

GENERAL CONDITIONS OF SALE OF SPARE PARTS

1. Scope

1.1 These General Conditions of Sale, along with the relevant purchase orders ("**Orders**") once confirmed by Vendor ("**Order Confirmation**"), where needed, constitute the contract ("**Contract**") which governs the sale by Vendor, and the purchase by Purchaser ("**Parties**"), of the spare parts listed in the relevant Orders ("**Spare Parts**").

1.2 In case of discrepancies, the Order Confirmation shall prevail. Purchaser's general conditions of purchase (if any) shall have no effect.

2. Subject matter, Orders and returns

2.1 Vendor undertakes to sell to Purchaser the Spare Parts for the machines manufactured by Vendor ("**Machines**") in accordance with the technical specifications which Vendor can make available to Purchaser upon request by the latter ("**Technical Specifications**"). Should the Spare Parts (i) be manufactured – even partially – on the basis of designs and drawings drafted and delivered by Purchaser, (ii) be improperly modified or installed by Purchaser, (iii) combined with components not manufactured or approved by Vendor, or (iv) used or installed in machines different than the Machines, Vendor shall not provide any guarantee as to the functioning and performances of the Spare Parts.

2.2 In case of Orders placed by Purchaser via Vendor's Digital Sales Platform, the cancellation of an Order before issuance of the relevant Order Confirmation can be partially charged by Vendor depending on the activities already carried out by Vendor. In any case, such charge shall not exceed 30% of the potential Price of the Spare Parts.

3. Delivery

3.1 Vendor shall deliver the Spare Parts in accordance with the Schedule provided in the Order Confirmation ("**Schedule of Delivery**"). Insurance on delivery shall be covered by Purchaser up to the amount set forth in the Order Confirmation.

3.2 The Schedule of Delivery is to be understood as non-binding to Vendor and may vary in case of amendments requested by Purchaser (e.g. quantities of Spare Parts) or for late payments by Purchaser.

3.3 Vendor reserves the right to make partial deliveries and to severally invoice the relevant amounts. Vendor reserves the right to refuse to make further deliveries if Purchaser fails to pay for any partial deliveries.

3.4 If Vendor cannot ship the Spare Parts on the due date for any reason attributable to Purchaser, Purchaser shall nevertheless make any payment conditional on shipment and the Spare Parts will be stored by Vendor at risk and cost of Purchaser.

3.5 Vendor may require Purchaser in writing to accept delivery within a reasonable time not exceeding 60 days from the Date of Delivery as indicated in the Order Confirmation. If Purchaser fails to accept delivery within such time, Vendor shall be entitled to terminate the Contract according to the provisions set forth in below article 6.1.

3.6 Purchaser acknowledges that: (i) with respect to Preferential Origin Goods – Eur 1 provisions according to EU Regulation no. 952/2013 the Vendor cannot commit "a priori" and will work to provide with the Eur1 certificate whenever the effective origin of the purchased goods will respect the regulation; (ii) except in case of wilful misconduct or gross negligence, Vendor will not be liable for late delivery caused by any applicable export laws and regulations.

4. Price and payment

4.1 The price of the Spare Parts ("**Price**") and the relevant schedule of payment ("**Terms of Payment**") are indicated in the Order Confirmation or on Vendor's Digital Sales Platform.

4.2 The Price does not include any taxes, duties or similar fees. Purchaser agrees to pay or reimburse any taxes or duties which Vendor may be required to pay or collect. Should Purchaser be exempt from payment of any tax at the time of the execution of this Contract, Purchaser shall provide Vendor with a copy acceptable to the relevant authorities of any such certificate. Any change after the proposal date in such rates shall be paid by Purchaser.

4.3 If so indicated in the Order Confirmation, a documentary credit ("**Documentary Credit**") shall be a valid payment instrument under this Contract provided that it is issued as per draft formally accepted by Vendor. All banking expenses pertinent to the Documentary Credit, be these either of a foreign or Vendor's country bank, including those for the confirmation, shall be borne by Purchaser. In any case, the "no avancement charges and commissions" of the Documentary Credit are at Purchaser's account.

4.4 Any advance payments made by Purchaser are payments on account and do not constitute a deposit the abandonment of which would entitle Purchaser to terminate the Contract.

4.5 In case of delays requested by or attributable to Purchaser, such delay being more than 90 days after the Date of Delivery, Purchaser will complete in advance any payment still pending.

4.6 Any delay in payment of any sum arising from any agreement entered into between the Parties shall entitle Vendor to suspend or interrupt fulfillment of its obligations. In case of disputes, Purchaser shall have no right to set-off any payment due against presumed credits.

