAL, or in any case originating from results of the order/contract, achieved directly or indirectly, will not entitle the CONTRACTOR to any sum in addition to that agreed on in the order/contract.

Moreover, it is expressly agreed that the CONTRACTOR will guarantee that any activity and/or documentation for which he is responsible based on the order/contract, will not infringe, for any reason, the rights of third parties, including by way of example, intellectual or industrial property rights, expressly holding harmless the PRINCIPAL from any loss, damage or financial consequence (including legal and court fees) that may be sustained or claimed by third parties relating, directly or indirectly, to the activities and/or documentation under the responsibility of the CONTRACTOR based on the order/contract commissioned by the PRINCIPAL.

ARTICLE 10 – MANDATORY INSURANCE

In accordance with article 29, subsection 2 of Legislative Decree 276/2003, the CONTRACTOR guarantees that laws and regulations concerning mandatory accident insurance and occupational diseases, welfare contributions (INPS, INAIL) as well as collective labour agreements with regard to salaries and regulations for workers, are met for his own personnel, exempting and holding harmless PIAGGIO and the PRINCIPAL from all and any liability.

The Parties agree that the CONTRACTOR undertakes to give PIAGGIO and the PRINCIPAL, on request and at any time, any news and information necessary for them to be familiarised with the contract conditions and salary and insurance status of his own employees and/or of any employees of SUBCONTRACTORS deployed to perform the order/contract.

ARTICLE 11 – INSURANCE

The CONTRACTOR undertakes to stipulate and maintain an insurance policy, with appropriate limits of liability, that covers all hypotheses of obligations and responsibilities as of the order/contract awarded to the CONTRACTOR for a reasonable time.

The CONTRACTOR shall also be responsible for taking out insurance, at his own expense, to cover all and any risk that may lead to the total or partial destruction, impairment and removal of his equipment, as well as clothing and any other items he owns and in the remit of owners, employees or third parties, brought to PIAGGIO sites or buildings, during the performance of the contract works/services, agreeing in any case in relation thereto to not hold PIAGGIO liable whatsoever.

The CONTRACTOR undertakes to provide a copy of all insurance policies if requested by PIAGGIO and/or the PRINCIPAL, as well as a true copy of the statement indicating the payment of premiums issued by the insurance company(ies).



ARTICLE 12 – ACCIDENT PREVENTION

Prior to accepting the order/contract, the CONTRACTOR undertakes to jointly conduct an additional inspection with the PRINCIPAL of places where the activities of the order/contract will be performed, in order to verify the general and specific conditions included in and related to contract activities, as well as confirm the general and specific prevention measures already indicated in the bid which will consequently be put in place.

The CONTRACTOR also undertakes to work with PIAGGIO staff to put in place prevention and protection measures for occupational risks, including measures for any interference with operations between the Parties and Third Parties, as well as comply in full with all obligations of applicable laws on safety, occupational hygiene, fire prevention and ecology, and ensure that his own personnel and the personnel of SUBCONTRACTORS do so as well. The term applicable laws is meant to include not only laws and regulations, but also standards for good practice set by competent organisations (ISO, CEN, CENELEC, UNI, etc.).

The CONTRACTOR undertakes that his own personnel and subcontractors operating in mixed traffic areas at the Pontedera plant wear a UNI EN 471 class 2 approved reflective safety vest. The aforesaid mixed traffic areas include:

- the 2R workshop area
- the warehouse (Capannoncini) workshop area
- the 3RM workshop area
- the entire covered (outdoor) area of the Mechanics warehouse
- the entire covered (outdoor) area of the Logistics warehouse

The CONTRACTOR undertakes to observe and have his own employees and subcontractors observe laws and regulations concerning accident prevention in the workplace and to put in place all measures and take all precautions to guarantee the safety of his own employees and third parties, holding harmless PIAGGIO from all and any claim related thereto.

The CONTRACTOR undertakes for himself and/or for his own employees and/or employees of subcontractors, to refrain from any type of conduct (whether committed or omitted) that infringes state and/or regional laws and regulations, regulations of local autonomous organisations, instructions issued by PIAGGIO for its own Sites or Offices, concerning safety, occupational hygiene, the environment and ecology, without prejudice, in any case, to compensating PIAGGIO for any damage sustained.

The CONTRACTOR therefore undertakes to strictly observe and to sign for acceptance, PIAGGIO's regulations concerning the company emergency plan and the use of transport/work equipment.

in accordance with article 6 subsection 1 of Law 123/2007, the CONTRACTOR undertakes to provide his own personnel and/or the personnel of the SUBCONTRACTOR with ID that includes a photo and general information about the worker and employer, and to take steps so that this badge is worn by his own personnel and/or personnel of the SUBCONTRACTOR



during the performance of the order/contract. This obligation also applies to self-employed workers who directly perform their activities (one-man companies). Employers who have less than ten employees may be relieved from this obligation by recording details of personnel deployed daily to perform the order/contract in a specific register, stamped by the competent local works management and kept at the workplace.

