

GENERAL PURCHASING TERMS AND CONDITIONS FOR THE GOODS AND SERVICES

1. GENERAL

1.1 Field of Application

These General Purchasing Terms and Conditions for Good and Services (hereinafter the "**General Terms**") shall apply to supplies of goods and/or to the performance of services provided by your company (hereinafter the "**Supplier**") to Pirelli Tire LLC or its Affiliates ("**Pirelli**") by means of confirmation – either explicit or implicit – of purchase orders (hereinafter the "**Purchase Orders**").

The General Terms set forth herein, together with the applicable Purchase Order and any other Pirelli documents attached hereto or into which these terms and conditions are incorporated by reference (collectively, the "**Contract**"), constitute an offer or counteroffer by Pirelli to purchase the Deliverables from Supplier, subject to and in accordance with these terms and conditions, and constitute the entire agreement between the Parties, superseding any prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, wither written or oral. The Contract is not an acceptance by Pirelli of any offer or counteroffer made by Supplier, and this offer and any contract arising out of this offer are expressly conditioned on Supplier's assent to all of the terms and conditions set forth in the Contract, as specified below. Pirelli objects to any additional or different terms or conditions contained in any quotation, or other document or communication previously or hereafter provided by Supplier to Pirelli. If a quotation or other document or communication from Supplier contains any such additional or different terms or conditions, Pirelli's issuance of a Purchase Order shall not be construed as assent to any such terms or conditions, and no such terms or conditions will be of any force or effect unless specifically agreed to in a writing signed by an authorized representative of Pirelli.

The Contract shall be deemed accepted upon the terms and conditions of such Contract by Seller's shipment of Goods, performance of Services, commencement of work on Goods, written acknowledgement, or any other conduct of Supplier that recognizes the existence of a contract pertaining to the subject matter of the Contract.

1.2 Definitions

In the context of these General Terms, the following terms shall have the meaning respectively attributed to each of them below:

- (1) "**Affiliate**" means any person or entity directly or indirectly Controlled by, Controlling or subject to the common Control of one of a Person, being such control with such person or legal entity;
- (2) "**Anti-Corruption Laws**" means any anticorruption law or similar legislation, codes, rules, policies and

regulation applicable to any of the Parties and/or to the performance of their obligations under the Contract;

- (3) "**Confidential Information**" means, collectively, (i) Technical Information, (ii) any other information, whether commercial or otherwise, other than Technical Information, concerning Pirelli, its business, materials, products, processes, services and activities, forecasts, supplied and/or disclosed, in any form, by and/or on behalf of Pirelli to the Supplier or any of its Affiliates, or which the Supplier becomes aware of in connection with the performance of the Contract, (iii) the Results and/or (iv) any note, study or other document prepared by the Supplier which contains or otherwise reflects Technical Information, the information mentioned in section (ii) and/or the Results;
- (4) "**Control**" shall mean (i) in the case of a corporation, the ownership of more than 50% of the shares of such corporation with voting rights or, in the case of any other entity, the ownership of the majority of the beneficial or voting interest of such entity or (ii) the power of one person or legal entity alone, or jointly with one or more other persons or entities, directly or indirectly, to direct the management of the controlled person or entity, either by means of equity ownership, by contract or otherwise. "**Controlling**" and "**Controlled**" shall have similar meaning;
- (5) "**Deliverables**" means the Goods or Services (as each term is defined herein).
- (6) "**Goods**" means all materials, machineries, products or any movable asset supplied pursuant to the Contract, including without limitation any goods or products resulting from the Services);
- (7) "**Government Official**" means any appointed, elected, or honorary official or any career employee of the government of any national, regional or local government, or of a public international organization, or any political party, party official or candidate in any country (including without limitation any person holding an executive, legislative, judicial or administrative office, whether elected or appointed, or of any public international organization, such as the United Nations or World Bank, or any Person acting in any official capacity for or on behalf of such government, public enterprise or state-owned business). The term "government" includes any agency, department, embassy or other government entity or public international organization and it also includes any company or other entity owned or controlled by any of the foregoing;
- (8) "**Parties**" mean Pirelli and the Supplier;
- (9) "**Person**" means any individual, partnership, corporation, trust, limited liability entity,

unincorporated organization, association, governmental authority, or any other entity,