5. Export laws and regulations

5.1 Purchaser acknowledges that the Spare Parts may be subject to export laws and regulations. Notwithstanding any other provision herein to the contrary, Vendor will be relieved of any obligation concerning the sale of the Spare Parts whose delivery is prevented or delayed by any applicable export laws and regulations in force at the time of delivery.

5.2 Purchaser will indicate in the Purchase Order the final destination country of the goods, if different to what stated below. If necessary and appropriate, as the final destination can not be determined in advance, the Purchaser will indicate a list of designated countries, where the number of designated countries will be as low as possible, as reasonably possible for the Purchaser needs.

5.3 Furthermore, Purchaser shall hold Vendor harmless from and against all claims arising out of or related to failure or delay in delivery of the Spare Parts in case such failure or delay in delivery is caused by any applicable export laws and regulations in force at the time of delivery.

6. Termination and suspension

6.1 Without prejudice to any other remedies provided for by the applicable law, Vendor, by way of written notice to Purchaser, may terminate this Contract in the event Purchaser fails to timely fulfill one or more provisions of this Contract – or of any other Contract entered into between the Parties and governed by this Agreement during the Term – and fails to cure such default within 30 days of the date of receipt of the notice. In the event of termination for cause by Vendor, Vendor shall be entitled to discontinue all work being performed under the Contracts, to withhold the instalments of the Price already paid by Purchaser and to obtain payment of liquidated damages equal to 100% of the remaining instalments, without prejudice for right to seek compensation for further damages suffered.

6.2 By way of written notice to Vendor, Purchaser may terminate this Contract in the event Vendor, with negligence or disinterest and without any reasonable justification, fails to deliver the Spare Parts or to complete any related Services (if any) upon the expiry of a period of 90 days of the due date and fails to implement the cure of such default within 60 days after receiving written notice by Purchaser. In the event of termination for cause by Purchaser, Vendor shall only refund to Purchaser the amounts already paid to Vendor, expressly excluded any further damages (except in case of Vendor's willful misconduct or gross negligence).

6.3 Any delay of any party in performing any contractual obligation under this Contract excused by "**Force Majeure**" (e.g. the labor disputes and any other circumstances beyond the control of the Parties, including without limitation fire, mobilization, requisition, embargo, insurrection, shortage of transport, shortage of materials, regulations or laws of any government, risk for health and epidemics, damage to production facilities by fire, earthquake or storm, which intervene after the signature of this Contract and impede its performances) shall extend the time of performance under this Contract for a period of time equal to the reasonable length of the delay caused by the Force Majeure condition, provided that any Party claiming the benefit of this provision herein shall use all reasonable diligence to remove the cause of delay as quickly as practicable. If the Party affected by the Force Majeure is unable to perform its obligations under this Contract or if the delay in performance is reasonable expected to last longer than 180 days, the Parties shall negotiate an equitable adjustment.

6.4 Should Vendor be unable to meet any of its deadlines due to the failure of Purchaser to provide Vendor with materials, documents, approvals or any information as necessary for Vendor to meeting any such dates in a timely manner, Vendor shall notify Purchaser in writing. Upon Purchaser's response within 10 days, the Parties shall negotiate in good faith an equitable adjustment and amend this Contract accordingly.

6.5 The Parties acknowledge that the outbreak and evolution of Covid-19 pandemic may affect the performance of the obligations set forth in this Contract. Except for payment obligations which can anyway be fulfilled, either Party shall not be liable in case of delays or non-fulfillments which are attributable to or connected with the Covid-19 pandemics.

7. Industrial and intellectual property rights

7.1 The ownership of all industrial and intellectual property rights including any know-how, trade secrets, inventions, patents, trademarks, designs, database rights, copyright and any other intangible assets, whether registered or not, including application for protection for any of the foregoing ("**IPRs**") relating to the Spare Parts and Services, including those customizations requested by Purchaser, shall be vested in Vendor which shall have all rights to registration and seek any other available legal protection.

7.2 Purchaser is entitled to make use of the IPRs for the sole purposes authorised in this Contract.

7.3 Vendor shall indemnify, defend and hold harmless Purchaser from and against any claims for infringements of third party's IPRs which result from the proper use of the Spare Parts. If any claim is brought against Purchaser for infringement of a patent based on the Spare Parts as they stand unmodified, if Purchaser promptly notifies Vendor of such claims, and if Vendor agrees that such claim had legal substantiation, Vendor may, at its option: (i) modify or replace the object of the claim such that it becomes non-infringing; (ii) obtain at its own expense a license for Purchaser to continue to use the Spare Parts; (iii) defend such action at Vendor's expense and under Vendor's control, with Purchaser giving Vendor, at Vendor's expense, necessary information and assistance.