The works/services of the order/contract shall be performed at times agreed on and compatible with the PRINCIPAL's needs.

In any case, PIAGGIO will be entitled, at its own discretion, to send off site personnel employed by the CONTRACTOR or working for the CONTRACTOR who do not comply with Site regulations and/or who are unacceptable. The CONTRACTOR shall immediately replace persons who have been sent off Site for the above reasons, without making any kind of claim.

The Parties agree that the CONTRACTOR, in accordance with article 2807 of the Civil Code, is contractually responsible for his own employees failing to act, while he is liable for his own employees' negligence or malice in the hypothesis as of article 2049 of the Civil Code, without prejudice to the more general hypothesis of liability borne by the CONTRACTOR in accordance with article 2043 of the Civil Code.

The on-site manager for the CONTRACTOR shall, in the event of an accident/injury, immediately contact the PRINCIPAL and/or his Designated Technician, immediately notifying the event in writing to PIAGGIO'S Prevention and Protection Service (at the address indicated in the order/contract), investigating the event in full, in order to record the reports of the injured party and any eye witnesses to the event, filling in the form "Reporting accidents/injuries, external companies" which may be obtained from the PRINCIPAL's Designated Technician.

The CONTRACTOR shall keep PIAGGIO informed at all times of any developments of a clinical, administrative and/or criminal nature concerning the accident/ injury as above.

ARTICLE 13 – CONTRACTOR LIABILITY

The Parties expressly agree that the CONTRACTOR is liable for any damage sustained, for any reason whatsoever, by the CONTRACTOR, his employees and/or subcontractors during the performance of the order/contract.

The CONTRACTOR undertakes to exempt and hold harmless PIAGGIO and the PRINCIPAL from the liability as above and from any claim.

ARTICLE 14 – JOINT AND SEVERAL LIABILITY

The Parties expressly agree that in the event of joint and several liability as of article 29 of Legislative Decree 276/2003, any sum paid by PIAGGIO and to the CONTRACTOR's employees, for the above reason, and in relation to the order/contract, will be reclaimed by PIAGGIO, increased by the legal interest rate.

PIAGGIO will claim from the CONTRACTOR any sum paid, in conformity with articles 18 subsection 5-bis of Legislative Decree 276/2003 as the party with civil liability for the fine as provided for in article 18 subsection 5-bis.

ARTICLE 15 – GUARANTEE



The Parties expressly agree that the CONTRACTOR is required to provide a guarantee against manufacturing defects and flaws.

In particular, all material supplied and/or works/services performed will be guaranteed against all manufacturing, assembly and production defects and flaws, for a period of 12 months, or longer if provided for by law or specific agreements, from approval of the PRINCIPAL.

Approval of the work is subsequent to completion of the work, in a workmanlike manner and delivery of all relative documentation requested and/or required by law.

In the event of discrepancies and/or flaws in the work, PIAGGIO, as instructed by the PRINCIPAL, is entitled to request the CONTRACTOR to meet the obligations as of the relative order/contract, in accordance with articles 1453 and 1460 of the Civil Code.

Discrepancies and/or flaws in the work shall be reported by PIAGGIO, in accordance with articles 1667 and 1668 of the Civil Code, as instructed by the PRINCIPAL, to the CONTRACTOR within the times indicated by law, with a request to promptly eliminate said, or to decrease payment in proportion, without prejudice to PIAGGIO claiming compensation for any damage sustained.

In any case, during the guarantee period, the CONTRACTOR undertakes to promptly replace free of charge materials that are faulty as well as remedy work which has not been carried out properly.

In the event that discrepancies and/or flaws in the work make it entirely unsuitable for the use indicated in the order/contract, PIAGGIO is entitled to terminate the order/contract, without prejudice to claiming compensation for damages.

ARTICLE 16 – PRICE, INVOICING AND PAYMENTS

The Parties agree that PIAGGIO pays the CONTRACTOR the total price of the work and/or services as agreed by the Parties as of the order/contract.

It is understood that all preparations and obligations necessary in any case to perform the work and/or services in a workmanlike manner, according to the times and procedures set out in the order/contract are at the expense of the CONTRACTOR, payment of which is included in the total price of the work and/or services, as of the order/contract.

The price of the order/contract is fixed and invariable. Any change, even if requested by the PRINCIPAL's personnel, will not be valid unless previously agreed in writing with PIAGGIO's Purchase Department.

The CONTRACTOR shall issue invoices according to the terms indicated in the order/contract and only after receiving “Approval” for Incoming Goods from the PRINCIPAL.

