



General Terms and Conditions for Purchasing by the Deutsche Telekom Group

(GTC Purchasing)

Part B: Specific terms for Italy

- 1. Quality Management, Environmental Protection**

Contractor has to adhere to Customer's requirements for quality management and environmental protection. If stipulated in the specification, Contractor shall document the application of a quality management system in accordance with DIN EN ISO 9001:2000 or TL 9000 and shall provide data with respect to the metrics described in the TL 9000 Quality Management System Measurements Handbook. or in the agreed upon quality management system and (ii) an environmental management system in accordance with either DIN EN ISO 14001 or the ECO-Management and Audit Scheme.
- 2. Integrity, Cooperation, Social Charta**

The Contractor ensures to comply with all the obligations regarding the minimum wage legislation for himself and its subcontractors. In this sense and upon request by the Customer, he is – among others - obliged to document respective minimum wage payments. The Contractor shall indemnify the Customer from any legal consequences (including fines) resulting from failure to comply with minimum wage requirements. He shall further immediately inform the Customer as soon as any suspicion arises in case any of its subcontractors does not comply accordingly.
- 3. Default**
 - (1) In the event of default, the statutory provisions shall apply, unless otherwise provided for below.
 - (2) Also a default of Customer with regard to payment shall require a prior reminder of no avail from Contractor.
 - (3) If a penalty is agreed, Customer may reserve the contractual penalty right any time up to the final payment.
- 4. Rescission or Termination for Good Cause**

The Customer is further entitled to extraordinary terminate the agreement in case the Contractor or its subcontractors do not comply with the regulations of the minimum wage legislation.
- 5. Product Liability**
 - (1) Insofar as Contractor is accountable for a damage on the basis of product liability, Contractor undertakes to indemnify Customer against any claims for damages by third parties upon first written request.
 - (2) In addition, Customer shall be entitled to reimbursement of all costs and expenses incurred in this context, in particular those incurred by product recalls. Customer shall notify Contractor of the type and scope of recall actions, if this is possible and can be reasonably expected.
 - (3) Customer shall immediately inform Contractor of the assertion of claims based on product liability and shall not make any payments or recognize any claims without consultation with Contractor.
 - (4) Other statutory claims shall remain unaffected.
- 6. Transfer of Risk, Acceptance, Inspection for Defects**
 - (1) For the transfer of risk and title the statutory provisions shall apply, unless otherwise agreed.
 - (2) The supply of movables which are to be manufactured or produced as well as installation services require a written acceptance by Customer. The transfer of risk occurs with acceptance. Any implied acceptance, in particular by Customer's use of the products or services, is excluded.
 - (3) During the performance of the Contract, the Customer may monitor the progress of activities on the part of the Contractor, who now hereby undertakes to facilitate the exercise of this right by affording all the necessary collaboration.
 - (4) During the performance of the Contract, the Customer may, jointly with the Contractor and subject always to the latter's independence, monitor the professional qualities of the Assistants. Should this check have a negative result, the Customer hereby reserve the right, without prejudice to any other right, to request the replacement of such person(s) for a better performance of the Service. The Contractor now hereby undertakes to effect such replacement within the shortest possible time and in any event by no later than 5 (five) working days following a duly explained request by the Customer.
 - (5) Where the Contract provides mechanisms for the intermediate monitoring and testing of activities



undertaken by the Contractor, viz. "W.P.R." ("Work Progress Report"), payment of those sums relating to such W.P.R. shall be subject to testing and written acceptance by the Customer, who will evaluate the activities performed up to that moment by the Contractor in terms of their compliance with the technical and functional specifications notified to it, the quantity and quality of the agreed activities and/or all those other parameters for which provision may have been made in the Order.

- (6) In the event the Customer refuses to sign the W.P.R. because of the absence of compliance with the requirements stipulated and for reasons attributable to the Contractor, the latter hereby undertakes promptly to remedy such non-compliance at its own expense, failing which the Customer hereby reserve the right to retain the consideration associated to the W.P.R. and, in the most serious cases, to terminate the Contract.