Should Vendor not be successful in solving any such claims by pursuing one or more of the above-mentioned alternatives, then Vendor shall refund the Purchaser of the portion of the Price of the Spare Parts object of the claim and remove them at Vendor's expense.

7.4 Should the Spare Parts be manufactured in accordance with specifications or design requested by Purchaser, or include any components specified, provided or requested by Purchaser, Purchaser shall indemnify and hold Vendor harmless from and against any losses, liabilities, costs, claims, demands, expenses and feed, actions, proceedings, judgments awarded and damages suffered or incurred by Vendor arising out of or in connection with any infringement of any IPRs of any third party where such liability arises as a consequence of the specification supplied by Purchaser.

7.5 Vendor shall have no obligation to indemnify Purchaser for any claim, demand or cause of action arising out of or based upon Purchaser's use of the Spare Parts as part of a patented combination where one or more elements of the combination is not provided by Vendor.

8. Confidential Information

8.1 All "Confidential Information" (any technical, commercial, business or other information concerning Vendor's research, development and business activities and the subject matter of this Contract, including Machines, Spare Parts, Technical Specifications, whether transmitted orally, electronically, or by means of tangible supports such as documents, drawings, specifications, formulae, processes, samples, prototypes, materials and any other information) shall be used by Purchaser only for the performance of this Contract, kept confidential by Purchaser and revealed to directors, officers and employees to the extent necessary to enable Purchaser to fulfil its obligations and responsibilities pursuant to this Contract. Confidential Information does not include any information which: (i) is generally available to and known by public at the time of the disclosure; (ii) later becomes known to the public without fault of Purchaser; (iii) was obtained by Purchaser free from obligations of confidentiality from a third party who has not derived it directly or indirectly from Vendor, or (iv) has been independently acquired or developed by Purchaser without violating any of its obligations with Vendor.

8.2 Purchaser shall promptly notify Vendor of any breach of the confidentiality obligations concerning the Confidential Information.

8.3 Purchaser's confidentiality obligations shall survive and remain effective for 5 years following completion of the last activity arising from this Contract.

9. Representations and Warranties

9.1 Vendor hereby represents and warrants that: (i) the Spare Parts are designed and manufactured in accordance with laws, ordinances, regulations, safety codes and standards which govern this Contract as indicated under article 16.1; (ii) Vendor is in possession of all licenses, permits, certificates, attests and other documents required for the manufacture and supply of the Spare Parts; (iii) a CE declaration of conformity to the applicable directives (if any) will be delivered to Purchaser in case the Spare Parts shall be supplied to any member State of the European Union.

10. Inspection and Warranty

10.1 Purchaser shall promptly inspect the Spare Parts upon delivery and shall give notice to Vendor of any claim for damages, defects, non-conformities or lack of quantities within 10 days thereof, together with photographic evidence. Failure to timely make such claim shall constitute acceptance of the Spare Parts by Purchaser.

10.2 The Spare Parts (excluding consumables and components subject to wear and tear such as knives, blades and belts) are warranted ("**Warranty**") against defects for a period of 12 months from the Date of Delivery ("**Warranty Period**"). Any longer term otherwise provided for in this Contract shall be expressly superseded.

10.3 The Warranty is effective only when the Spare Parts have been installed and used in accordance with all the instructions issued by the Vendor (including those concerning the Machines). The Warranty shall cease to apply in the event of any intervention on the Spare Parts or the Machines made by third parties different than Vendor or entities expressly authorized in writing by Vendor. The Warranty shall not apply to the Spare Parts which in Vendor's judgment have been subject to misuse, negligence or accident.

10.4 During the Warranty Period, Vendor shall, at its expense, either repair or replace those hidden defects or non-conformities of the Spare Parts which shall be notified by Purchaser within 10 days from discovery. Vendor must assess and agree whether the defect is due to material or workmanship. Failure by Purchaser to timely notify hidden defects implies forfeiture of Purchaser's right to any relevant warranty claim. Upon request, Purchaser agrees to return the Spare Parts to Vendor.

11. Indemnity

11.1 Except as otherwise agreed in writing and within the limitations set forth hereto, Vendor shall only defend, indemnify and hold Purchaser harmless against any claim by third parties for any damages, costs and expenses for bodily injury or death to persons and/or damage to tangible personal property or real property of such third party, which are exclusively attributable to the Spare Parts, provided that they have been installed in accordance with all the instructions issued by Vendor and excluded any such claims which is caused even partially by negligence or willful misconduct of Purchaser, its employees or subcontractors or could have been prevented by the acts of Purchaser or its employees or subcontractors.