Therefore the CONTRACTOR, to facilitate the payment process as well, shall issue one invoice for each item of incoming Goods, indicating the following information:

- a) order/contract number;
- b) Incoming Goods number notified by the PRINCIPAL;
- c) the quantity and value notified by the PRINCIPAL in the Approval (Incoming Goods).



In the event of discrepancies between information notified by the PRINCIPAL and data held by the CONTRACTOR, the latter shall in any case issue invoices referring to information from the PRINCIPAL and, if discrepancies continue, solve the issue with the PRINCIPAL.

In the case of partial delivery, the invoice shall state whether the delivery is on account or a final settlement.

Any credit notes shall refer to the original invoice, stating the number and date.

The CONTRACTOR undertakes to notify PIAGGIO, in relation to invoices issued to the latter, of a single address for payment (or bank information), to be expressly indicated as said in its notification. This notification shall be received by PIAGGIO at least 30 (thirty) days prior to the payment due date, clearly stating the IBAN as well as the number of the current account into which the payment is to be made.

Payment will be made exclusively by bank transfer according to the times indicated in the order/contract from the conventional invoice issue date of the last day of the month.

In conformity to article 6 of this regulatory agreement, any pro-rata allocations by PIAGGIO will not constitute, per se, either total or partial acceptance of the work or services by PIAGGIO.

The CONTRACTOR undertakes to exclusively grant irrevocable orders to collect payments. Any revokable orders to collect payments issued to third parties by the CONTRACTOR, even if notified to PIAGGIO, will not in any case be considered by the latter, that will anyhow directly pay the CONTRACTOR.

The CONTRACTOR guarantees that PIAGGIO will not receive notices from the contractor and/or third parties relative to the assignment of credit in favour of PIAGGIO resulting from the performance of the order/contract signed with PIAGGIO, until said amounts are certain, payable and collectable, and therefore not prior to approval and subsequent issue of the invoice.

In the event the CONTRACTOR has incurred penalties, as a result of provisions in the order/contract, the Parties agree that said penalties will be deducted by PIAGGIO with the issue of an invoice/debit note (excluding VAT in accordance with article 15 of Presidential Decree 633/72 and subsequent amendments thereto) by PIAGGIO and may be offset by amounts due between the Parties as indicated in article 19 hereunder.

ARTICLE 17 – DEFAULT

The Parties establish that default or faulty performance by the CONTRACTOR in relation to his obligations of the order/contract for works and/or services, in the event of contract negligence, shall be immediately remedied by the CONTRACTOR, without prejudice to PIAGGIO's right to terminate the contract and claim compensation for any damages sustained or being sustained.

ARTICLE 18 – FORCE MAJEURE

The Parties establish that the CONTRACTOR is required to promptly inform PIAGGIO, in writing, when circumstances of force majeure occur and end, in accordance with articles 1256 et seq. of the Civil Code which do not allow for the obligations as of the order/contract to be met,



due to unforeseeable circumstances, and also undertakes to take all measures to limit the effects of said.

Proof of the circumstance of force majeure, shall, in any case, be provided by the CONTRACTOR, on request of PIAGGIO.

The Parties expressly agree that delays or defaults by the CONTRACTOR's suppliers are not to be considered as causes of force majeure, for relieving the CONTRACTOR of his liability.

ARTICLE 19 – PENALTY

The Parties expressly agree that, unless otherwise agreed in writing by the Parties, delays in fulfilling the order/contract will entitle PIAGGIO to levy a penalty on the CONTRACTOR, in accordance with article 1382 of the Civil Code, up to a maximum of 10% the total sum for the work and/or service, as of the order/contract.

The Parties expressly agree that this clause does not restrict compensation claims for damages, as of the article above.

In the event that works/services are not performed in compliance with order/contract requirements, it is agreed that the CONTRACTOR, without prejudice to making further claims for damages, will pay a penalty of a maximum amount which is three times the price of the work/service considered by PIAGGIO as not performed properly and notified in writing by PIAGGIO.

The deduction of the penalty from the sum agreed on in the order/contract will always be notified by PIAGGIO to the CONTRACTOR in advance.

The notice will be intended as being automatically accepted by the CONTRACTOR, without prejudice to the right of said to request payment subject to the issue of an invoice by PIAGGIO.

In the event the penalty clause has been applied three times, PIAGGIO may terminate the contract at any time by giving the CONTRACTOR written notice and, in said case, the contract will be intended as lawfully terminated with the CONTRACTOR, without prejudice to paying the penalty, being required to pay compensation for any further damages.

