

General Terms & Conditions of Sale

The following General Terms and Conditions of Sale (hereinafter referred to as “GTCS”) govern and are applicable to any and all supplies made by the company Giesse S.p.A. (hereinafter referred to as “Giesse”, or “the Seller”) to the Buyer (hereinafter jointly referred to as the “Parties”) and constitute the reference basis for all Contracts between the Parties. Any conditions other than or in contrast with the following GTCS are not applicable, except if agreed by the Seller in writing.

1. Definitions.

- 1.1 “**Buyer**”: shall mean the company or any other legal entity that purchases the Products, with the exclusion of consumers.
- 1.2 “**c.c.**” stands for Italian Civil Code (Royal Decree no. 262/1942, and subsequent legislative amendments).
- 1.3 “**Commercial Offer/s**”: shall mean any written offer, non-binding and merely informative, addressed to the Buyer relating to the sale of Products.
- 1.4 “**Contract**”: shall mean any sale agreement executed by the Parties and subject to these GTCS.
- 1.5 “**Confirmation of Order**”: shall mean the Seller's written acceptance of an Order sent in accordance with these GTCS.
- 1.6 “**GTCS**”: shall mean these general terms and conditions of sale.
- 1.7 “**Order**”: shall mean a written request sent by the Buyer to the Seller for the purchase of Products.
- 1.8 “**Parties**”: shall mean the Seller and the Buyer jointly.
- 1.9 “**Products**”: shall mean the products marketed by the Seller.
- 1.10 “**Seller**”: shall mean Giesse S.p.A., Tax code 0248078037 and VAT number 00581811205, with its registered seat in Via Tubertini, No. 1 – 40054 Budrio (BO).

2. Scope.

- 2.1 These GTCS govern and are applicable to all Contracts entered into between the Seller and the Buyer and constitute the reference basis for all sales between the Parties.
- 2.2 These GTCS are included in or attached to all Confirmations of Orders.
- 2.3 Unless otherwise expressly agreed in writing by the Seller and signed by an authorized signatory of the Seller, the GTCS shall prevail over any different or additional terms and conditions, even if subsequent thereto, set forth in any Orders as well as any other document of the Buyer.
- 2.4 These GTCS solve and replace any previous existing negotiations, commitments, and agreements between the Parties.

3. Commercial Offers, Orders and Confirmation of Orders.

- 3.1 All Commercial Offers made by the Seller are merely informative and non-binding between any of the Parties.
- 3.2 Each Order received by the Seller constitutes a proposal pursuant to article 1326 c.c..
- 3.3 Each Order must be in written form and complete with all information and indications necessary for the proper performance of the Seller's obligations in a clear, unambiguous, and detailed manner (including, but not limited to, the number and type of Products and the delivery/shipping information etc.). The Seller may at any time request the Buyer to provide further information or documents useful for the performance of the obligations. The Buyer is the sole and fully responsible for the information provided to the Seller.
- 3.4 The Order is meant to be accepted with the Confirmation of Order or, if required by the nature of the Order and/or by the Buyer, with the performance of the activities by the Seller. **Pursuant to articles 1326 and 1335 c.c.**, each Contract is concluded at the time the Buyer has the knowledge of the written Confirmation of the Order sent by the Seller. The Confirmation of Order may be given in written form, even by e-mail.
- 3.5 The Buyer shall verify the details and information included in the Order as well as in the Order Confirmation and communicate in writing to the Seller any changes or errors no later than 48 hours from the receipt of the Order Confirmation and, in any case, before the Seller has started the performance of the Contract. In

absence, the Seller may not accept requests for changes of the Order. In any case, any changes to an Order need to be confirmed by the Seller by means of a new Order Confirmation.

- 3.6 All Orders refer to Products. The Seller reserves the right to change, at any time, the characteristics of the Products included in its listing. However, the changes will not apply to the existing Contracts as well as to Orders that have been already accepted by the Seller.
- 3.7 The minimum amount of an Order is Euro 100 (one hundred) (VAT and transport excluded) ("**Minimum Amount**"). The Seller reserves the right to refuse/not accept orders lower than the Minimum Amount.
- 3.8 Any requests of changes of the Contract (including technical changes to the Products or the delivery terms), shall be specifically approved in writing by both Parties.