11.2 Vendor's indemnification herein is conditioned on Purchaser giving written notice of the claim within 30 days from claim receipt, Vendor's control of the litigation and any settlement (given, however, the settlement shall first be approved by Purchaser and Purchaser will not unreasonably withhold its approval) and on Purchaser giving Vendor, at Vendor's expense, necessary information and assistance.

11.3 In the event and to the extent that the liability of Vendor is not covered by its insurance policy, and except in case of willful misconduct and gross negligence, the liability of Vendor arising out of or in connection with the installation or use of the Spare Parts for all losses or damages shall be limited to the amount of the Price.

11.4 Except in case of willful misconduct and gross negligence, Vendor shall not be liable for any loss of profit, loss of goodwill or punitive damages.

12. Insurance

12.1 Vendor will maintain a public and product liability insurance at least until expiration of the Warranty Period. The limits of the coverage for product liability shall be not less than EUR 5,000,000 per occurrence.

13. Miscellaneous

13.1 This Contract constitutes the entire agreement between the Parties and supersedes and take place of all prior agreements, whether written or oral, and can be modified only by a writing signed by an authorized officer of the Party against which such modification is asserted.

13.2 A provision or a right created under this Contract may not be waived or varied except in writing signed by a duly authorised representative of the Party to be bound. No delay or failure of either Party in exercising or enforcing any of its rights or remedies shall operate as a waiver thereof nor shall any partial exercise of such right or remedy preclude any other or further exercise of such right. If a Party waives a breach of any provision of this Contract, it shall not operate as a waiver of a subsequent breach of that provision, or as a waiver of a breach of any other provision.

14. Code of Conduct and Organizational Model

14.1 Purchaser represents to have received copy, read and understood Vendor's Code of Ethics and Organizational Model ("**Code of Conduct**") and of Italian Legislative Decree 231/2001 ("**Decree**"), made available through the website www.fameccanica.com, and undertakes to refrain from any act or omission which can constitute a breach of the Decree or Code of Conduct.

14.2 Failure by Purchaser to comply with the Decree and/or the Code of Conduct, regardless of the actual occurrence of the crime or the punishability of the same, is considered material breach under article 1453 of the Italian Civil Code and triggers Vendor's right to terminate this Contract pursuant to article 1456 of the Italian Civil Code.

15. Data Protection

15.1 The Parties mutually acknowledge and confirm that any processing of personal data resulting from the execution of this Contract shall be carried out solely for the purposes related to such execution and in any case in compliance with the provisions of Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data ("**GDPR**").

15.2 The Parties, in their respective capacities as autonomous data controllers, undertake to comply with the provisions of the GDPR (and any other applicable provision of law) with specific reference to the methods of data processing and relevant requirements.

15.3 Each Party undertakes, for its own competence, to adopt all the security measures both technical and organizational imposed by the applicable rules and guidelines aimed at protecting data collected in the execution of the activity referred to in this Contract against any accidental or unlawful destruction, loss, damage, alteration, disclosure and/or access.

16. Applicable Law and Arbitration

16.1 This Contract and the relevant obligations shall be governed and interpreted in accordance with the Italian law.

16.2 In case of dispute arising out from execution of this Contract, the Parties undertake to schedule a meeting within 30 days from written request delivered by either Party in order to negotiate in good faith the potential settlement of the dispute and/or any amendment to the Contract (if needed).

16.3 Should the Parties fail to identify an amicable solution, any dispute shall be resolved to the exclusion of the ordinary courts by a 3 (three) person Arbitral Tribunal in accordance with the International Arbitration Rules of the Paris Chamber of Commerce. Each party shall appoint 1 (one) arbitrator with the Chairman being appointed by the President of the Chamber of Commerce. The language to be used in the Arbitral proceedings shall be English. Such arbitration shall be conducted at Paris, France.

17. With the Purchase Order, Purchaser acknowledges and confirms to have duly read and understood – also pursuant to articles 1341-1342 of the Italian Civil Code – the terms and conditions set out under articles 2.1 (no guarantee), 2.2 (Orders cancellation), 3.2-3.6 (limitation of liability), 3.3 (delivery refusal), 3.4 (late delivery), 4.6 (suspension), 6.1 (termination of Contract and liquidated damages), 6.2 (Vendor's capped liability), 6.5 (non-performances Covid-19), 7.4-7.5 (indemnification), 10.1-10.4 (inspection and forfeiture), 10.3 (warranty effectiveness), 11.2 (indemnification and forfeiture), 11.3-11.4 (limitation of liability), 16.3 (arbitration clause).

18. With regard to the present **Contract**, Purchaser declares to be the final user of all the goods (by way of example: equipment, spare parts, technology and services) and declares that the final destination country of the goods will be the country indicated in the Order.