- (10) **“Results”** mean all the inventions, knowledge, data, information of any kind, method, specification, know-how, software, still or filmed images and photographs, solutions, deliverables conceived, reduced to practice or developed by the Supplier in the performance the Contract;
- (11) **“Services”** means the activities and the services, including without limitation any intellectual activities, provided by the Supplier to Pirelli and/or the works whose implementation has been entrusted by Pirelli to the Supplier;
- (12) **“Technical Information”** means any kind of technical information, including without limitation drawings, technical and/or functional specifications, tables, models, samples, prototypes, methods, measurement instruments, databases, software, films, digital video segments, and photographs;
- (13) **“Technical Specifications”** mean the drawings and the technical and/or functional specifications the Deliverables shall comply with.

1.3 Acceptance of the Orders

Purchase Orders become binding and irrevocable as soon as a request for confirmation of acceptance of such Purchase Order is received by the Supplier. Pirelli is entitled to revoke the Purchase Order should the Supplier not return to Pirelli the order confirmation within 5 (five) days of the receipt of the Purchase Order. Pirelli is entitled to reject the supply of any Deliverables up until the Supplier returns the signed Purchase Order confirmation.

1.4 Non-Assignability of Contract– Prohibition to Grant the Right to Collect Payments – Bank Account

Neither Party will assign, delegate or transfer any rights or obligations under the Contract (by operation of law, sale of assets, merger, reorganization or otherwise) without the prior written consent of the other Party and in the absence of such consent any such assignment, delegation or transfer shall be null and void; provided that Pirelli may assign, transfer or delegate the Contract to an Affiliate. Supplier shall not grant to any third party the authority to collect on its behalf payments due to Supplier according to this Contract.

Supplier expressly acknowledges that all payments hereunder shall be made to a bank account located in the same country where Supplier has its registered office.

1.5 Applicable Law and Jurisdiction

The Contract is governed by the laws of the state of Georgia, regardless of its conflict of laws provisions. Any disputes which may arise out of, in relation to, or as a result of, Deliverables or the Contract, its performance, efficacy, validity, interpretation, termination and cessation, as well as any relation referred to or connected

with the Deliverables or the Contract and all related credits and debts, shall fall under the exclusive jurisdiction of the state and federal courts located in Georgia.

1.6 Information Security

The Supplier undertakes to adopt all security measures required to prevent the risk of alteration, loss, destruction, dissemination or unauthorized use of Confidential Information, as defined in section 2. Pirelli will be entitled to notify the Supplier of security measures or conditions considered necessary, and the Supplier hereby agrees to adopt them. Pirelli shall have the right to verify, directly or through a third party, that the Supplier has correctly fulfilled all its obligations under this section. In this regard, the Supplier grants Pirelli the right to access, directly or through a third party, its premises, in order to verify its compliance with the requirements of this section.

1.7 Incident Reporting

The Supplier hereby agrees to notify Pirelli immediately, or, if this is impossible, within a maximum of 24 (twenty-four) hours, of any incidents which may have caused, or risk to cause, theft, loss, alteration, or forbidden or unauthorized access to Confidential Information.

1.8 Supplier’s Responsibilities

(a) During the performance of the Contract, the Supplier undertakes to comply with all applicable laws.