7. Amendments

During the performance of the Service of Assistance, the I.T. Project, and/or the Other Services, the Customer may request that the Contractor effects variations as against the initial subject matter of the Contract. In such eventuality the Contractor shall submit to the Customer an Offer in accordance with the provisions of the General Terms and conditions for Purchasing by the Deutsche Telekom Group and which the Customer hereby reserve the right to accept or not by the issuing of an Order to modify the Contract. Variations must in each case be requested and authorized in writing by the Customer. It is expressly understood that the Customer will not be liable to the Contractor for any compensation for additional services not expressly authorized by T-Systems and the provisions of Article 1659 of the Civil Code shall not apply.

8. Delivery Deadlines and Monitoring of Results

- (1) The Contractor hereby undertakes to perform all those activities identified in the Order within deadlines indicated in the Order. Save where otherwise contractually indicated, such deadline (the "Final Delivery Deadline") must be understood as being of the essence of the Contract, fixed and not amenable to prolongation within the meaning and for the purposes of Article 1457 of the Civil Code.
- (2) At the end of the Contract the Customer will be entitled to monitor whether the activities carried out by the Contractor exhibit the intended characteristics. The Contractor must enable the Customer to carry out the final check on such activities.
- (3) The Contractor hereby undertakes that, in all cases in which there is a difference between what has been agreed and what has actually been accomplished, it will,

according to the provisions of Article 1668 of the Civil Code, take every measure reasonably necessary to remedy the breach.

- (4) Payment of the final fees and charges will be subject to the acceptance by the Customer of those activities carried out in performance of the Contract.
- (5) Any suspension of activities, cases of force majeure, must be agreed in advance with the Person in Charge of the Customer.

9. Assistants

- (1) For the performance of the activities provided for under the Contract, the Contractor hereby guarantees that it will make use of staff lawfully engaged in accordance with labor laws from time to time in force, with the provisions of collective wage bargaining agreements and in compliance with the requirements relating to insurance, social welfare and tax matters in the industry to which its business belongs and any other provision from time to time in force for the protection of employees, in order thereby to assure them (irrespective of their qualifications) such economic legal minimum remuneration as it is provided for by the law and collective wage bargaining agreements in force at the time of the Contract. In particular the Contractor will punctually and totally pay the withholding taxes on earned income as well as all social security, insurance and welfare contributions provided for by law and contract from time to time in force with regard to each Assistants.
- (2) Whenever, for the performance of the Contract, the Contractor makes use of outside workers (Third Parties), such persons must, however, be engaged by forms of collaboration which conform to the regulations from time to time in force, having particular reference to the provisions of Legislative Decree 276/2003 and subsequent modifications and supplements. In any case, should the Contractor make use of Third Parties, it must send a prior written communication to the Customer, which reserves from now the right to not allow such use. The violation of this obligation by the Contractor is considered as a serious breach of the Contract.
- (3) The Contractor shall make available to the Customer all appropriate documentation relating to the effective fulfillment of the obligations indicated in points 9.1 and 9.2 above according to the deadlines from time to time provided for by law and anyway with methods such as to enable the Customer to have full confirmation of the effectiveness and correctness of such compliances. In particular when the Contractor receives the Order issued by the Customer and afterwards upon the Customer request, it will give to the latter copy of the



receipts proving the payment of the withholding taxes on earned income, as well as social security, insurance and welfare contributions provided for by the law in force and applicable in the industry to which its business belongs towards its employees, as well as copy of the fiscal and contributive and on declarations paid to the competent bodies. In the event of non-fulfillment of the provisions of such clause 9.3, the Customer is entitled to suspend the payment of any sum due to the Contractor for the performance of the service, until such breach persists.

- (4) In the event of failure to respect the obligations under previous point 9.3, the Customer may demand termination of the Contract pursuant to Article 1456 of the Civil Code.
- (5) If, from an examination of the documentation produced in accordance with the preceding paragraph 9.3, it emerges that such Assistants are not in compliance with the law, the Customer may terminate the Contract within the meaning of Article 1456 of the Civil Code.
- (6) The Assistants will be identified by external badges supplied to them by the Contractor and/or subcontractor if authorized according to art. 22.3. In particular such identification cards must have a photo and full name of the worker together with the company name of the Contractor/sub contractor.