4. Prices and Payments.

- 4.1 The price of each supply is that of the price list in force at the time of the Confirmation of Order sent to the Buyer by the Seller. Prices are in **Euros or US dollar, exclusive of VAT** and of any other taxes and/or duties, as well as shipping costs
- 4.2 VAT shall be applied in accordance with the relevant legislation in force. The Buyer must provide the Seller with all the information necessary for the correct application of the VAT legislation. The Buyer shall be responsible for any custom duties and any other import or shipping costs that may arise from the Order unless otherwise agreed by the Parties in writing.
- 4.3 The Seller may amend the price list at any time. The amendment shall not apply to the existing Contracts, save as provided by the following Clauses 4.4 and 4.5 or by the applicable law.
- 4.4 If the performance by the Seller of its contractual duties under the Contract has become excessively onerous due to a) an event beyond the Seller's reasonable control which it could not reasonably have been expected to have taken into account at the time of the conclusion of the Contract; and that b) it could not reasonably have avoided or overcome the event or its consequences, the Seller may notify the Buyer and the Parties are bound, within the next 15 (fifteen) days to negotiate alternative contractual terms which reasonably allow to overcome the consequences of the event. If the Parties do not reach a common solution within 15 days, the Seller is entitled to terminate the Contract.
- 4.5 In particular, if the Seller notifies the Buyer under clause 4.4 because of a sudden and unpredictable increase in the production costs (including but not limited to, the costs of fuel, energy, raw materials, manpower), the Seller may apply a surcharge on the agreed purchase price, by giving written notice to the Buyer no later than 15 (fifteen) days before the application of the surcharge. If the Buyer does not accept the surcharge and Parties have been unable to agree on a solution within said period of time, the Seller is entitled to terminate the Contract. In case of termination pursuant to Clause 4.4 or Clause 4.5, the Buyer shall receive a reimbursement of the purchase price, if already paid, less any production costs already incurred by the Seller, with the express exclusion of any additional compensation or right to claim damages.
- 4.6 The place of payment, also for the effects of the formal notice of default sent to Buyer by the Seller **pursuant to article 1219 c.c.** is the domicile of the Seller, regardless of the payment modalities agreed by the Parties.
- 4.7 The payment conditions set out in the Order Confirmation and/or in the Invoice issued by the Seller are mandatory.
- 4.8 A payment shall be deemed to have been made only when the Seller has at his disposal the corresponding amount. In the case of payment by cheque or other payment titles, the payment title shall be accepted subject to the express reservation "*subject to a satisfactory outcome*".
- 4.9 **Pursuant to article 1219, lett. c), c.c.**, the failure or partial payment within the agreed terms of any due amount to the Seller implies the automatic default of the Buyer, with the simultaneous right of the Seller to: a) suspend any Supplies (even if not related to the payment in question); b) cancel any confirmed Orders; c) refuse any new Orders; d) change the terms and conditions of Payment; e) terminate the Contract and act for the payment of the entire amount, plus charges, interests from Invoice due date to payment and at the rate provided for by the legislation (among which Legislative Decree no. 231/2002, Law no. 27/2012 and Law no. 221/2012, and subsequent amendments and additions) and greater damage.

5. Deliveries and Risk Transfer.

- 5.1 The terms of delivery are indicated in the Order Confirmation, are calculated in working days and must be considered as merely indicative and non-binding on the Seller. A late delivery does not entitle the Buyer to compensation nor to cancellation of a confirmed Order.

- 5.2 Should the Seller, for whatever reason, be unable to perform the delivery in one time, it reserves the right to fulfil its obligation by partial deliveries.
- 5.3 Unless otherwise agreed by the Parties, delivery is completed by the Seller when the Products arrive at the named place of destination (DAP).

6. Warranties

- 6.1 The Buyer is required to inspect the Products upon delivery. The Buyer must notify the Seller in writing no later than 8 (eight) days from the receipt of the Products, any defects, faults and/or discrepancies of the Products, describing said defects to the Seller. The warranty shall expire, in any case, after 1 (one) year from the date of delivery of the Product, in accordance with article 1495 c.c., unless otherwise agreed by the Parties in writing.
- 6.2 The Products provided by the Seller are not covered by warranty for hidden defects nor for promised qualities. The Seller shall not be liable for errors or differences of sizes which do not exceed the normal tolerances of production.
- 6.3 In the event a notification of potential defects of the Products, as well as errors or differences of sizes exceeding the normal tolerances of production, notified by the Buyer within the terms of clause 6.2, the Seller will have the option, at its own discretion to: (i) reimburse the price of the defective products or (ii) replace them with an identical or a functionally similar Products, subject to the mandatory condition that the returned Products show no tampering of any kind and are installed in full accordance with the technical parameters established by the Seller and specifically set out in the Products instructions of use, or available on the web site, or even available on simple request at the Seller technical assistance.
- 6.4 The defected Products must be returned intact, in the original package, complete in all their parts (including packaging and any documentation and accessory equipment) and any tax documentation.
- 6.5 In case the defective Products are replaced by the Seller according to clause 6.3, no new warranty period will commence over the replaced Products.