ARTICLE 20 – PROHIBITIONS AND CONTROLS

The CONTRACTOR acknowledges that his employees and employees of subcontractors may not access the manufacturing departments of PIAGGIO's plant, nor the offices, with the exception of the department or offices which the contract works/services refer to and undertakes to ensure that this prohibition is observed and to monitor his own employees and the employees of subcontractors so that said are not exposed to risks related to the performance of PIAGGIO's activities.

PIAGGIO reserves the right to carry out controls on the employees of the CONTRACTOR or his SUBCONTRACTORS which are necessary to guarantee order and safety inside buildings where the contract works/services have to be performed.

ARTICLE 21 – CLAUSE PROVIDING FOR CANCELLATION

The Parties agree that breach of obligations concerning:



PIAGGIO & C.s.p.a.

- a) Payment by the CONTRACTOR of salaries to his own employees, at the levels indicated in article 29 of Legislative Decree 276/2003.
- b) Payment of relative mandatory welfare contributions.
- c) CONTRACTOR's compliance with laws and regulations on accident prevention.

Constitutes a condition providing for cancellation of the order/contract, in accordance with article 1360, subsection two, of the Civil Code, without prejudice to claim compensation for damages.

The Parties expressly agree that in the event the conditions as of section one of this article, letter a) and letter b) occur, PIAGGIO, as concerns amounts due, payable and collectable, to the CONTRACTOR, will offset, on request of the CONTRACTOR's employees, and in the circumstances as of article 1676 of the Civil Code, amounts receivable for salaries due from the CONTRACTOR, up to the full amount owed.

ARTICLE 22 – COURT OF JURISDICTION

Any disputes arising from the order/contract shall be exclusively submitted to the Court of Pisa.

ARTICLE 23 – PARTIAL INVALIDITY

In the event any agreement herein is null and void, said shall not make other agreements herein null and void, which shall therefore be considered valid.

ARTICLE 24 – PREVALENCE

In the event this regulatory agreement goes against any subsequent orders/contracts, this document shall prevail.

ARTICLE 25 – TOLERANCE

If either Party tolerates a conduct of the Other Party which infringes the provisions of this regulatory framework, said shall not constitute a waiver to rights arising from an infringement of the provisions, nor to the right to demand that all terms and conditions herein are met.

Read, agreed, confirmed and signed for acceptance,

date,

PIAGGIO & C. S.p.A.

THE CONTRACTOR

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in accordance with and for the purposes of articles 1341 and 1342 of the Civil Code, we expressly approve the following Articles:



PIAGGIO & C.s.p.a.

Article 2 – Regulations governing the Contract Article 3 – Code of Ethics and Guidelines for Conduct Article 4 – Obligations and undertakings of the CONTRACTOR Article 5 – Compliance with environmental criteria Article 6 – Verification of contract performance Article 8 – Confidentiality of information Article 9 – Intellectual property Article 10 – Mandatory insurance Article 11 – Insurance Article 12 – Accident prevention Article 13 – CONTRACTOR liability Article 14 – Joint and several liability Article 15 – Guarantee Article 16 – Price and invoices; Article 17 – Default Article 18 – Force majeure Article 19 – Penalty Article 21 – Clause providing for cancellation Article 22 – Court of Jurisdiction Article 23 – Partial invalidity Article 24 – Prevalence Article 25 – Tolerance

THE CONTRACTOR

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Laws and Regulations

1. **Legislative Decree 276/2003** Implementation of powers concerning employment and the labour market, as of law 30 of 14 February 2003
2. **Law 248/2006** Conversion into law, with amendments, of the law decree 233 of 4 July 2006, with urgent provisions for renewed economic and social development, for curbing and rationalising public spending, as well as measures concerning revenues and offsetting tax evasion
3. **Law 626/94** Implementation of the directives 89/391/EEC, 89/654/EEC, 89/655/EEC, 89/656/EEC, 90/269/EEC, 90/270/EEC, 90/394/EEC, 90/679/EEC, 93/88/EEC, 97/42/EEC and 1999/38/EC concerning improvements to the health and safety of workers in the workplace
4. **Law 296/2006** Provisions for drafting the annual and long-term State budget (2007 Budget)
5. **Legislative Decree 231/2001** Provisions governing administrative liability of corporate persons, companies and associations without corporate status, in accordance with article 11 of law 300 of 29 September 2000
6. **Legislative Decree 286/2005** Provisions for a legal framework on the regulated liberalisation of operations of hauliers
7. **Legislative Decree 152/2006** Environmental regulations
8. **Regulation (EC) 1907/2006** concerning the registration, evaluation, authorisation and restriction of chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No. 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC
9. **Directive 2004/12/EC** Amendment to the directive 94/62/EC on packaging and packaging waste
10. **Law 123/2007** Measures to protect health and safety at work and to give Government powers to reorganise and reform relative laws and regulations
11. **Presidential Decree 633/72** Establishment of and provisions for value added tax