10. Compliance with matters of Workers' Safety

In the event that the Contract is performed within Customer premises or it is included in the production cycle of the latter, the Parties hereby undertake to implement those measures provided for by Legislative Decree of 9th April 2008, no. 81, together with subsequent supplements and modifications. In particular during the performance of its activities the Contractor must adopt all the measures provided for by the existing laws on health and safety in the workplace. The Contractor is also requested to be compliant with the provisions issued by the Customer with regard to health and safety in the workplace, in all the rooms where its activities are performed (whether belonging to the Customer or to another end user defined by the Customer). In the event it should be necessary, the Customer will promote the cooperation and coordination by preparing the D.U.V.R.I.

11. Obligations of Confidentiality and Privacy

- (1) The Parties hereby undertake to treat all information which comes to their knowledge in connection with the performance of this Contract as confidential information. The Contractor shall, moreover, be under an obligation not to use or employ for purposes other than those stipulated in the Contract any data, documents or other technical or commercial information relating to Customer

or third parties which have come to its knowledge in connection with the performance of the Contract, except with the prior written consent of the parties concerned: the Contractor shall, moreover, be under an obligation not to communicate or divulge any of the matters listed above, and more generally any confidential information relating to the Customer or to its clients, except with the prior written consent of the parties concerned.

- (2) Such obligation of confidentiality shall also be binding upon the Parties after the ending of this Framework Agreement and of all Orders and in any case until such information is disclosed by the lawful owner or until it lawfully comes in the public domain.

Within the meaning of the provisions of Article 13 of the Legislative Decree 196/2003, the Contractor hereby declares that it has been informed of the purposes and methods of processing data, the nature of the provision thereof, the consequences of any refusal to allow them to be processed, the persons or parties to whom such data may be communicated and the extent of disclosure of the said data, the persons or parties responsible for the processing thereof and the rights referred to in Article 7 of said Decree. On the basis of such information the Contractor hereby gives its consent to the processing of such data within the scope of the purposes and manner indicated to it and the limits within which such consent is requested by law. Likewise the Contractor hereby undertakes to indicate to the Customer the manner of processing the data which is the subject matter of the Contract on the basis of the provisions of Article 13 of the Legislative Decree 196/2003 and that, whenever it processes personal and/or sensitive data belonging to the Customer or clients of the Customer, it now hereby declares that he is willing to sign the form for the appointment of External Data Processor for the processing of such data and to act in accordance with the decisions of the received appointment and with the provisions of the abovementioned law. With regard to the Decision issued by the Personal Data Protection Regulatory Authority on 27 November 2008 on "Compulsory Measures and Procedures to be adopted by Data Controllers in relation to processing effected with electronic equipment with respect to the attribution of the function of System Administrator", it will be care of the Contractor, with regard to IT systems it manages, to adopt all technical and organizational measures necessary for the respect of said Decision; in particular if the conditions mentioned in said Decision occur from the signature date of this Framework Agreement, the Contractor is given the task, on behalf of the Customer, of providing the implementation of the requirements listed below: i) to directly and specifically store the information required to identify the natural persons working as System Administrators and make this list available on request for any eventuality; such list shall include all the information



required to identify the natural persons appointed as "System Administrator" whose activity concerns even indirectly services or systems which process or allow the processing of personal nature information of the Customer's employees or collaborators; ii) to check System Administrators' activities, at list annually, to verify that the System Administrators appointed are compliant with the organizational, technical and security measures provided for in the legislation in force applying to the processing of personal.

12. Liability for Defects

- (1) Contractor shall be liable for defects during the periods prescribed by statute, commencing on the date of transfer of risk or, if acceptance has been provided for, upon acceptance by Customer, and guaranteeing the contractual and defect-free condition and defect-free functioning of the products or services for which Contractor is responsible. The period of liability is extended by the time the products or services can not be used correctly.
- (2) The statutory provisions shall apply to defects arising during the limitation period for claims for defects. Contractor is obliged to bear the cost of all expenses arising in connection with the liability for defects. Other statutory claims available to Customer shall remain unaffected.
- (3) Unless longer limitation periods are provided by law, Customer's claims due to warranty of title are subject to a limitation period of two years from the time a third party alleges infringement of intellectual property rights or any other rights or Customer becomes aware of the defect of title otherwise.
- (4) The Contractor shall be totally responsible towards the Customer, as well as, if and when necessary, towards any third party, of the Assistants' activity and of any possible subcontractor; and this also concerning any damage caused by themselves to things or persons.
- (5) In particular, the Contractor will hold harmless and indemnifies the Customer from any claims for damages of any kind and by whomsoever advanced, because of the behavior and conduct of any Auxiliary and subcontractors. In particular the Contractor indemnifies the Customer from any request or claim made, in any venue and for any reason: i) by the Assistants (and if relevant by the heir of the latter) used by it for the execution of the Contract and during the development of the relationship existing with the Customer, and/or ii) by any third party, as long as it is connected with the execution and termination of the relationship with Assistants.
- (6) The Contractor shall also be obliged to indemnify the