7. Limitation of Liability.

- 7.1 The Seller is not responsible for any use of the Products by the Buyer or third parties as well as of any incorporation of Products which are components into third party items. In the event the Buyer is sued by a third party claiming to have suffered a damage of any type, due to defective products in which the Seller's Products have been included or embedded, the Buyer shall waive as of now to seek legal recourse against the Seller for the purpose of being guaranteed or hold harmless by the Seller in relation to the third-party claims.
- 7.2 In any case, except for the case of willful misconduct or gross negligence or the cases provided for by applicable law, the Seller's liability for damages incurred by the Buyer shall be limited to the payment of direct damages (with the exclusion of any indirect damages or consequential losses) and shall in no event in the aggregate exceed the purchase price paid by the Buyer in connection with the Order of the Products which caused the damages.

8. Force majeure.

- 8.1 "*Force Majeure*" means the occurrence of an event or circumstance ("**Force Majeure Event**") that prevents or impedes a Party from performing one or more of its contractual obligations under the Contract, if and to the extent that the Party affected by the impediment ("the **Affected Party**") proves: a) that such impediment is beyond its reasonable control; and b) that it could not reasonably have been foreseen at the time of the conclusion of the Contract; and c) that the effects of the impediment could not reasonably have been avoided or overcome by the Affected Party.
- 8.2 In the absence of proof to the contrary, the following are considered Force Majeure Events: a) war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military, mobilization; b) civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy; c) currency and trade restriction, embargo, sanction; d) act of authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works; e) plague, epidemic, natural disaster or extreme natural event; or f) explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy; g) general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises.
- 8.3 The Affected Party shall give notice of the event without delay to the other party.

- 8.4 The Affected Party shall be relieved from its duty to perform its obligations under the Contract and from any liability in damages or from any other contractual remedy for breach of contract, as long as the Force Majeure Event lasts, provided that the notice thereof is given without delay. If notice thereof is not given, the relief is effective from the time at which notice thereof reaches the other party. The other Party may suspend the performance of its obligations, if applicable, from the date of the notice. In such cases, any deadline for performance of the contractual obligation is extended automatically for the duration of the cause of Force Majeure. Failure by the Seller to meet the terms of delivery indicated in the Confirmation of Order due to Force Majeure does not entitle the Buyer to withdraw from the Contract nor to request a refund of the amount already paid.
- 8.5 Where the effect of the impediment or event invoked is temporary, the consequences set out under clause 8.4 above shall apply only as long as the impediment invoked prevents performance by the Affected Party of its contractual obligations. The Affected Party must notify the other party as soon as the impediment ceases to impede performance of its contractual obligations.
- 8.6 Where the duration of the impediment invoked has the effect of substantially depriving the contracting parties of what they were reasonably entitled to expect under the Contract, either Party has the right to terminate the Contract by notification within a reasonable period to the other Party. Unless otherwise agreed, the Parties expressly agree that the Contract may be terminated by either party if the duration of the Force Majeure Event exceeds 180 days.
- 8.7 Where paragraph 8.6 above applies and where either Party has, by reason of anything done by another contracting party in the performance of the contract, derived a benefit before the termination of the Contract, the party deriving such a benefit shall pay to the other party a sum of money equivalent to the value of such benefit.

9. Termination.

- 9.1 Pursuant to article 1456 c.c., the Seller is entitled to terminate a Contract with immediate effect, by sending a written notice, if the Buyer infringes one of the obligations provided for in clauses: **4.9** (*Payment of the price*), **8.6** (*Termination in case of Force Majeure*), **10** (*Intellectual property rights – Confidentiality*), **12.4** (*No assignment*).
- 9.2 The Seller is entitled to withdraw from a Contract with immediate effect if it becomes aware that the Buyer has become insolvent, files for or is subject to bankruptcy, or any other insolvency proceedings provided by the applicable Law, by sending a written notice to the Buyer after becoming aware of the circumstance giving rise to the withdrawal.