(b) Supplier also specifically agrees:

(I) to accept all its responsibilities in relation to the Deliverables to be provided and to guarantee that it employs specialized personnel qualified to provide the Deliverables;

(II) to use, in the performance of the Contract, all technical and organizational measures and all equipment required, recommended by current safety legislation and consistent with industry practice, for the purposes of ensuring safety and hygiene on the job for its technicians and workers, and for the purpose of guaranteeing the safety of people, plants and objects belonging to Pirelli and to third parties in compliance with applicable law;

(III) to maintain in effect, for the entire duration of the Contract, the insurance policies for which the Supplier has named Pirelli as an additional insured and provided a Certificate of Insurance to Pirelli and of those policies, if any, the Supplier entered into upon request by Pirelli;

(III) to provide notification of any change which may have occurred in relation to the information provided to Pirelli regarding the Supplier, including without limitation ownership structure and organization;

(IV) to guarantee that the personnel which will perform the Deliverables (i) is and will be employed in compliance with any applicable retribution, contribution, tax, pension and insurance law provision as well as with any applicable law provision concerning employment relationships –

(laws, regulations and collective bargaining agreements), and (ii) shall be adequately qualified for the activity to be performed;

(V) to appoint a person as responsible for the relationship with Pirelli for the entire duration of the contractual relationship and whose name shall be communicated to Pirelli in writing prior to the beginning of the performance of the obligations under the Contract.

(c) When asked to provide the Deliverables or otherwise be or have its employees, agents or representatives be on the premises of Pirelli factories, laboratories, warehouses, offices or other facilities, the Supplier agrees:

(I) to ensure that its employees, agents or representatives comply with Pirelli's corporate policies, regulations and safety procedures;

(II) to comply with all fire prevention rules and precautions;

(III) to accept all liability for accidents and damages of all kinds caused directly or indirectly by its employees, agents or representatives and their activities to Pirelli's employees, agents or representatives or third parties and property, expressly relieving, protecting and indemnifying Pirelli of and from all liability and costs in connection with the foregoing.

(IV) to provide all equipment the Supplier requires to perform the Contract, including without limitation lifting and moving equipment, which must be completely appropriate and suitable for its intended use. Such equipment must fully comply with all laws and regulations in effect for the entire duration of the work and/or of the Contract.

The Supplier may not use any vehicles or equipment belonging to Pirelli.

1.9 Prohibition of Subcontracting

Unless otherwise previously agreed to in writing by the Parties, the Supplier is not entitled to subcontract to Affiliates or third parties, neither as a whole nor in part only, the manufacture of Goods and/or the performance any Services under the Contract.

1.10 Force Majeure

Any delay or failure to fulfill its obligations on the part of a Party impeded by circumstances which are caused by an extraordinary and unforeseeable event objectively beyond that Party's control shall not, so long as without the nonperforming Party's fault or negligence, to the extent such event could not have been prevented by the nonperforming Party's reasonable precautions or commercially accepted processes, or could not have been reasonably circumvented by the nonperforming Party through the use of substitute services (such as substitute transportation services), alternate sources, work-around plans or other means by which the requirements of the Contract could be satisfied, constitute a default of the

obligations undertaken by such nonperforming Party in the Contract ("**Force Majeure Event**"). Force Majeure Events shall include, without limitation, wars, act of God, fires, floods, general strikes, lock-outs, embargos, explosions, riots and wars. The nonperforming Party due to a Force Majeure Event shall give prompt notice (in any event not to exceed seven (7) days) of commencement of a Force Majeure Event to the other Party and shall adopt any reasonable measure to avoid its non-fulfillment and be able to fulfill all its contractual obligations. Upon the occurrence of a Force Majeure Event, the nonperforming Party shall be excused from any further performance or observance of the affected obligation(s) for as long as such circumstances prevail and such party continues to attempt to recommence performance or observance to the greatest extent possible without delay. During the period of any delay or failure to perform by Supplier, Pirelli, at its option, may purchase the Deliverables from other sources and reduce its orders to Supplier by such quantities, with a corresponding reduction in any payments owed by Pirelli in connection with such replaced Deliverables, without further liability to Pirelli, or cause Supplier to provide the Deliverables from other sources in quantities and at times requested by Pirelli and at the price set forth in the Contract.