Customer from the payment of any sums which the latter is called upon to pay or is obliged to pay by way of compensation and/or indemnification to its own Clients and/or third parties as a result of legal proceedings called by such latter parties for the wrongful use of tangible and intangible property supplied and/or used by the Contractor itself for the performance of the Contract.

- (7) To this end the Customer will send a prompt written communication to the Contractor notifying it of any actions brought against itself and of all preliminary summons connected therewith. In such cases as are mentioned under point 12.6 the Contractor shall be obliged, at its own expense, to confer upon the Customer the right to continue using such property or, alternatively, to suitably modify or replace such property for the purpose of bringing to an end to any possible ascertained infringement of third parties' rights.
- (8) In the event of violation of the provisions set out under points 14.1 and 14.2, The Contractor will indemnify the Customer from the payment of any sums which the latter is called upon to pay or is obliged to pay by way of judicial, out of court and/or administrative order. The indemnity must happen within the 15th day from the payment date made by the Customer, on pain of the immediate termination of the Contract according to art. 1456 of the Civil Code.

13. Data Protection

The following information shall also be collected on employees, vicarious agents and subcontractors to be deployed who require a work or residence permit as per applicable German and European law in order to take up work in Germany: validity period of the work or residence permit, restriction of weekly working hours as per the work permit, restriction of place of deployment as per the work permit, restriction of duties/position as per the work permit.

14. Work and Residence Permit

- (1) Where employees, vicarious agents or subcontractors without Italian/German citizenship are deployed, Contractor hereby assures that all necessary official approvals have been obtained. Under no circumstances may employees, vicarious agents or subcontractors who are not in possession of a valid work permit and a valid residence permit be deployed. Contractor shall indemnify Customer from any legal consequences resulting from failure to comply with these requirements.
- (2) As an independent contractor, Contractor shall undertake to properly submit any value-added tax received to the tax office and to independently and properly pay tax on any remuneration received from Customer.



15. Deployment Bans

- (1) Contractor's attention is expressly drawn to the fact that it is strictly forbidden for civil servants who left the Deutsche Telekom Group by taking early retirement to perform any further work for the Deutsche Telekom Group, either directly or indirectly. This shall also apply, in principle, to former employees of the Deutsche Telekom Group for a period of 15 months from the termination of their employment, if they have received severance payment in connection with termination of employment. If Customer's specialist unit affected thereby has not already issued an written exclusion in advance in the specific instance, a general deployment ban shall exist in addition – regardless of the type of employment on which this is based – for employees of the Deutsche Telekom Group working directly or indirectly for Contractor, who are borrowed or were otherwise taken over or are employed by Contractor or a third party (e.g., by dispatch, assignment or granting leave, etc.) exclusively or essentially with the goal of using these persons to provide services for the Deutsche Telekom Group.
- (2) If Contractor violates the provisions of this section Customer shall be entitled to terminate the agreement for good cause. Customer also expressly reserves the right to assert damage claims due to such violation.

16. Invoices, Terms of Payment, Taxes

- (1) The payment period shall be 90 days end of month, unless differently agreed by the parties. The payment period shall commence on the first day after receipt of the verifiable invoice which meets the requirements of this section, but not before performance/acceptance of the service. The date on which Customer submits the remittance order shall be authoritative for compliance with the payment period, whereby the period between the end of the payment period and the specific Payment Date shall not be taken into account.
- (2) The liability for value-added tax shall pass to Customer if Contractor is not an Italian company and the services or sales performed under a contract for work and materials by Contractor are taxable in Italy. In such a case, Contractor shall not itemize value-added tax in the invoice.

17. Assignment of claims

Pursuant to Article 1260 of the Civil Code the Contractor may not assign to third parties, whether for consideration or for free, the credit deriving from this Contract, without Customer's prior written consent.