10. Intellectual property rights – Confidentiality.

- 10.1 The Buyer undertakes to comply with the industrial and intellectual property rights of the Seller. The Buyer shall not have any right or claim over the trademarks that are owned by the Seller and/or by companies directly or indirectly controlled by or connected to the Seller or controlled by the same entity controlling the Seller, as well as other intellectual and/or industrial property rights (including inventions, patents, know-how of each Product, process, method, machinery and/or device, trade secrets, distinctive signs, programs, data and databases, models, prototypes, technologies) of the Seller and/or concerning Products of the Seller and/or companies directly or indirectly controlled by or connected to the Seller or controlled by the same entity controlling the Seller.
- 10.2 The Buyer undertakes to treat all information provided by the Seller, which are not public, concerning *inter alia* the Products, prices, technical and technological information, know-how, plans, and those relating to the Buyer needs, data, documents, handbooks, processes, methods, non-material rights, contractual conditions reserved for the Buyer, agreements, licenses, programs, financial information and any other information provided for by the Seller with the utmost confidentiality, and not to disclose to or to inform third parties of the Confidential information without the Seller's prior written consent.

11. Privacy/Processing of Personal data – GDPR.

The Buyer acknowledges that the Seller will process personal data of Buyer's employees, directors and collaborators for the purposes related to the execution of its contractual obligations, to comply with a legal obligation to which the Seller is subject or for the establishment, exercise or defense of legal claims, in accordance with the applicable law.

12. Final Provisions.

- 12.1 If one Party fails to exercise and/or exercises late its own rights provided for by the contract, such behavior shall not be construed as an approval of the other Party's behavior and/or a waiver of its own rights, except the cases in which these GTCS do expressly provide for such consequences.
- 12.2 If a single clause of these GTCS should become null and/or invalid, the other clauses remain in effect.
- 12.3 The Seller reserves the right to change these GTCS depending on changes in the applicable law and/or in the Seller's sales policy. The Buyer shall be subject to the terms of the GTCS in force at the time of the Confirmation of Order.
- 12.4 The Buyer may not assign a Contract, as well as any rights thereto, to any third party without the prior written approval of the Seller.
- 12.5 These GTCS may have been translated and published in different forms of languages. In the event of any discrepancies, misstatement, omission or error appearing in the various forms and languages, the Italian version shall prevail.

13. Applicable law.

- 13.1 These GTCS and any Order, Confirmation of Order and Contract shall be governed by the **Law of Italy**. The applicability of the Vienna Convention on contracts for the international sale of goods of 1980 is in any case excluded.

14. Arbitration and exclusive jurisdiction

- 14.1 *Arbitration* - Any dispute and/or claim between the Parties regarding the validity, breach, termination, implementation, effectiveness, interpretation of these GTCS, as well as any Order, Confirmation of Order and Contract shall be referred for Arbitration in accordance with the **Rules of the Arbitration Chamber of Milan**, by a sole arbitrator appointed in accordance with the said Rules. The arbitrator shall act according to the applicable procedure and the Italian law. The seat of the Arbitration will be Milan. The language of the Arbitration shall be the English language. The arbitration award may be challenged only on grounds of invalidity in the cases set out in Article 829, paragraph 1, of the Italian Code of Civil Procedure, it being expressly provided that the arbitration award cannot be challenged on grounds of breach of the statutory provisions concerning the merits of the dispute.
- 14.2 *Exclusive jurisdiction for disputes that cannot be submitted to Arbitration* - Without prejudice to clause 14.1 above, any legal proceedings howsoever connected with these GTCS, as well as any Order, Confirmation of Order and Contract that cannot be submitted to Arbitration shall be subject to the exclusive jurisdiction of the **Court of Bologna (Italy)**.
- 14.3 *Unilateral option of the Seller to refer the dispute to court litigation* - Notwithstanding clause 14.1 above, the Seller has the power, at its sole discretion, to refer any dispute (whether started by the Seller or by the Buyer against the Seller) to the exclusive jurisdiction of the **Court of Bologna (Italy)** instead of referring it for Arbitration.