1.11 Business Ethics and Corporate Responsibility

1 Supplier hereby acknowledges it has read and understood the following Pirelli group documents and policies: "Values and Ethical Code", "Code of Conduct", "Global Human Rights", "Health, Safety and Environment", "Anti-Corruption Program" and "Product Stewardship", published on the web at <http://corporate.pirelli.com/corporate/en-ww/sustainability/policies/the-ethical-code>, which establish the guiding principles of the Pirelli group's business, as well as contractual relations and other relations with third parties.

2. By conducting business with Pirelli, Supplier agrees to manage its activities in compliance with principles, values and commitments that are consistent with those expressed in Pirelli's guiding principles and policies. In addition, Supplier agrees:

- (a) not to use or support the use of any form of child labor, slavery, servitude, forced labor or human trafficking;
- (b) to ensure equal opportunities and freedom of association;
- (c) to oppose the use of mental, verbal or physical coercion or abuse;
- (d) to comply with applicable laws and industry standards on working hours and wages;
- (e) to establish and maintain appropriate procedures to prevent corruption in any way, shape or form in its dealings or those of its representatives in any jurisdiction;

(f) to assess and apply commercially reasonable efforts to reduce the environmental impact of its own products and services throughout their entire life cycle;

(g) to implement management models within their own supply chain to evaluate and select suppliers and subcontractors that comply with the same social, labor and environmental standards of conduct established above, and to regularly oversee observance of such obligations; and

(h) that Pirelli has the right, at any time, to verify, either directly or through third parties, Supplier's compliance with the obligations undertaken herein.

3. Supplier may report to ethics@pirelli.com any breach or suspected breach of the "Values and Ethical Code", the "Code of Conduct" and Pirelli Group policies "Global Human Rights", "Health, Safety and Environment", "Anti-Corruption Program" and "Product Stewardship" or any applicable laws; reports may be anonymous but shall contain a description of the events that constitute the breach of the provisions contained in the above mentioned Pirelli documents, including information about time and place of occurrence of the relevant events, as well as the persons involved. Pirelli will not tolerate threats or reprisals of any kind against employees and third party collaborators arising from such reporting and shall adopt all appropriate actions against any persons engaging in any such acts of threat or reprisal. Furthermore, Pirelli shall protect the anonymity of those reporting the breaches, subject to the requirements of applicable law.

1.12 Anti-Corruption

(a) Supplier shall comply, during the term of this Contract, with any Anti-corruption Laws and shall not directly or indirectly pay, offer, promise or give anything (including without limitation service) of value to any Government Official, whether or not being aware of or having a belief that such money or item of value will be passed on to one of the above, to influence any act or decision by such Person or by any government body for the purpose of obtaining, retaining or directing business to Pirelli or any other Person or securing an improper advantage thereto in any way related to this Contract.

(b) Supplier shall cause any of its Affiliates and any of its or their directors, officers, advisors, representatives, agents, employees or agents to comply with the provisions hereinabove.

(c) Supplier will indemnify and hold harmless Pirelli and its representatives, from and against any loss, claim, cost or expense (including without limitation legal and attorneys' fees) incurred by Pirelli or its representatives based upon or arising out of any breach of this section and/or any violation by Supplier any of its Affiliates or any of its or their directors, officers, advisors, representatives, employees or agents of any Anti-Corruption Laws.

2. INTELLECTUAL PROPERTY

2.1 Confidential Information

2.1.1 The Supplier acknowledges and agrees that Pirelli is the owner of Confidential Information and of any related intellectual property right.