18. Insurance

- (1) The Contractor hereby expressly declares that it has signed with a primary Insurance Company an insurance policy covering all risks deriving from the Orders agreed

for the performance of this Contract, including the civil and professional liability of the Contractor, the Assistants and subcontractors for any loss or damage caused to third parties, to the Customer and/or to the staff of the latter, with express exclusion of compensation by the Insurer towards the Customer. Upon Customer's request the Contractor will give to the Customer a copy of the aforesaid insurance policy, granting in any case to the Customer the right to ask for any proper information directly to the Insurance Company.

- (2) In the event of failure to comply with the previous provision 18.1, the Customer is entitled to terminate the Contract pursuant to art. 1456 of the Civil Code.

19. Force Majeure

- (1) Each Party shall be relieved of all liability in cases of breach or delay in the performance of the obligations stipulated under the Contract due to cause of force majeure. Purely by way of non-exhaustive example, the following will be considered to be causes of force majeure: acts and orders of Public Authorities, war, revolt or other military action, fire, floods, natural disasters or any other unforeseen event which is reasonably beyond the control of the Parties preventing them from the full and correct performance of the Contract.
- (2) The Party which is unable to carry out its contractual obligations due to a cause of force majeure will be required to inform the other Party within 24 (twenty four) hours of the time on which it first became aware of the occurrence of the Force Majeure event.
- (3) Should the Force Majeure event last for a period exceeding 10 (ten) days, the Parties shall be free to terminate the Contract by notice to be sent 10 (ten) days before the termination date. Such termination must be notified by registered letter with advice of delivery and shall become effective from the dispatch date indicated in the postmark.

20. Express termination Clause

In addition to those cases provided for in the preceding articles, which are not here copied down, the Parties may immediately and unilaterally declare the Contract terminated, pursuant to Article 1456 of the Civil Code, without prejudice to any additional rights:

- if the Contractor becomes subject to any insolvency procedures, pursuant to art. 81 paragraph II of Royal Decree 267/1942 as it has been updated by the Legislative Decree n. 5/2006, considering that the subjective quality of the Contractor has been a decisive aspect of Customer's choice.
- if events take place which have a negative effect on



the assets or financial and economic situation of the other Party, such as they would manifestly jeopardize performance of the contractual services;

- in the event that the other Party becomes a subsidiary, a parent or affiliated company, pursuant to Article 2359 of the Civil Code, of a competitor;
- in the event of violation of the obligations deriving from the provisions under Articles 9, 10, 11, 12, 15.2;
- in the event that the Contractor fails to take out the insurance provided for by Article 18.

However, Customer shall also be entitled to have recourse to the court with jurisdiction at Contractor's principal place of business.

Pursuant to articles 1341 and 1342 of the Civil Code, the following articles are hereby expressly approved in writing: 8.4, 9.3, 9.4, 9.5, 11, 12, 15, 16, 17.

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21. Unilateral Termination

- (1) The Customer can terminate the Contract by the giving of 30 (thirty) calendar days' written notice, without the obligation to pay for any indemnity. In this case, by way of partial exception from the provisions of Article 1671 of the Civil Code, the Customer will reimburse the Contractor solely for the value of the performed activities and the expenses incurred up to that moment.
- (2) The Customer can terminate the Framework Agreement and the Contract, with immediate effect, at any time, by way of simple communication, in the event of just cause, meaning with this term any cause, of any kind and nature, which doesn't allow even a temporary progress of the relationship, thus a cause which, by way of example, irreversibly affects the trust bond, the right performance of the Contract or the bilateral contract.

22. Final Provisions

- (1) Any modifications to the Contract will be made by means of a written document jointly drawn up and signed by the Parties. Such document expressly mentions that it constitutes an amendment to the abovementioned Contract.
- (2) The rights and obligations deriving from the Contract may be assigned to third parties, whether wholly or in part, solely after the written consent of the other Party has been obtained. All the above granted, it is hereby expressly agreed that if the assigning party is the Contractor, it shall remain jointly and severally liable with the assignee.
- (3) The Contractor may subcontract, in part, the activity the object of the Contract to another company only after the prior written consent of the Customer and according to the terms indicated by the same. The Contractor shall be the main liable to the Customer. It is expressly prohibited the subcontract of the subcontract.
- (4) The laws of Italy shall apply, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods and provisions referring to foreign law. The venue shall be at the court with jurisdiction at Customer's principle place of business.