2.1.2 The Supplier shall:

(a) keep secret and not disclose Confidential Information to any third party;

(b) put in place all measures and precautions that are reasonably necessary and appropriate to prevent the disclosure and unauthorized use of Confidential Information;

(c) upon termination of the Contract, or even earlier upon request of Pirelli, promptly return or destroy all documents containing Confidential Information and any copy thereof, including without limitation electronic copies, within 30 (thirty) days, and to deliver a statement certifying the successful disposal of such documents and/or copies;

(d) use Confidential Information solely for the purpose of performing the Contract;

(e) not reproduce or copy Confidential Information except as expressly authorized by Pirelli or as required for purposes of the Contract;

(f) not patent any information or data contained in such Confidential Information;

(g) disclose Confidential Information only within its own organization and only to the employees whose duties require the knowledge of such Confidential Information;

(h) inform any employees or personnel who become aware of Confidential Information, of the confidentiality obligations related thereto; provided that Supplier shall remain liable for any breach of the terms of the confidentiality obligations of this Agreement by its employees or personnel.

2.1.3 If the use of the Results implies the use of any patent, software and know-how or any other intellectual property right held by the Supplier ("Rights of the Supplier"), the Supplier hereby grants Pirelli a non-exclusive, royalty-free, irrevocable, perpetual and assignable license (with sublicensing rights) to use the Rights of the Supplier for the sole purpose of Pirelli's use of the Results.

2.1.4 Neither these General Conditions nor the disclosure of Confidential Information as permitted herein, may be interpreted as granting the Supplier any licenses to patents, patent applications, or any other intellectual property rights with respect to information and data contained in Confidential Information.

2.1.5 Regardless of the term of the relevant contractual relationship, the Supplier's obligations under section 2 shall survive the duration of the Contract and will only cease to be effective when such Confidential Information

has entered into the public domain through no fault of the Supplier.

2.2 Supplier's Intellectual Property Rights

(a) The Supplier warrants that the Deliverables supplied, their components and accessories and (as far as applicable) the use of the Services provided (in both cases, even if subsequently processed by Pirelli or by third parties on behalf of Pirelli) do not infringe third party industrial or intellectual property rights. The Supplier undertakes to promptly settle any third party claim of infringement of industrial or intellectual property rights by reason of the possession or use, as the case may be, by Pirelli, of the Deliverables, and shall in any case indemnify and hold harmless Pirelli from and against such claims.

(b) Except as otherwise agreed in writing by Pirelli, the Supplier waives the right to enforce any intellectual property rights in the Deliverables against Pirelli, its successors in any capacity and also within its business branch or part thereof, its customers and licensees (as well as their customers and licensees, even subsequent ones).

3. RISK AND OWNERSHIP - DELIVERY AND ACCEPTANCE

3.1 Delivery

For the purposes of ascertaining compliance with the terms for delivery, ownership and transfer of the risk of damage or total or partial loss of the Deliverables from the Supplier to Pirelli, Incoterms 2010 ("Incoterms") regulations mentioned in the Contracts shall apply. If not specified otherwise in the Contract, DDP at the Pirelli location specified in the Purchase Order shall apply.

The Supplier shall ensure that packaging and transportation of the Goods shall be performed in such a way to protect them against damages.

Unless expressly agreed to by Pirelli, the Deliverables supplied must be considered freely exportable to the country where delivery is to take place.

3.2 Acceptance

The Deliverables (or the work resulting from the performance of the Services) shall be considered as accepted by Pirelli only upon the positive outcome of the testing procedures set forth in the Contract or otherwise agreed in writing between the Parties.

3.3 Accurate Time of Delivery

The Supplier must comply punctually with the terms for delivery specified in the Contract (which are to be considered essential in Pirelli's interests), and shall not deliver the Deliverables earlier or later. Pirelli shall be entitled to return any Deliverables supplied before the agreed delivery date, at the Supplier's expense, or charging the cost of storage and financial costs of the advance delivery period to the Supplier.

3.4 Late Delivery

(a) In the event of late delivery of the Deliverables, Pirelli shall be entitled to apply a charge for late delivery equal – unless otherwise specified in writing in the Contract up to a maximum of 5% of the price of the Deliverables which have not been performed and/or delivered by the agreed deadline.

(b) In addition to the penalty above indicated, Pirelli shall have the right to the compensation of all damages caused to it directly or indirectly, including, but not limited to, damages of loss of production due to the late delivery of the Deliverables.

4. PRICES AND PAYMENTS

(a) Unless otherwise agreed in writing, the prices indicated in the Contract are to be considered fixed and not subject to revision.

(b) Supplier shall hold harmless and indemnify Pirelli from any damage, loss, cost or expense (including without limitation, if any, sanctions imposed on Pirelli in compliance with applicable law) incurred by Pirelli as a consequence of any breach and/or non-fulfillment by Supplier of any of the provisions of the Contract.

(c) In all cases of breach by the Supplier, Pirelli shall be entitled to suspend the payments due to the Supplier, without prejudice to the application of any interests or penalties, as long as the Supplier has not remedied its breach.

5. TERMINATION

5.1 Pirelli shall have the right to terminate any and all Purchase Orders concerning the Deliverables simply by sending a 30-day prior written notice. Nothing shall be due from Pirelli to the Supplier as a consequence of an exercise of such right of termination, except for the right of the Supplier to demand payment for the work carried out in a satisfactory manner in accordance with the Contract up to that date.

5.2 In the event of any breach by the Supplier of its obligations under the Contract, Pirelli shall have the right, without prejudice to any additional remedies specified in the Contract or at law or in equity, to send the Supplier a written demand for performance and if Supplier has not complied within 15 (fifteen) days of receipt of such demand, Pirelli shall have the right to terminate the Contract effective immediately upon delivery of notice to such effect.

5.3 In addition to the provisions of section 5.2, Pirelli shall be entitled to terminate the Purchase Order or Contract at any time by sending the Supplier a written notification effective as of a date identified by Pirelli in its notification, in the event that the Supplier:

(a) enters into liquidation or is subject to any bankruptcy procedure;

(b) breaches any of its confidentiality and limitation of use obligations set forth in this General Terms;

(c) becomes affiliated with or becomes subject to any form of control, whether direct or indirect, of any competitor of Pirelli;

(d) breaches the prohibition of subcontracting;

(e) breaches any of the obligations of non-transferability, prohibition to grant the right to collect payments, bank account;

(f) breaches any of the provisions of regarding Business Ethics and Corporate Responsibility (Section 1.11);

(g) breaches any of the provisions of Anti-Corruption (Section 1.12);

(h) breaches any of the warranties contained herein; or

(i) is unable to fulfill its contractual obligations due to a Force Majeure Event lasting for a continuous time period longer than 15 (fifteen) days.

5.4 Any provision of the Contract that by its nature or terms is intended to extend beyond the termination or expiration of the Contract shall survive the termination or expiration of the Contract.

6. GUARANTEE AND QUALITY

6.1 Quantity

If the quantities of Deliverables delivered do not correspond to the agreed quantities under the Contract, Pirelli may, at its own discretion, decide to:

(a) accept the quantities effectively delivered and change the quantities of subsequent supplies accordingly;

(b) ask the Supplier to pick up quantities in excess of the ordered quantities, and have the option of sending them back itself, in each case at the Supplier's expense and charging the Supplier the financial costs of payment, if already made, and storage costs if the Supplier does not pick up the Deliverables immediately;

(c) have the Supplier immediately send the missing quantities of Deliverables, charging the Supplier for the costs and expenses resulting from defaulting.

6.2 Quality

Supplier warrants that (a) the Deliverables strictly conform to all specifications, performance characteristics, drawings, statements on containers or labels, descriptions, and samples furnished to Pirelli, as well as all industry standards, laws, and regulations in force in countries in which the Deliverables are manufactured or sold; (b) Supplier has complied with QS 9000, ISO 9001, ISO 14001, TS 16949, PPAP, APQP, and applicable reporting and other requirements; (c) the Deliverables shall be merchantable and fit and suitable for the particular purpose(s) intended by Pirelli and Pirelli's customers and all other purposes for which such Deliverables are sold and used; (d) the Deliverables shall be free from defects in materials and workmanship; (e) the Deliverables shall be free and clear of all liens and encumbrances, good and merchantable

title thereto being in Supplier; and (f) the Deliverables shall be new, and not used, refurbished or reconstituted. These warranties shall survive inspection, test, delivery, acceptance, use and payment by Pirelli and shall inure to the benefit of Pirelli, its successors, assigns, customers, and the users of Pirelli's goods and services. These warranties may not be limited or disclaimed. If Pirelli experiences any breaches of any of the foregoing warranties, Pirelli shall have the right, in addition to exercising all other rights Pirelli may have under applicable law, to take the following actions, at Pirelli's option: (i) retain the defective Deliverables in whole or in part with an appropriate adjustment in the price for the Deliverables; (ii) require Supplier to repair or replace the defective Deliverables in whole or in part at Supplier's sole expense, including without limitation all shipping, transportation and installation costs; (iii) correct or replace the defective Deliverables with similar items from Supplier or a third party Supplier and recover the total cost relating thereto from Supplier, including without limitation the cost of product recalls; or (iv) reject the defective Deliverables (and receive a full refund of the purchase price). Pirelli shall not lose its right to claim for any loss and damage, including without limitation damage caused to any direct or indirect customer purchasing from Pirelli the Deliverables or goods or services deriving from Deliverables, caused thereby in spite of such replacement, repair and/or compensation. Supplier shall defend and hold Pirelli harmless from any liability and claim arising from any alleged defect in the Deliverables or any other similar claim arising from the sale and/or use of the Deliverables.

Pirelli will be entitled to conduct inspections on the Supplier's premises both for inspection and acceptance of the Deliverables, and to check the quality system implemented in the Supplier's organization. The methods and extent of the inspection shall be agreed on with the Supplier in each specific case.

Should, in accordance with applicable law, Pirelli decide to carry out a campaign of recall or replacement of its own products due to defects of the Deliverables provided by the Supplier, the latter shall hold harmless and indemnify Pirelli from any action, right or claim of third parties, including without limitation any cost, expense and charge necessary for the campaign of recall or replacement (including without limitation any logistic or assembling and disassembling costs).

Supplier shall hold Pirelli indemnified from any damages, actions, right or claim of third parties in any case deriving from the use of the Deliverables provided by the Supplier.

6.3 Insurance

The Supplier shall enter into, at its own expenses, an insurance policy with an insurance company rated A. M. Best A- VIII VII or stronger, covering its responsibility for damages to third parties for any reason, including without limitation by way of Supplier's responsibility, deriving from the performance of the Orders. Such insurance shall

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include occurrence based commercial general liability insurance including, where necessary, blanket contractual liability, broad form property damage coverage, with limits of no less than \$2,000,000 combined single limit; Statutory workers' compensation and employers' liability coverage, with a limit of liability for employers' liability (Coverage B) of no less than \$2,000,000 per accident.

All required insurance, where necessary, shall contain a waiver of subrogation or waiver of right to recovery. Insurance shall name Pirelli Tire LLC, its Parent and all its subsidiaries, affiliates, Directors, Officers, Employees, Shareholders and Members as Additional Insureds. Such insurance will provide that, to the extent possible, Pirelli will be given thirty (30) days advance notice of any cancellation. Supplier is required to provide Pirelli with a valid Certificate of Insurance (COI) itemizing the coverages identified in this agreement; the certificate shall be updated should a policy renew or change.

6.4 Audit

Supplier acknowledges that Pirelli has the right, at any time, to verify, either directly or through third parties, Supplier's compliance with the obligations in these General Terms and/or Purchase Orders.

6.5 Certification of the Supplier

Unless otherwise stated in the Contracts and/or in the Orders, the Supplier must demonstrate to Pirelli its conformity with ISO 9001 certification through an accredited agency.